

Dedicated to  
member pharmacies

# ***Annual Report*** 2015

ANNUAL REPORT FOR PHARMACY GUILD  
OF NEW ZEALAND (INC) FOR THE YEAR  
ENDED 31 DECEMBER 2015



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# PRESIDENT'S *Report*



**Ken Orr** – President

***The Guild's key purpose is to represent the business interests of community pharmacy and 2015 was another busy year advocating for community pharmacy, our communities and our patients.***

The year had a strong focus on engaging with our many stakeholders, and most importantly with our patients. With a number of significant plans, proposals, and consultation documents in the pipeline, it was of particular importance to understand our members' views and individual business needs, along with what our patients valued most about their community pharmacy, in order to accurately represent our members during these discussions.

With a focus on the value and potential for community pharmacy to play a greater role in primary health care, the Guild worked vigilantly to support members through all aspects of their business and service provision in order to achieve this vision.

## **Acknowledgement of past Board members**

During 2015 we farewelled Tania Adams, David Bullen and Gemma Waterhouse-Perry from the Guild's Board. Their contribution to the Board was significant and extremely valuable. All three brought unique experience and a passion for pharmacy to the table. I thank them for their time and dedication to the Guild and to our members.

I particularly acknowledge David for his time as Vice President and for his input into the Community Pharmacy Services Agreement (CPSA) development. I appreciated his perspective, advice and contribution to the Guild throughout this time.

## **Acknowledgment of new Vice President and new Board members**

In June we welcomed Cameron Monteith to the Board. Cameron owns Western Heights Pharmacy in Rotorua and has experience in the Australian and UK market. Cameron has stepped up quickly, demonstrating his passion for our sector through keenly advocating for our members and pharmacy. Cameron has also joined Graeme Blanchard and Anthony Roberts as a key member on the CPSA strategy team and we value his input here.

In October Graeme Blanchard stepped into the role of Vice President, taking over from David Bullen. Graeme has been a long standing Guild member and is well positioned to represent the Guild in the role of Vice President. Graeme owns pharmacies in Brooklyn and Waitangirua in Wellington. As Waitangirua is a low socio economic area Graeme has experience dealing with the issues that some patients face in these areas when it comes to accessing health care, similar to that of many of our members. Graeme has also been an active member on key sector working groups.

Following the Guild's December board meeting we were pleased to announce that Kathy Maxwell had transitioned from a co-opted board member to an official Northern electorate board member. We welcomed Kathy to this role and look forward to her continued contribution. Kathy brings a valuable perspective from her position as a Board member with Counties Manukau DHB.

## Established relationships

Throughout the year the Ministry of Health made consistent reference to integration and collaboration between health care teams in the primary sector. The Guild saw this as an important opportunity to engage with our colleagues in primary care and promote the role that community pharmacy can play in delivering accessible and professional health care services to our patients closer to home. We took the steps to foster positive and effective relationships with general practice and other pharmacy sector representatives including General Practice New Zealand and the Pharmaceutical Society of New Zealand.

This has allowed us to work collaboratively on mutual issues facing our sector, our members, and our patients and communities. While the Guild has always endeavored to foster good working relationships with such organisations, in 2015 we made a conscious effort to consider these groups in our discussions and decision making processes and look at how we could achieve more for our members and patients through a collaborative approach. We look forward to continuing to grow and develop these relationships moving forward.

The Guild has also taken a wider perspective and considered the effect of working with patient advocacy groups outside of our immediate sector. This resulted in the Guild approaching Grey Power New Zealand Federation Inc. (Grey Power) to discuss mutual issues including inequalities between elderly in rest homes and those in their own homes, inequalities due to 'postcode health', and issues with community pharmacy deregulation. Both organisations acknowledged that an ongoing relationship would be of benefit and this resulted in the signing of a Memorandum of Understanding (MoU) between both parties earlier this year. The MoU will allow us to work closely together in pursuit of common interests for the benefit of our members, patients, and communities.

## Medicine margin

A focus for 2015 was around determining a solution to medicine margin to ensure pharmacies did not have to continue dispensing prescriptions at a loss. It is essential that patient services are based on a sustainable CPSA going into the future.

The Guild was dedicated to ensuring funders and our communities became fully aware of the impact that the under funding of medicine margin was having on pharmacies.

As a result of member feedback we ran the "Value my health: Value my pharmacy" post card campaign, with the aim of getting 150,000 postcards into the market to raise the profile of the lack of funding for medicine margin.

The effort and input from members around the country was outstanding and the profile of medicine margin was raised, with a number of mainstream media outlets covering the issue, however funders continued to refuse to address the issue in the short term.

The Guild supported members who chose to surcharge patients an additional fee to cover the cost of the medicine margin funding shortfall. DHBs indicated this was in breach of contract and two Guild member pharmacies led the way through a mediation process with their DHBs, backed by the Guild's legal team. Through mediation it was decided that charging patients an extra fee would be put on hold. In exchange, the DHB representatives agreed to seek the agreement of the other DHBs to work through a series of six action items, including an independent analysis of the cost of the supply chain and an understanding of the impact of surcharging on patients.

We believe it is unacceptable to expect these sorts of losses to be borne by small business owners. Community pharmacy either needs to be reimbursed appropriately for this aspect of service provision, or have the ability to pass

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# PRESIDENT'S *Report*

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on fair and reasonable costs to patients to contribute to the under-funded portion of their medicines.

Ultimately we continue to aim for a nationally consistent approach to solving the medicine margin funding issue, ensuring that community pharmacies are fully reimbursed for all services, including the cost of procurement and stockholding of medicines, so that community pharmacy can continue doing what we do best, caring for our patients and communities, without the financial burden and concern of underfunding weighing on our shoulders.

## **Contribution to Community Pharmacy Services Agreement 2016**

In 2015 we continued to work on developing the next CPSA. It was important for us to firstly understand what our patients valued about the current pharmacy services they access and how they would like to see community pharmacy evolve. This information began to determine how we would proceed forward into contract discussions and what we would be seeking in our next contract.

Our patients made it clear that they valued and trusted their community pharmacy health care team and we will be looking to ensure they continue to have access to these services through developing a robust pharmacy service that is fairly reimbursed. Grey Power also told us that they highly valued the support pharmacy provided to their members to remain in their homes and communities.

We would like to see DHBs identify and consider the service need in their communities and issue appropriate contracts to pharmacies to ensure delivery of the agreed intentions and directions of the CPSA through quality service providers.

Guild HQ staff and our board subcommittees have been essential in driving this work and developing a formal proposal to inform upcoming discussion around the next CPSA and I thank them for this valuable work.

## **Guild leadership**

The Guild is governed and operated by an extremely knowledgeable team of people who are passionate about the pharmacy sector and supporting Guild members.

I offer my personal thanks to the entire Guild Board for their consistent support and input throughout the year. The unique experience and expertise from each and every board member contributes to the overall strength of the Guild and enables us to better support and advocate for our members and their patients.

I also extend my thanks to the staff at Guild HQ who continue to grow and deepen their understanding of pharmacy so that they are better able to support our members in achieving their true potential financially and in providing pharmacy services to their patients. Guild HQ continues to provide outstanding support to our Board and to our members. I look forward to seeing what we will achieve together in 2016.

Lastly, and it is with regret, that I farewell Lee who will be leaving her position as Guild Chief Executive in May 2016 to relocate back to Auckland to be with her family. Lee has been a champion for community pharmacy during her time with the Guild, and her passion and dedication will be sorely missed by the sector. I thank Lee for her contribution to the Guild, and to community pharmacy, and wish her all the best in her future endeavours.



**KEN ORR**  
**PRESIDENT**



# CHIEF EXECUTIVE'S *Report*



**Lee Hohaia** – Chief Executive

***The past year saw community pharmacy step up again and further engrain pharmacists as the health professional patients see most often and the health professional that patients value and trust.***

2015 saw us tackle some new, and some long standing challenges, and I was proud to be a voice for Guild members in discussions with key stakeholders and funders throughout the year. Our bottom line focus was on ensuring that patients continue to have access to the pharmacy services they value so much and that our members are able to run financially viable and sustainable businesses. The passion and dedication our members have for their patients and for their profession never fails to inspire me and I was proud to be representing this perspective.

Through all tribulations we continued to see members put patient care first at all times and this is a testament to the true essence of community pharmacy.

## **Year in review**

Co-hosting the Pharmacy Awards for the first time in 2015 was an amazing experience and we look forward to helping this event evolve into a bigger and better platform to showcase the outstanding work pharmacy is doing for patients and communities.

We were delighted that Guild member Unichem Buchanans Pharmacy won the Community Pharmacy of the Year Award for their unique and comprehensive provision of service, and that Guild member Martin Harris won the Supreme Award for the professionalism he has brought to enhancing the knowledge of nutritional medicine in the sector. PSL was proud to support Martin in the delivery of his nutritional medicine seminars which were much appreciated by colleagues and patients around the country.

The Guild was proud to deliver the very first Pharmacy Business Network (PBN) to the sector. Feedback from participants was incredibly rewarding and confirmed that the sector is looking for pharmacy friendly business advice to help them grow their businesses and reach their full potential.

With a strong focus from the Ministry of Health on integration and collaboration in the primary health care sector, the Guild made it one of our priorities to foster effective working relationships with our general practice counterparts. Throughout the year we have been working with representatives from leading general practice organisations to ensure that service models developed are aligned and will deliver meaningful value and streamlined services to our patients.

Our membership base remained consistent throughout the year. As at 31 December 2015 our membership was 676 pharmacies, 68% of the market. We will be working even harder in 2016 to retain and increase membership and to clearly demonstrate the benefit of Guild membership, and what can be achieved through a strong membership base and a unified profession.

With our Commercial Manager leading the way, PSL has developed a vast and enhanced range of tools and resources to support community pharmacy owners.

A key addition to PSL's service range in 2015 was their partnership with AskYourTeam, a business improvement initiative that ensures leaders are surveying and listening to their teams in order to maximise business success. Another key collaborative effort was teaming up with Storbie to ensure community pharmacy has access to an efficient

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# CHIEF EXECUTIVE'S *Report*

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and effective way of creating an online presence for their business. Exclusive to pharmacy, Boody organic bamboo eco wear also proved to be exceptionally popular with pharmacies and customers, with feedback that stock was flying off pharmacy shelves. These products and services enhance the range of core dispensary products available from PSL including high quality labels and paper bags.

We look forward to further enhancing relationships, and Guild and PSL resources and services in the coming year, and offering even more value to members.

## Supporting members

The Guild worked hard during 2015 to develop and deliver valuable and beneficial services and resources to our members. During 2015 there were 88 new or updated resources available to members on our website or as a hard copy, and 68 newsletters were sent out including *Contact* magazine, *T&A Topics*, and our electronic newsletter *Guild InTouch*.

The Guild's Professional Services Team expanded to include a Contracts Manager to ensure that we have an even greater focus on influencing the outcomes of the contract process. The Contracts Manager's role encompasses policy, planning and Government relations with a focus on providing Guild input into contract development processes.

The Guild's HR advice line is one of our services members have told us they particularly value. To ensure our ability to fully meet members needs we have transitioned to a new national service provider. Not only can they provide excellent HR support over the phone but they are also able to tailor advice to individual pharmacies and provide a more hands on approach when required. We are delighted with feedback so far and feel this enhancement has really been of benefit to members.

A crucial aspect of 2015 was supporting members who chose to surcharge patients to cover the shortfall in medicine margin funding. With many pharmacies making a loss by providing medicines to patients, and no solution to the issue in sight, many pharmacies were left with little choice but to pass on these unmet costs to patients. It was incredibly rewarding to see patients and communities

get behind community pharmacy once they learned that the sustainability of the services they valued was under threat. While adequate medicine margin funding is yet to be achieved, this was an insightful learning experience and has increased the focus on medicine margin from funders.

The team at Guild HQ continues to go from strength to strength, with their knowledge and expertise of community pharmacy and the issues members are facing continuing to grow, they are perfectly positioned to support members in all their business needs. I encourage members to continue contacting the Guild, so that we are informed about the resources and services that you need. A wide range of business and professional support is only a phone call away.

## Member events

Guild member events are always a highlight of the year and in 2015 we held 30 member only events around the country. Getting out and meeting members at these events provides us with invaluable insight and learning opportunities about how we can better offer support.

In 2015 we continued to make use of our interactive polling app to ensure we were hearing the voice of the typically silent majority. The more members that attend these events and participate in the polling activity means we receive a more accurate representation of what our membership wants.

## Community pharmacy advocacy

Aside from the bigger picture issues and projects community pharmacy is involved with, a number of local and sector wide issues required addressing throughout the year.

The Guild keeps on top of all issues facing our sector whether it be an isolated issue or event, or a national one. In 2015 we made 30 submissions on behalf of members. Nearly half of these were to PHARMAC, while the rest were to other key sector organisations including the Medicines Classification Committee (MCC), Nursing Council, Pharmacy Council and the Ministry of Health.

Standout issues included our input into the development of the funded Metro Auckland community pharmacy waste management service and our submission on the draft medicine margin discussion document, outlining how pharmacies are currently being impacted by underfunding and how the proposed new funding model would also still impact many pharmacies.

### Community Pharmacy Services Agreement 2016

In 2015, we also ramped up our input into the development of CPSA 2016. Our Board identified a subcommittee to work with the team at Guild HQ to support us in preparing for the next contract and ensure that we are getting a strong and sustainable funding model in place to support the ongoing provision of community pharmacy services to New Zealanders. The subcommittee includes Vice President Graeme Blanchard, and Board members Cameron Monteith and Anthony Roberts.

2015 was another pivotal year for community pharmacy. We were given unprecedented insight to how the Ministry of Health plan to shape New Zealand's health sector and what this may look like for community pharmacy. This has provided us with the opportunity to plan ahead, and start considering how we will approach these plans to get the best outcomes for community pharmacy, our patients and our communities.

The year has also provided Guild leadership with the opportunity to step up and demonstrate to our members that we have their best interest at the centre of all we do and we strive to represent their views accurately in all sector discussions and initiatives.

I thank the Guild Board for their ongoing support and expertise throughout the year. I would particularly like to acknowledge our President, Ken Orr's commitment and dedication to the Guild. In 2015 Ken and Kris tragically lost their beloved son Andrew in a motor vehicle accident. Despite this great loss Ken has showed tremendous strength in continuing in his role as Guild President and advocating as strongly as ever for community pharmacy.

This is a testament to Ken's character and his leadership abilities and we are incredibly thankful for his continued support throughout this very difficult year. We are also grateful to Kris for so generously supporting Ken to continue with this work.

Lastly I thank the wonderful team at Guild HQ. Their commitment and dedication to our members and to the sector is outstanding and continues to grow. I have absolute faith in their ability to support our members no matter what challenges they are facing. I know that this passion for excellence in member support will continue in 2016 and I urge members to call the Guild whenever they have a business or professional query or concern.

By now it is common knowledge that I have resigned from the Guild to relocate back to Auckland to be with my family. It has been an absolute pleasure representing Guild members. The work our members are doing for patients, communities, and the profession is outstanding and I am proud to have been associated with the community pharmacy sector. Through the many challenges our sector has faced, the essence of community pharmacy prevails and that is a credit to our members and their colleagues.

I have loved every minute of my time at the Guild and have appreciated members' confidence in letting me represent them throughout a period of such significant change. I look forward to watching the sector grow and thrive and wish our members, Guild HQ and the Board all the best for the future.



**LEE HOHAIA**  
CHIEF EXECUTIVE

# ***Guild***

highlights

## **2015**



***new or  
updated  
resources***

WERE MADE AVAILABLE TO MEMBERS  
ON OUR WEBSITE OR AS A HARD COPY



***\$378,950***

WORTH OF  
GIFT VOUCHERS SOLD



***68 newsletters were distributed including Guild  
InTouch, Contact magazine and T&A Topics***

OUR PROFESSIONAL SERVICES AND  
SUPPORT TEAM RESPONDED TO OVER

***1,000***  
***member queries***



BUILDING BROUGHT IN

***\$114,881***

***in rental income***



# 30 ***Guild member-only***

EVENTS WERE HELD AROUND THE COUNTRY



***Guild***  
membership  
grew from



**67%**

1 JAN 2015

**68.1%**

1 DEC 2015

OUR MEMBERS MADE

**156**



***HR queries via our 0800***

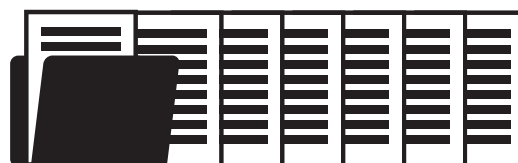
HR ADVICE LINE



***Pharmacode***

***income of***

**\$292,775**



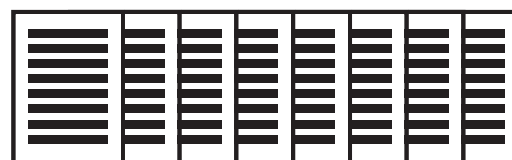
***30 written  
submissions***



WERE PREPARED ON  
BEHALF OF MEMBERS



NEARLY ½ OF THESE WERE TO PHARMAC



# FINANCIAL **ACCOUNTS** & AUDITOR'S **REPORT**

## **Statement of Responsibility**

✚ for the year ended 31 December 2015

The Board of Directors is responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The independent external auditors, CST Nexia Audit, have audited the annual financial statements and their report appears on page 11.

The Board of Directors is also responsible for the systems of internal control. These are designed to provide reasonable but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements. Appropriate systems of internal control have been employed to ensure that all transactions have been executed in accordance with authority and correctly processed and accounted for in the financial statements. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Board to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements are prepared on a going concern basis. Nothing has come to the attention of the Board of Directors to indicate that the Guild will not remain a going concern in the foreseeable future.

In the opinion of the board members:

- > the statement of financial performance is drawn up so as to give a true and fair view of the surplus of the Guild for the financial year ended 31 December 2015;
- > the statement of cash flow is drawn up so as to give a true and fair view of the cash flows of the Guild for the financial year ended 31 December 2015;
- > the statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Guild as at 31 December 2015;
- > there are reasonable grounds to believe that the Guild will be able to pay its debts as and when they fall due.



**KEN ORR**  
**PRESIDENT**  
**FOR THE BOARD ON 16 MAY 2016**

## INDEPENDENT AUDITOR'S REPORT

### To the Members of the Pharmacy Guild of New Zealand (Inc)

#### Report on the Consolidated Financial Statements

We have audited the consolidated financial statements of the Pharmacy Guild of New Zealand (Inc) on pages 12 to 24 and its subsidiary, which comprise the statement of financial position of the Pharmacy Guild of New Zealand (Inc) and the consolidated statement of financial position as at 31 December 2015, and their statement of financial performance, statement of movements in members' funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Board Members' Responsibility for the Consolidated Financial Statements

The Board Members are responsible for the preparation of consolidated financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate, and for such internal control as the Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view of the matters to which they relate in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interest in, the Pharmacy Guild of New Zealand (Inc) or its subsidiary.

#### Opinion

In our opinion, the consolidated financial statements on pages 12 to 24:

- comply with generally accepted accounting practice in New Zealand;
- give a true and fair view of the financial position of the Pharmacy Guild of New Zealand (Inc) and the group as at 31 December 2015 and their financial performance and cash flows for the year then ended.

*157 Nexia Audit*

CST Nexia Audit  
Chartered Accountants  
Manukau City

16 MAY 2016

#### CST Nexia Audit

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Independent member of Nexia International



CST Nexia Limited and CST Nexia Audit are both independent firms of chartered accountants using the Nexia International trade mark under licence. The firms are affiliated with, but independent from, Nexia International, a worldwide network of independent accounting and consulting firms. Nexia International does not provide services to clients and therefore does not accept responsibility or liability for its members' actions.

## Statement of Financial Performance

✚ for the year ended 31 December 2015

	NOTE	PHARMACY GUILD		CONSOLIDATED	
		2015	2014	2015	2014
		\$	\$	\$	\$
<b>INCOME</b>					
Members' Subscriptions		1,999,134	2,044,340	1,999,134	2,044,340
Interest		37,555	21,918	75,248	74,267
Rent	2a	114,881	86,900	114,881	86,900
Dividend from PSL	9b	—	—	—	—
Other Income	2	624,629	643,746	2,155,015	2,283,667
		<b>2,776,199</b>	<b>2,796,904</b>	<b>4,344,278</b>	<b>4,489,174</b>
<b>EXPENDITURE</b>	3				
Cost of Goods Sold		—	—	(1,257,346)	(1,196,990)
Advocacy and Negotiation		(714,404)	(651,552)	(714,404)	(651,552)
Board		(180,762)	(194,603)	(180,762)	(194,603)
Promotion		(425,157)	(333,402)	(425,157)	(333,402)
Training		(36,528)	(45,100)	(36,528)	(45,100)
Administration		(1,321,018)	(1,310,435)	(1,684,512)	(1,639,604)
		<b>(2,677,869)</b>	<b>(2,535,092)</b>	<b>(4,298,709)</b>	<b>(4,061,251)</b>
SURPLUS/(DEFICIT) BEFORE TAX		98,330	261,812	45,569	427,923
Income Tax	4	—	(10,434)	—	(56,664)
<b>SURPLUS/(DEFICIT) AFTER TAX</b>		<b>98,330</b>	<b>251,378</b>	<b>45,569</b>	<b>371,259</b>

The notes attached form part of these accounts.

## Statement of Movements in Members' Funds

✚ for the year ended 31 December 2015

	PHARMACY GUILD		CONSOLIDATED	
	2015	2014	2015	2014
	\$	\$	\$	\$
Balance from prior year	3,924,774	3,673,396	3,938,471	3,567,211
<i>Net Surplus/(Deficit) for the year attributed to:</i>				
Guild Operational Fund	98,330	251,378	98,330	251,378
Subsidiary Operational Fund	—	—	(52,761)	119,881
Total recognised Income and Expenditure	98,330	251,378	45,569	371,259
<b>MEMBERS' FUNDS</b>	<b>4,023,104</b>	<b>3,924,774</b>	<b>3,984,040</b>	<b>3,938,471</b>

The notes attached form part of these accounts.



# Statement of Financial Position

✚ as at 31 December 2015

	NOTE	PHARMACY GUILD		CONSOLIDATED	
		2015	2014	2015	2014
		\$	\$	\$	\$
<b>MEMBERS' FUNDS</b>					
Guild Operational Fund		2,715,348	2,656,857	2,729,045	2,550,673
Subsidiary Operational Fund	5	–	–	(52,761)	119,881
Divisional Fund	5	536,676	496,837	536,676	496,837
Guild Special Funds	5	771,080	771,080	771,080	771,080
		4,023,104	3,924,774	3,984,040	3,938,471
<b>CURRENT ASSETS</b>					
Cash and Deposits		1,416,365	1,079,861	2,393,150	2,482,891
Accounts Receivable		123,064	106,463	373,466	329,840
Sundry Debtors		71,163	29,014	88,349	55,196
Inventories		–	–	92,118	74,237
Goods and Services Tax		42,088	(13,801)	37,958	(20,490)
Guild Current Accounts	9c	385,133	566,130	–	–
		2,037,813	1,767,667	2,985,041	2,921,674
<b>CURRENT LIABILITIES</b>					
Accounts Payable		(290,398)	(256,745)	(410,541)	(462,968)
Provision for Tax	4	(21,903)	(14,938)	22,824	(17,789)
Lease Liability	3a	(4,127)	(3,508)	(4,127)	(3,508)
Unclaimed Gift Vouchers	8	–	–	(539,485)	(580,830)
		(316,428)	(275,191)	(931,329)	(1,065,095)
NET CURRENT ASSETS		1,721,385	1,492,476	2,053,712	1,856,579
<b>NON CURRENT ASSETS</b>					
Property Plant & Equipment	6	2,303,232	2,437,938	1,931,841	2,087,532
<b>NON CURRENT LIABILITIES</b>					
Term Liability	3a	(1,513)	(5,640)	(1,513)	(5,640)
<b>NET ASSETS</b>		<b>4,023,104</b>	<b>3,924,774</b>	<b>3,984,040</b>	<b>3,938,471</b>

The notes attached form part of these accounts.

FOR THE BOARD ON 16 MAY 2016



PRESIDENT



VICE PRESIDENT

## Statement of Cash Flow

✚ for the year ended 31 December 2015

	PHARMACY GUILD		CONSOLIDATED	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>FROM OPERATING ACTIVITIES</b>				
<i>Cash was provided from:</i>				
Subscriptions, ownership levy & other income	2,860,890	2,836,047	4,134,851	4,249,376
Interest received	37,555	21,918	75,248	74,267
Dividend from Pharmaceutical Services Ltd	—	—	—	—
<i>Cash was applied to:</i>				
Taxation	6,965	4,149	(40,613)	(24,402)
Suppliers and employees	(2,536,198)	(2,307,979)	(4,200,445)	(3,757,378)
Net Cash from Operating Activities (refer Note 13)	369,212	554,135	(30,959)	541,863
<b>FROM INVESTING ACTIVITIES</b>				
<i>Cash was provided from:</i>				
Sale of equipment	—	—	—	—
<i>Cash was applied to:</i>				
Purchase of equipment, software & building alterations	(29,200)	(35,038)	(55,274)	(133,069)
Net Cash from Investing Activities	(29,200)	(35,038)	(55,274)	(133,069)
<b>FINANCING ACTIVITY</b>				
<i>Cash was applied to:</i>				
Equipment lease	(3,508)	(2,890)	(3,508)	(2,890)
Net Cash from Investing Activities	(3,508)	(2,890)	(3,508)	(2,890)
Net Increase/(Decrease) in cash held	336,504	516,207	(89,741)	405,904
Cash balance from last year	1,079,861	563,654	2,482,891	2,076,985
<b>CURRENT CASH BALANCE</b>	<b>1,416,365</b>	<b>1,079,861</b>	<b>2,393,150</b>	<b>2,482,891</b>

The notes attached form part of these accounts.

## Reconciliation of Net Surplus (Deficit) to Net Cash Inflow (Outflow) from Operating Activities

✚ for the year ended 31 December 2015

	PHARMACY GUILD		CONSOLIDATED	
	2015	2014	2015	2014
	\$	\$	\$	\$
Surplus/(Deficit) after Tax	98,330	251,378	45,569	371,259
<i>Adjust for:</i>				
Depreciation	163,906	177,425	210,965	196,390
<b>NET WORKING CAPITAL MOVEMENTS</b>				
Accounts receivable & sundry debtors	(58,750)	34,834	(76,780)	38,483
Guild current accounts	180,997	26,227	—	—
Inventories	—	—	(17,881)	22,725
Goods & Services Tax	(55,889)	42,764	(58,448)	53,199
Accounts payable	33,653	6,924	(52,426)	45,290
Unclaimed Gift Vouchers	—	—	(41,345)	(217,745)
Provision for Tax	6,965	14,583	(40,613)	32,262
Fund held on behalf of divisions	—	—	—	—
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>369,212</b>	<b>554,135</b>	<b>(30,959)</b>	<b>541,863</b>

The notes attached form part of these accounts.

# Notes to the financial statements

✚ for the year ending 31 December 2015

## 1. STATEMENT OF ACCOUNTING POLICIES

### Reporting Entity

The Pharmacy Guild of New Zealand (Inc) is a voluntary organisation representing the interests of community pharmacies in New Zealand. It is constituted under the Incorporated Societies Act 1908.

The consolidated financial statements comprise the Pharmacy Guild and its wholly owned company, Pharmaceutical Services Ltd (PSL).

### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance, cash flows and financial position on an historic cost basis are followed in the preparation of the financial statements.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

### Reporting Framework

These financial statements have been prepared in accordance with "Old GAAP" in New Zealand. Old GAAP comprises New Zealand Financial Reporting Standards and Statements of Standard Accounting Practice that existed prior to the introduction of New Zealand Equivalents to International Financial Reporting Standards. Pharmacy Guild of New Zealand has chosen to apply Old GAAP because it meets the criteria for doing so; that is, it was applying Old GAAP at 30 June 2011, and it is neither publicly accountable nor large as defined in the External Reporting Board's Standard A1: Application of Accounting Standards.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, Pharmacy Guild of New Zealand is classified as a Tier 2 reporting entity and will be required to apply Public Benefit Entities Standards Reduced Disclosure Regime (PBE Standards RDR). These standards are being developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for not for profit entities is for reporting periods beginning on or after 1 April 2015. This means Pharmacy Guild of New Zealand expects to transition to the new standards in preparing its 31 December 2016 financial statements.

### Accounting Policies

#### Basis of Consolidation

Using the purchase method corresponding assets, liabilities, revenues and expenses are added together on a line by line basis. All significant transactions between the Pharmacy Guild and Pharmaceutical Services Ltd are eliminated upon consolidation.

#### Income Recognition

Revenue from member subscriptions is recognised when invoiced. Income from investment in unit trusts is recognised when received.

Revenue from trading is recognised when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods. Revenue is thus recognised once the goods have been dispatched to the customer.

#### Taxation

Income tax expense is based on the net surplus for the year after allowance for permanent differences. The Group uses the liability method of accounting for income tax expense. No provision has been made to deferred taxation due to there being no material timing differences.

#### Accounts Receivable

Accounts receivable are recorded at their estimated realisable value after providing for doubtful and uncollectable debts.

#### Goods & Services Tax

The statement of financial performance has been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of the receivables and payables, which include GST invoiced.

#### Inventories

Inventory held for sale is valued at the lower of cost, determined on a first in first out basis, or net realisable value.

## Leased Assets

### Finance Leases

Assets under finance leases are recognised as non-current assets in the statement of financial position. Leased assets are recognised at the lower of the present value of the minimum lease payment or their fair value. A corresponding liability is established and each lease payment allocated between the liability and interest expense. Leased assets are depreciated on the same basis as equivalent property, plant and equipment.

### Operating leases

Leases that are not finance leases are classified as operating leases. Operating lease payments are recognised as an expense in the period the amounts are payable.

### Property Plant & Equipment

Assets are stated at cost less accumulated depreciation.

Depreciation is not charged on land. All other assets are depreciated at rates that will write off the cost, less estimated residual value, over the life of the asset. The rates in use are:

- > **Building & building refurbishments**  
2.0% – 7.5% straight line
- > **Office alterations** 12.5% straight line
- > **Furniture** 20.0% straight line
- > **Computers, software** 20.0% – 40.0% straight line

### Investments

Investments are recorded at cost.

## Differential Reporting

The Pharmacy Guild qualifies for differential reporting as it is small and not publicly accountable. Accordingly, it has taken advantage of all differential reporting exemptions allowed under the Framework for Differential Reporting, except for FRS 19 Accounting for Goods & Services Tax, FRS 10 Statement of Cash Flows and SSAP 22 Related Party Disclosures with which it has complied fully.

### Statement of Cash Flow

The following are the definitions of the terms used in the statement of cash flows:

- a) Operating activities include all transactions and other events that are not investing or financing activities.
- b) Investing activities are those relating to the acquisition, holding and disposal of assets and investments. Investments can include securities not falling within the definition of cash.
- c) Financing activities are those that result in changes in the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash.

### Donated Services

The work of the Guild is dependent on the voluntary service of many members the value of which is not recognised in these statements.

### Changes in Accounting Policies

There are no changes in accounting policies.

## 2. OTHER INCOME

	PHARMACY GUILD		CONSOLIDATED	
	2015	2014	2015	2014
	\$	\$	\$	\$
Advertising	5,250	10,240	5,250	10,240
Sponsorship	51,800	41,000	51,800	41,000
Management fees	436,224	396,405	–	–
Pharmacode	–	–	292,775	311,400
Miscellaneous income	128,255	192,501	128,255	172,523
Publications	3,100	3,600	3,100	3,600
Trading Sales	–	–	1,596,880	1,513,510
Other subsidiary income	–	–	76,955	211,394
	<b>624,629</b>	<b>643,746</b>	<b>2,155,015</b>	<b>2,283,667</b>

Included in miscellaneous income is the Guild's half share of income received in the co-hosting of the Pharmacy Awards with The Health Media from 2015.



## 2a. RENT

The increase in rental income for 2015 was due to vacancies on the ground and second floors being filled following the building refurbishment.

## 3. EXPENDITURE

	PHARMACY GUILD		CONSOLIDATED	
	2015	2014	2015	2014
	\$	\$	\$	\$
<i>Includes the following items:</i>				
Audit fees – CST Nexia	9,000	9,000	14,000	14,000
Bad debts	2,980	18,681	3,750	23,774
Board fees	77,800	76,835	77,800	76,835
Board support costs	102,962	117,768	102,962	117,768
Depreciation	163,906	177,425	210,965	196,390
Operating leases	5,099	7,987	5,099	7,987
Staff costs	1,198,121	1,128,797	1,198,121	1,128,797

Included in total expenditure of \$2,770,069 (2014: \$2,535,092) is expenditure of \$244,874 (2014: \$111,081) paid to external consultants including Board members to support the PSA.

Also included in total expenditure (within Promotion) is the Guild's half share of expenses incurred in the co-hosting of the Pharmacy Awards with The Health Media from 2015.

Future commitments for operating leases are:

	2015	2014
	\$	\$
Current	2,952	5,060
Non Current	–	2,952
	<b>2,952</b>	<b>8,012</b>

## 3a. FINANCE LEASE LIABILITIES

	PHARMACY GUILD		CONSOLIDATED	
	2015	2014	2015	2014
	\$	\$	\$	\$
Current portion	4,127	3,508	4,127	3,508
Non – current portion	1,513	5,640	1,513	5,640
	<b>5,640</b>	<b>9,148</b>	<b>5,640</b>	<b>9,148</b>

The phone system lease is repayable over 60 months terminating on 4 May 2017.

The minimum monthly payment is \$447.35.

## 4. TAXATION

	PHARMACY GUILD		CONSOLIDATED	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>INCOME TAX EXPENSE</b>				
Net surplus before tax	98,330	261,812	45,569	427,923
Less non-taxable income	(2,018,088)	(2,519,374)	(2,018,088)	(2,519,374)
Add expenses relating to non-taxable income	1,913,824	2,288,823	1,913,824	2,288,823
Timing difference	(3,769)	7,002	(6,769)	6,004
Less dividend (fully imputed)	–	–	–	–
Less exemption	–	(1,000)	–	(1,000)
	(9,703)	37,263	(65,464)	202,376
Tax at 28%	–	10,434	–	56,664
<b>CURRENT TAX</b>				
Opening balance	14,938	355	17,789	(14,473)
Charge for the year	–	10,434	–	56,664
Net payments made	6,965	4,149	(40,613)	(24,402)
<b>CLOSING BALANCE</b>	21,903	14,938	(22,824)	17,789

Dividend income and income tax expense are both stated at net of imputation credits.

## 5. SPECIAL FUNDS

### Subsidiary Operational Fund \$(52,761) (2014: \$119,881)

The reserve is the Pharmacy Guild's change in equity in Pharmaceutical Services Ltd.

### Divisional Fund \$536,676 (2014: \$496,837)

The reserve represents divisional funds held in the Guild's bank account during the financial year. The funds are available for divisional activity.

The closing funds of the divisions are allocated as follows.

	2015	2014
	\$	\$
Division Funds – Northern	175,247	160,492
Division Funds – Central	135,548	133,351
Division Funds – Midland	88,567	79,022
Division Funds – Otago	43,329	38,362
Division Funds – Canterbury	93,985	85,610
	<b>536,676</b>	<b>496,837</b>

**Pharmacy Information Fund \$73,627 (2014: \$73,627)**

The Guild received \$262,500 in settlement as a result of a dispute that went to mediation in 1997. In 2002, with the ownership of pharmacies under threat by proposed legislation, part of the fund was used in a campaign to preserve the current status.

The balance of the fund is now held for special projects.

**Pharmacycare Sale Fund \$210,791 (2014: \$210,791)**

The fund arises from the sale of the Pharmacycare brand in 1998 to concentrate on the generic promotion of community pharmacy.

**Pharmacy Xpo Sale Fund \$486,662 (2014: \$486,662)**

In 2001 the Guild sold the rights to Pharmacy Xpo for the sum of \$400,000. This fund is held to cover contingency and special projects.

**6. PROPERTY PLANT AND EQUIPMENT**

	<b>COST AS AT 2015</b>	<b>2015 DEPN CHARGE</b>	<b>2015 ACCUM DEPN</b>	<b>2015 BOOK VALUE</b>	<b>COST AS AT 2014</b>	<b>2014 DEPN CHARGE</b>	<b>2014 ACCUM DEPN</b>	<b>2014 BOOK VALUE</b>
	\$	\$	\$	\$	\$	\$	\$	\$
<b>PHARMACY GUILD</b>								
Land	245,871	–	–	245,871	245,871	–	–	245,871
Building & Building Refurbishments	2,628,139	112,045	672,914	1,955,225	2,608,287	111,319	560,869	2,047,418
Office Alterations	440,823	23,728	395,754	45,069	440,823	24,281	372,027	68,796
Furniture	363,151	13,886	323,177	39,974	361,684	22,805	309,291	52,393
Computers	432,812	14,247	415,719	17,093	424,930	19,020	401,472	23,458
	<b>4,110,796</b>	<b>163,906</b>	<b>1,807,564</b>	<b>2,303,232</b>	<b>4,081,595</b>	<b>177,425</b>	<b>1,643,659</b>	<b>2,437,938</b>
<b>CONSOLIDATION</b>								
Land	165,871	–	–	165,871	165,871	–	–	165,871
Building & Building Refurbishments	2,260,067	112,045	672,914	1,587,153	2,240,215	111,319	560,869	1,679,346
Office Alterations	438,506	23,728	395,754	42,752	438,506	24,281	372,027	66,479
Furniture	363,151	13,886	323,177	39,974	361,684	22,805	309,291	52,393
Vehicles	26,074	913	913	25,161	–	–	–	–
Computers	734,185	60,393	663,255	70,930	726,303	37,985	602,862	123,441
	<b>3,987,854</b>	<b>210,965</b>	<b>2,056,013</b>	<b>1,931,841</b>	<b>3,932,579</b>	<b>196,390</b>	<b>1,845,049</b>	<b>2,087,532</b>

The land and buildings (including office alterations/floor coverings) were sold from Pharmaceutical Services Limited to the Pharmacy Guild of New Zealand at Market Value on 31 March 2010. The sale resulted in a capital gain of \$450,389 which is eliminated on consolidation.

## 7. SUBSIDIARY COMPANY

PHARMACEUTICAL SERVICES LTD	2015 \$	2014 \$
Sales	1,596,880	1,513,510
Profit before taxation	(52,761)	166,111
Tax expense	–	(46,230)
Profit after tax	(52,761)	119,881
Equity from prior year	464,087	344,206
Dividend paid	–	–
<b>SHAREHOLDER EQUITY</b>	<b>411,326</b>	<b>464,087</b>
<b>WORKING CAPITAL</b>		
Cash & deposits	976,787	1,403,033
Accounts Receivable	267,919	249,559
Inventory	92,118	74,237
Creditors	(465,011)	(781,895)
Unclaimed gift vouchers	(539,485)	(580,830)
	<b>332,328</b>	<b>364,104</b>
Property & Equipment	78,998	99,983
<b>NET ASSETS</b>	<b>411,326</b>	<b>464,087</b>

The company is a niche marketer of goods and services to pharmacies.

## 8. UNCLAIMED GIFT VOUCHERS

	2015 \$	2014 \$
Opening Balance	580,830	798,575
Additional/Reduced Provision	16,055	(13,730)
	<b>596,885</b>	<b>784,845</b>
Gift Voucher Write Off	(57,400)	(204,015)
<b>CLOSING BALANCE</b>	<b>539,485</b>	<b>580,830</b>

The introduction of a 4-year write-off policy in 2014 following the addition of a 2-year expiry timeframe on Pharmaceutical Services Limited gift vouchers has led to an increased gift voucher write-off for 2014.

## 9. RELATED PARTY TRANSACTIONS

- a) The Pharmacy Guild of New Zealand (Inc), as sole shareholder of the company, provides management services to Pharmaceutical Services Ltd. All transactions between the parties were conducted at arms length. The following charges were made during the year:

	2015 \$	2014 \$
Management Fee Charges	436,224	396,405
General Office Charges	104,004	92,520
Occupancy Charges	49,236	34,380

- b) No dividend was declared to be paid or credited to The Pharmacy Guild of New Zealand for the year ended 31 December 2015 (2014: \$Nil).
- c) As at 31 December 2015, the intercompany account balance between the Pharmacy Guild of New Zealand and Pharmaceutical Services Ltd was \$385,133 (2014: \$566,130).
- d) *Disclosure of Interests by PSL Directors*

RELATED PARTY	RELATIONSHIP		TYPE OF TRANSACTIONS
Manaia Health PHO Ltd	K A Orr	Director	Sales (PSL)
Green Cross Health Ltd	K A Orr	Director & Shareholder	Sales (PSL)
Community Pharmacy Interests*	K A Orr	Director & Shareholder	Sales (PSL)
Community Pharmacy Interests*	M K Webster	Director & Shareholder	Sales (PSL)
Community Pharmacy Interests*	G Waterhouse-Perry	Director & Shareholder	Sales (PSL)
Community Pharmacy Interests*	P Larson	Director & Shareholder	Sales (PSL)

\*Community Pharmacy interests – represents individuals with shareholding in a company(s) that owns and operates one or more community pharmacy business.



## 10. BOARD REMUNERATIONS

		REMUNERATIONS (HONORARIUMS/FEEES/ LOCUMS)	
		2015	2014
		\$	\$
T Adams	Board Member (to October 2015)	8,374	4,553
G Blanchard**	Vice President (from October 2015)	11,754	6,783
D Bullen**	Vice President (from June 2014 to October 2015)	38,571	44,109
K Crisp**	President (to June 2014)	11,899	78,557
P Larson	PSL Director	10,412	9,547
K Maxwell	Board Member (from November 2014)	8,824	2,389
K Orr**	President (from June 2014), Vice President (to June 2014), PSL Director	129,779	87,659
G Platt	Board Member (to June 2014)	–	2,185
A Roberts**	Board Member (from June 2014)	9,256	5,152
G Waterhouse–Perry**	Board Member (to June 2015), PSL Director	4,732	15,288
M Webster	Board Member (to June 2014), PSL Director	3,761	7,847
C Monteith**	Board Member (from June 2015)	12,105	–
G Bai	Board Member (from August 2013)	1,765	–
		<b>251,232</b>	<b>264,069</b>

\*\*Includes fees for work and meetings attended in relation to the Pharmacy Services Agreement and other project work, and as such are in addition to the remuneration of Board activities.

Travel expenses relating to Board members are included in Board expenses on the Statement of Financial Performance.

## 11. CAPITAL COMMITMENTS

As at 31 December 2015 there were no capital commitments (2014: \$Nil).

## 12. POST BALANCE DATE EVENTS

There have been no significant post balance date events (2014: Nil).

## 13. CASH FROM OPERATING ACTIVITIES

Cashflow from operating activities for the year was a net outflow of \$30,959 (2014: net inflow of \$541,863).

This was a result of:

- > Income from one-off projects (Pharmintercom, PSA) in 2014 not received in 2015;
- > Lower membership subscriptions received during 2015;
- > Higher purchases during the year by PSL and reducing supplier debt (accounts payable) compared with that of 2015;
- > Increased spending in areas of promotion, administration, advocacy and negotiation in 2015 compared to that of 2014.

# ANNUAL GENERAL *meeting minutes*

## ***Held at East Pier Hotel, Napier***

Tuesday 16 June 2015 at 7pm

### **PRESENT:**

Ken Orr (President)	Grant Bai	Tim Klingender	Peter Bailey
David Bullen (Vice President)	Kathy Maxwell	Maryanne Smith	Angela Franklin
Lee Hohaia (Chief Executive)	Paul Larson	Richard Smith	James Dever
Karen Crisp	Tania Adams	Tom Ward	Hannah Ellis
Anthony Roberts	Cameron Monteith	Richard Barley	Ayman Al-Ibouy
Gemma Waterhouse-Perry	Pam Sceats (minute taker)	Trina Barley	
Graeme Blanchard	Liz Dixon	Maurice King	

### **1. WELCOME**

Guild President Ken Orr welcomed everyone to the 2015 AGM and thanked them for their attendance.

Ken called for items of general business.

### **2. APOLOGIES**

Marie Bennett	David Hughes
Gary Smith	Mark Webster
Maria Smith	Sunil Kumar
Stuart Irvine	Phil Crisp
Owen Roberts	Graeme Smith

*That the apologies be accepted.*

**Ken Orr / David Bullen  
CARRIED**

### **3. TIME TO REMEMBER DECEASED MEMBERS**

Those present observed a moment of silence as a mark of respect to members of the Guild who had passed away during the year.

### **4. MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING**

The minutes of the 2014 annual general meeting were taken as read.

*That the minutes of the annual general meeting held on 17 June 2014 be accepted as a true and correct record of the meeting.*

**Ken Orr / Karen Crisp  
CARRIED**

## 5. MATTERS ARISING

There were no matters arising that were not covered elsewhere on the agenda.

**Ken Orr / Kathy Maxwell**  
**CARRIED**

## 6. PRESIDENTS ADDRESS

**The President spoke to his written report, as follows:**

2014 was another significant year of learning for community pharmacy.

The year offered the opportunity to integrate new services into mainstream community pharmacy practice and we are now seeing many members providing innovative services to their patients. The Guild has continued to support members through all aspects of their business and changes relating to the Community Pharmacy Services Agreement (CPSA).

### **Acknowledgement of past President**

My Presidency began in June 2014. Prior to this Karen Crisp was doing an exemplary job of leading the Guild and representing our members in the wider health sector. Becoming Vice President of the Guild in June 2010 and then President in June 2011, Karen has been an exceptional ambassador for community pharmacy and led the community pharmacy sector through a journey of unprecedented change.

Karen has always been, and continues to be, a great representative and advocate for community pharmacy. She has dedicated a huge amount of time to our members and to the sector, always going above and beyond what was expected of her.

Karen has always had a unique ability to understand the issues facing community pharmacy and represent these comprehensively on the many groups she is involved with. The past few years for community pharmacy have been turbulent, but Guild members have enjoyed strong leadership through huge change. I have learnt a vast amount from working alongside Karen and sincerely thank her for her work as President.

### **Acknowledgement of past board members**

During 2014 we farewelled Graeme Platt and Mark Webster from the Guild's Board. Their contribution to the Board has been longstanding and extremely valuable. Both brought years of experience and a passion for pharmacy to the table and I thank them for their time and dedication to the Guild and to our members.

### **Acknowledgment of new Vice President and new board members**

In June we also welcomed new Vice President, David Bullen. Again, he is a Guild representative with vast experience and knowledge of the sector. He has shown great leadership and drive in his support to members throughout the developments of the CPSA.

David has been a board member since 2013. He holds other leadership roles in the sector and owns pharmacies in Te Aroha and Paeroa. His pharmacy career has included working as a pharmaceutical representative and a software consultant.

New board member Anthony Roberts and co-opted board member Kathy Maxwell were also welcomed to the Board during 2014.

### **Guild leadership**

The Guild is governed by an extremely knowledgeable team who are passionate about the pharmacy sector and supporting Guild members. Our board members come from a variety of pharmacy types and each brings their own valuable knowledge and experience to the Board.

The Guild Board, by providing leadership on all issues facing the community pharmacy sector, is dedicated to providing support and services to our members.

We are committed to ensuring members realise their professional and financial potential in today's challenging business environment.

*That the President's Report be accepted.*

**Ken Orr / Kathy Maxwell**  
**CARRIED**

## 7. ANNUAL ACCOUNTS

*That the Audited Accounts for the Pharmacy Guild of New Zealand (Inc) and Pharmaceutical Services Limited for the year ended 31 December 2014 be accepted.*

**Ken Orr / Tania Adams**  
**CARRIED**

## 8. APPOINTMENT OF AUDITORS

*That CST Nexia is reappointed as auditors for the coming year.*

**Ken Orr / Paul Larson**  
**CARRIED**

## 9. SETTING OF GUILD FEES FOR THE COMING YEAR

*That there be no change in fees for the coming year.*

**Ken Orr / Graeme Blanchard**  
**CARRIED**

## 11. APPOINTMENT OF REPRESENTATIVES

In accordance with Rule 15.1, the following representatives, as advised from the Electorates, were noted:

- Ken Orr and Tania Adams representing the Northern Electorate.
- Cameron Monteith was welcomed to the Board along side David Bullen representing the Midland Electorate.
- Anthony Roberts and Graeme Blanchard representing the Central Electorate.
- Karen Crisp and Paul Larson representing the Southern Electorate.

The appointment of Grant Bai and Kathy Maxwell as co-opted Board members was noted as ongoing.

We say goodbye to Gemma Waterhouse-Perry.

**Ken Orr / Graeme Blanchard**  
**CARRIED**

## 12. ELECTION OF PRESIDENT AND VICE PRESIDENT

In accordance with Rule 17.1, the President announced that the Board of Directors had elected Ken Orr as President and David Bullen as Vice President.

**Ken Orr / James Dever**  
**CARRIED**

## 13. GENERAL BUSINESS

Kathy Maxwell reported that Counties Manukau thought the Guild had done an excellent job around the contract.

Paul Larson thanked Jonathan Krebs, the speaker for the evening for his speech.

**Ken Orr / David Bullen**  
**CARRIED**

## 14. CLOSE OF MEETING

The meeting concluded at 7.45pm.



**KEN ORR**  
**PRESIDENT**  
**MAY 2016**

**Pharmacy Guild Of New Zealand (Inc)**

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