



**PHARMACEUTICAL SOCIETY**  
*of New Zealand Incorporated*

# 2023

## Annual Report





**The professional  
home of pharmacy**



**PHARMACEUTICAL SOCIETY**  
*of New Zealand Incorporated*

# 2023 Annual Report

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RHIANNON BRAUND



## Outgoing President's Report

2023 was the year when New Zealand emerged from the worst of the COVID-19 pandemic which had placed enormous pressures on pharmacy, the Pharmaceutical Society of New Zealand (PSNZ) and our members.

No sooner had the country emerged from the pandemic than a cost-of-living crisis hit placing further pressure on New Zealand households, our members, and the Society. Statistics New Zealand found the cost of living for the average household increased by 7.2% between June 2022 and June 2023.

“ Money that had flowed during the more acute COVID-19 era slowed. ”

All of this meant a weary pharmacy sector, and PSNZ as the professional body supporting and representing pharmacists and technicians, faced ongoing issues throughout 2023 that proved difficult and challenging to navigate. Money that had flowed during the more acute COVID-19 era slowed and the cost of living pressures impacted everyone's discretionary income.

This combined to have a negative effect on PSNZ membership numbers, and associated revenue, which was already under pressure due to changes to recertification during the COVID-19 period. The cost of doing business rapidly escalated for the Society and for its members, and one-off funding for initiatives slowed.

Despite PSNZ's internal financial pressures we continued to deliver for our members and the profession during 2023, using our influence with the Government, and government agencies to enhance the visibility, profile and value of pharmacy.

The result of this tireless advocacy and expert advice was new initiatives that brought millions of dollars into the pharmacy sector. These gains can feel slow, and the work behind them is often hidden, yet when we reflect on the successes, they are meaningful:

- The work conducted by the Society was instrumental in getting the Minor Ailments Scheme piloted and we continued to lobby for its reinstatement across the motu as it underwent evaluation.
- Securing external funding from Health New Zealand | Te Whatu Ora for the training of Pharmacy Accuracy Checking Technicians (PACTs), an important group within the pharmacy workforce. Over time, this will reduce the burden on technicians and pharmacies.
- Assembling and pushing through locum relief to help communities struck and damaged by Cyclone Gabrielle.

To me, 2023 represented the start of a transition period for PSNZ, a period of reassessing member needs, working towards new and innovative ways of delivering services and re-establishing PSNZ as the professional home for pharmacy in Aotearoa New Zealand.

Part of this transition was a change in leadership within the organisation when, after 20 years of tireless service to PSNZ and the profession, Richard Townley made the decision to resign as PSNZ's CEO in July 2023. The Society is grateful for Richard's contribution over such a significant period, and he was warmly thanked for his service at a farewell function in September.

The appointment of Helen Morgan-Banda, who took over as CEO in August 2023, allowed the National Executive to harness her leadership experience to review PSNZ's operations and seek efficiency gains without compromising PSNZ's mission or commitment to members.

Her initial report on PSNZ's financial position indicated significant financial pressures with a growing gap between projected income and operating costs for the 2023 financial year.

In response, the National Executive had made a series of decisions by year end which enabled the CEO to reduce operating costs, stabilising PSNZ's financial position and starting the process to become more member centric.

“As the cyclone wreaked havoc, PSNZ faced its own financial storm...”



The \$409,312 loss for the 2023 financial year needs to be seen in that context as further explained within the CEO and Treasurer reports.

Meanwhile, PSNZ continued to support, develop and advocate for the profession against a backdrop of narrowing funding streams. But just because those streams slowed did not mean demand for the Society's work stopped.

The need for advocacy for pharmacists, technicians and the communities they serve hasn't stopped. We have had another year where our workforce has felt the impact of people leaving it for better-resourced careers elsewhere. We know members, and the communities they serve, are aware they need more pharmacists and technicians.

What we need is a way to retain, build and enable our workforce. I am proud of the work PSNZ has done in this area both operationally through training and education and externally with a broad range of stakeholders.

PSNZ has always been the home for all pharmacists and pharmacy staff across the motu irrespective of their practice setting. We will continue to use our energy, expertise and influence to create a better future for pharmacy, but this can only be done with the support of the profession.

We continue to punch above our weight in the advocacy space. We have had another year where we have ensured communities and the Government know they need pharmacists and technicians, and more of both. What we need is a new model to keep pharmacy growing.

I am proud of the work the National Executive and operational team have done during 2023. A lot of it will go towards addressing industry issues and making difficult choices to provide a way forward for PSNZ operationally. If enabled to continue, I know PSNZ can continue to play a major role in ensuring we have a strong pharmacy profession in New Zealand.

“What we need is a way to retain, build and enable our workforce.”

“Despite the pressure we were under, my team was still able to do incredible work.”

Helen Morgan-Banda



# Chief Executive's Report

The 2023 financial year was challenging and financially disruptive for the Society. Like other businesses and organisations in Aotearoa New Zealand, we were operating in a tough post COVID-19 economy.

As the country emerged from the pandemic a new challenge in the form of a cost-of-living crisis created financial pressures internally as well as on our members be they business owners or pharmacists and technicians working in a variety of settings.

When I joined as CEO in August 2023, it quickly became clear urgent changes were needed to address the Society's unsustainable financial position. The National Executive was advised of the situation and in November 2023 made decisions which would support the ongoing viability of the Society.

The first step taken was a reduction in the work of the Society back to the essentials: member support, communication and engagement; education services; practice support and advocacy; and the delivery of training for pharmacy interns through PSNZ's Intern Training Programme (ITP) and PACT technicians, the latter two areas supported in part, or wholly, by government contracts.

We want to make PSNZ a more member-centric organisation, listening and responding to members' concerns and ensuring their voice is heard when it is needed, as well as providing the practice support, education and training they need. This sharpening of focus has been even more important since the changes to recertification which has made membership more discretionary.

After a couple of years when membership fell significantly, we saw a much welcomed levelling off in 2023:

	2023	2022	
Pharmacists	2393	2522	(129)
Technicians	158	132	26
Interns *	262	243	19
Students *	640	659	(19)
Other	2	0	2
	<b>3455</b>	<b>3556</b>	<b>(101)</b>

\* Complimentary membership

We do not take a single membership for granted and the focus remained firmly on our members as we navigated through some difficult operational challenges in the second half of 2023 knowing they were necessary to ensure we could remain a viable organisation.

Financial pressures and a sharpening of operational focus resulted in a restructuring of the Society's staff, a difficult process that culminated in the loss of several valued staff in December 2024 and the reconfiguration of our internal structure. I would like to thank current staff, and those who left, for the professional way they dealt with a stressful set of circumstances. The National Executive and elected officers were unwavering in their support during an extremely challenging time.

Other steps were taken to reduce operating expenses, primarily by starting a process to reassign the lease on the Society's office in Wellington so a new, less expensive, lease could be entered into. This work was well progressed by the end of 2023 and the resulting saving in operating costs will reap long-term benefits.

Operational failure was a real prospect if these difficult changes had not been made. The significant loss indicated in the financial statements reinforces the unsustainable position the Society found itself in.

By focusing the organisation back on its core functions, and reducing operating costs, the Society found itself with a tentative way forward by the end of 2023.

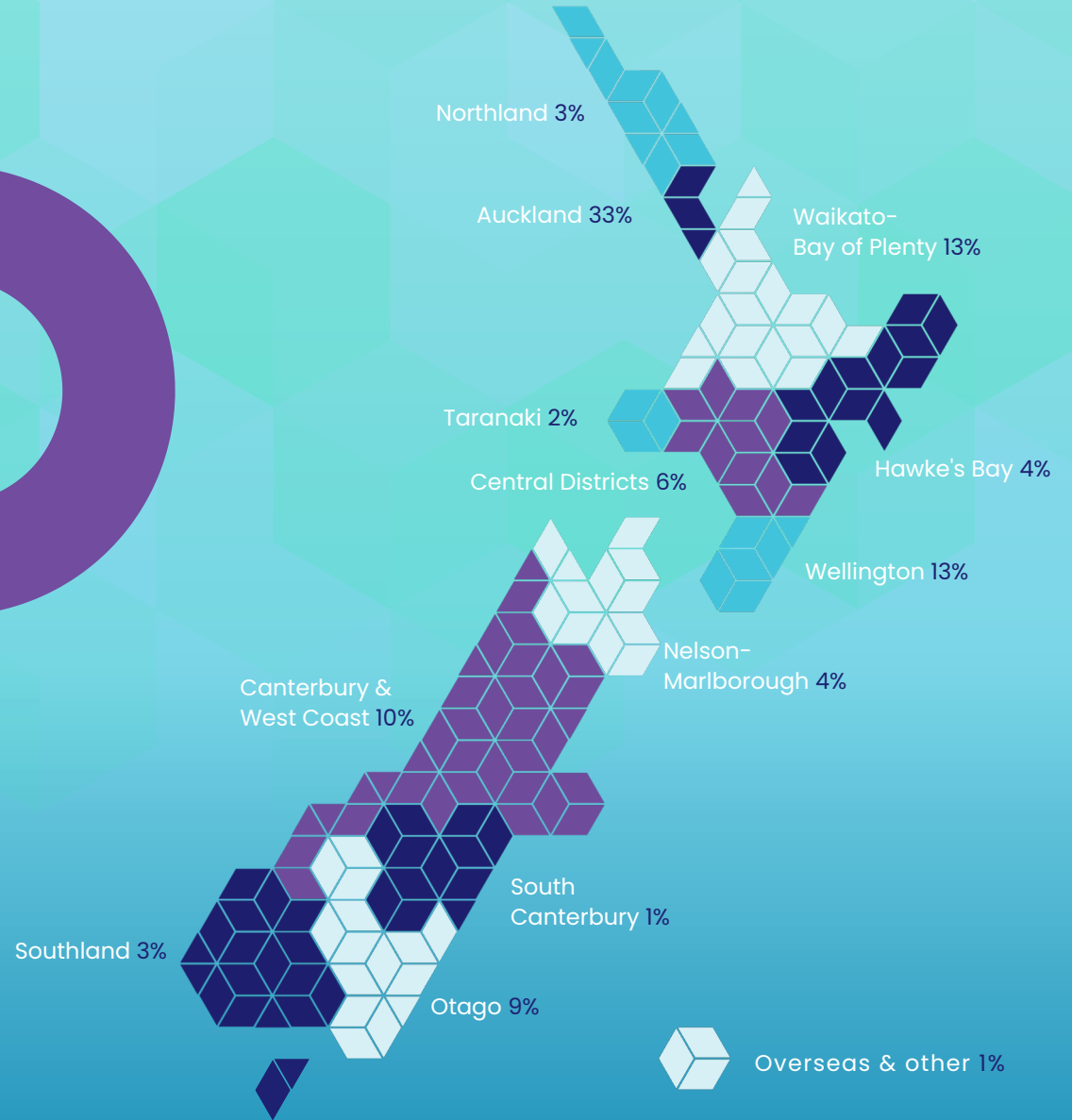
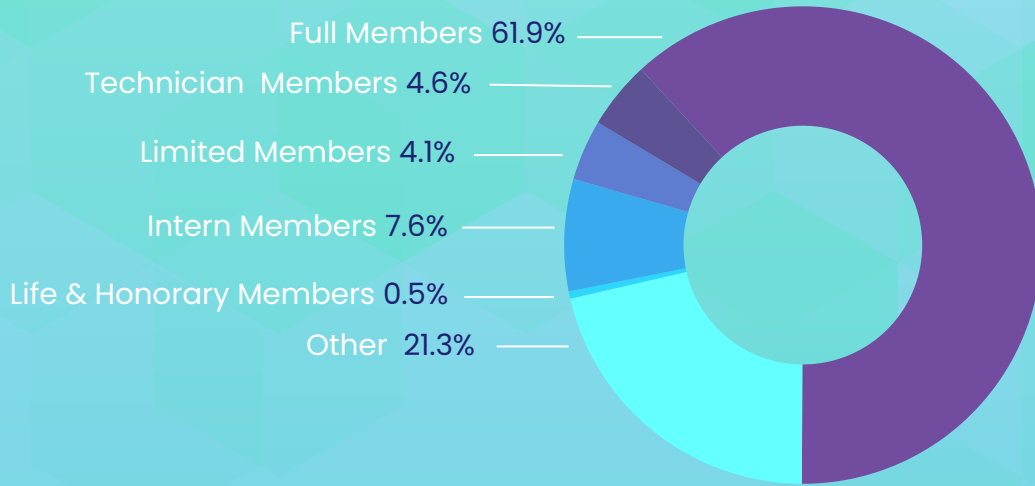
At the core of our mandate is that we are the professional home for pharmacy and it is our role to advocate for the pharmacy workforce, make sure our members have the best possible education, training and practice support, and to communicate effectively with them and on their behalf.

Despite the pressure we were under, my team was still able to do incredible work. They can be proud of what PSNZ achieved in 2023. I could not be prouder of their mahi, and the results secured in such trying conditions.

Through their combined efforts their achievements are many, including:

- Support for members affected by Cyclone Gabrielle. Affected pharmacies and members received professional advice and support from the Society's Practice and Policy team. The wider Society team also developed a website providing important resources for those pharmacies and members impacted by the cyclone.
- Significant provision of membership information and engagement around the Therapeutic Products Bill and subsequent development of our submission for the Health Select Committee.
- Working with the New Zealand Drug Foundation, Needle Exchange, Hepatitis Foundation, Ministry of Health Data team and other stakeholders regarding a PSNZ draft funding application for Hepatitis B vaccination for at risk groups.
- Significant work with officials from Health New Zealand | Te Whatu Ora and other pharmacy stakeholders in developing and establishing the proof-of-concept minor ailment service.
- The Society secured Health New Zealand | Te Whatu Ora funding to provide up to 205 funded Pharmacy Accuracy Checking Technician (PACT) training placements between 1 November 2023 and 30 June 2026.
- The Society's Intern Training Programme (ITP) team analysed the November 2022 results from the Pharmacy Council of New Zealand's (PCNZ's) Assessment Centre (AC) and responded by increasing the focus in 2023 on information gathering skills and holistic consultation skills.
- This resulted in interns participating in the November 2023 AC achieving an 86% pass rate, a significant improvement on the 67% pass rate at the May 2023 AC and a pass rate of 47% at the 2022 November AC.
- The PSNZ ITP underwent an accreditation review by the PCNZ. The ITP received full accreditation to the end of 2025.

# Membership



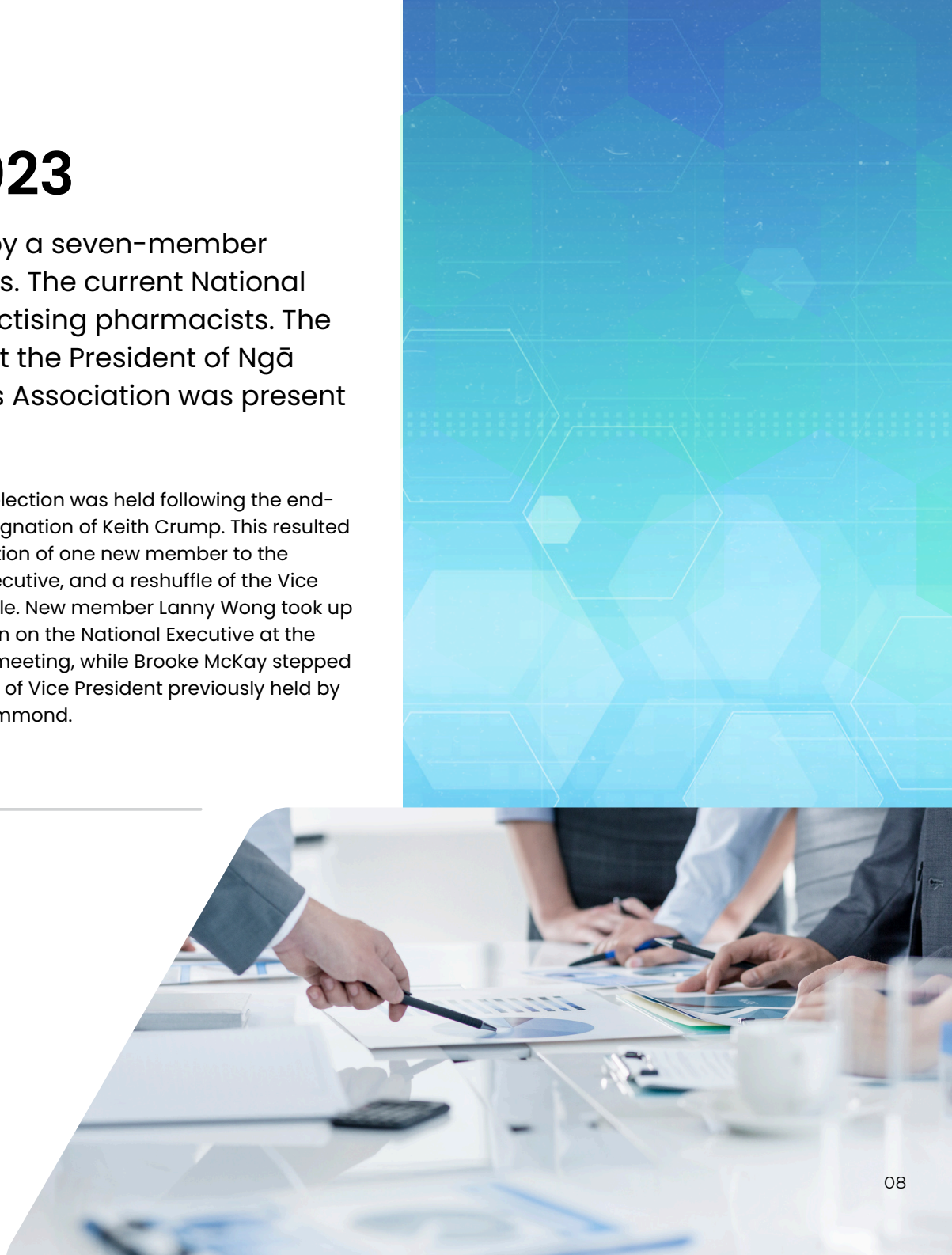
# National Executive 2023

Governance for the organisation is provided by a seven-member elected National Executive of Society members. The current National Executive members are all registered and practising pharmacists. The addition to the rules made in 2020, also meant the President of Ngā Kaitiaki o te Puna Rongoā – Māori Pharmacists Association was present at the Board table through out the year.

The Rules of the Society also make provision for co-opted members drawn from other organisations. In 2023 there were three co-opted members, the President of the New Zealand Hospital Pharmacy Association (NZHPA), and Early Career Pharmacist and a Pharmacy Technician. These nominated co-opted members attend all National Executive meetings.

Elections for the National Executive are held bi-annually, and members are elected for a term of 4 years.

In 2023 an election was held following the end-of-term resignation of Keith Crump. This resulted in the selection of one new member to the National Executive, and a reshuffle of the Vice President role. New member Lanny Wong took up their position on the National Executive at the November meeting, while Brooke McKay stepped into the role of Vice President previously held by Michael Hammond.



## Elected members



Rhiannon Braund  
President



Brooke McKay  
Vice President  
(November - December)



Sandy Bhawan



Michael Hammond  
Vice President  
(January - November)



Bronwyn Shepherd  
Treasurer



Paul Larson



Keith Crump  
(January - September)



Lanny Wong  
Appointed - November

## The Māori Pharmacists Association (Ngā Kaitiaki o Te Puna Rongoā o Aotearoa) - President



Mariana Hudson

## Co-opted members



Sian Dawson  
President, New Zealand Hospital  
Pharmacists Association  
(January - November)



Hannah Arnold  
Early Career Pharmacist Representative  
(January - May)



Samantha Burgess  
Pharmacy Technician

# Awards 2023

The Society would like to congratulate all our 2023 award winners for their outstanding achievements and significant contributions to the pharmacy profession.

## Fellowships

The National Executive may designate as a Fellow of the Society any member who in their opinion has made an outstanding and significant contribution to the advancement of the practice of pharmacy in New Zealand.

Four fellowships were awarded in 2023 to Brendan Duck, Kathryn Lawrie, Jerome Ng and Bronwen Shepherd.



Brendan Duck



Kathryn Lawrie



Jerome Ng



Bronwen Shepherd

## Top Students

Each year the Society honours the achievement of the top students in each School of Pharmacy. Recipients receive a plaque along with a monetary award for each top Year 3 and Year 4 student.

### Bachelor of Pharmacy - University of Otago

- YEAR 3 – **Meg Inwood**
- YEAR 4 – **Elle Chapman**

### Bachelor of Pharmacy - University of Auckland

- YEAR 3 – **Carlee Johnson**
- YEAR 4 – **Genevieve Nicholson**

## Leadership in Pharmacy Studies

This award is presented to a Year 3 Student at Auckland University in the Bachelor of Pharmacy Programme for Leadership in Pharmacy Studies. Recipients receive a plaque along with a monetary award.

**Mitchell Wong**

# Branch activities



## Auckland

Thank you to all members who came along to our events in 2023! We are grateful to the Auckland School of Pharmacy and NZMA Sylvia Park for enabling us to host events at their venues. We recognise that pharmacy life is busy and traffic is a battle, so aim to continue to hold a mix of online and in-person education opportunities.

Topics covered in 2023 included:

- HIV in Aotearoa Update with Burnett Foundation
- Medicinal Cannabis with NUBU Pharmaceuticals
- Migraine Update with Migraine Foundation Aotearoa New Zealand
- Dexcom Continuous Glucose Monitoring and Insulin Pumps with NZMS Diabetes

We also held two events supporting intern pharmacists to practice their skills and were pleased to see the pass rate of 86% for November 2023 Assessment Centre. A big thank you to all the preceptors and wider pharmacy community for your work supporting our interns.

Special thanks and congratulations to our 2023 intern representatives Daniel, Rhea, and Manvis. It is an exciting time to be a pharmacist. The Careers evening hosted with APSA (Auckland University Pharmacy Student Association) showcased the wide range of roles pharmacists can fill. Thank you to all of our speakers, and APSA representative Aatika Prasad.

It wasn't all work and no play - we were excited to host a board game night for early career pharmacists, and a quiz night in collaboration with IPANZ (shout out to Frasier Cho!) in addition to our annual intern meet and greet.

It was fantastic to reunite with old friends and meet new ones from throughout the country in person at the PSNZ Just Breathe Conference held here in Auckland. We were pleased to access branch funds to allow five pharmacists to attend.

2023 saw a shuffle around within our leadership team with Crystal Hayr outgoing as the President, and Olivia Kim stepping up as President-elect. We thank Crystal for her leadership over the last four years as branch President.

*Crystal says: as we close another successful year, I would like to express my deepest gratitude to each and every one of the committee members for your unwavering dedication, hard work, and commitment to furthering the profession. I am continually inspired by the way each of you embodies the true spirit of pharmacy – a commitment to improving the health and quality of life of those we serve.*

As always, please reach out if you're interested in joining the committee, wanting to suggest education session ideas, or have any questions.

**Jemma Fielding**  
Branch Secretary

# Wellington

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The 2023 year continued with the same focus as the previous year. We had a lot of successful events and were looking to continue on with them.

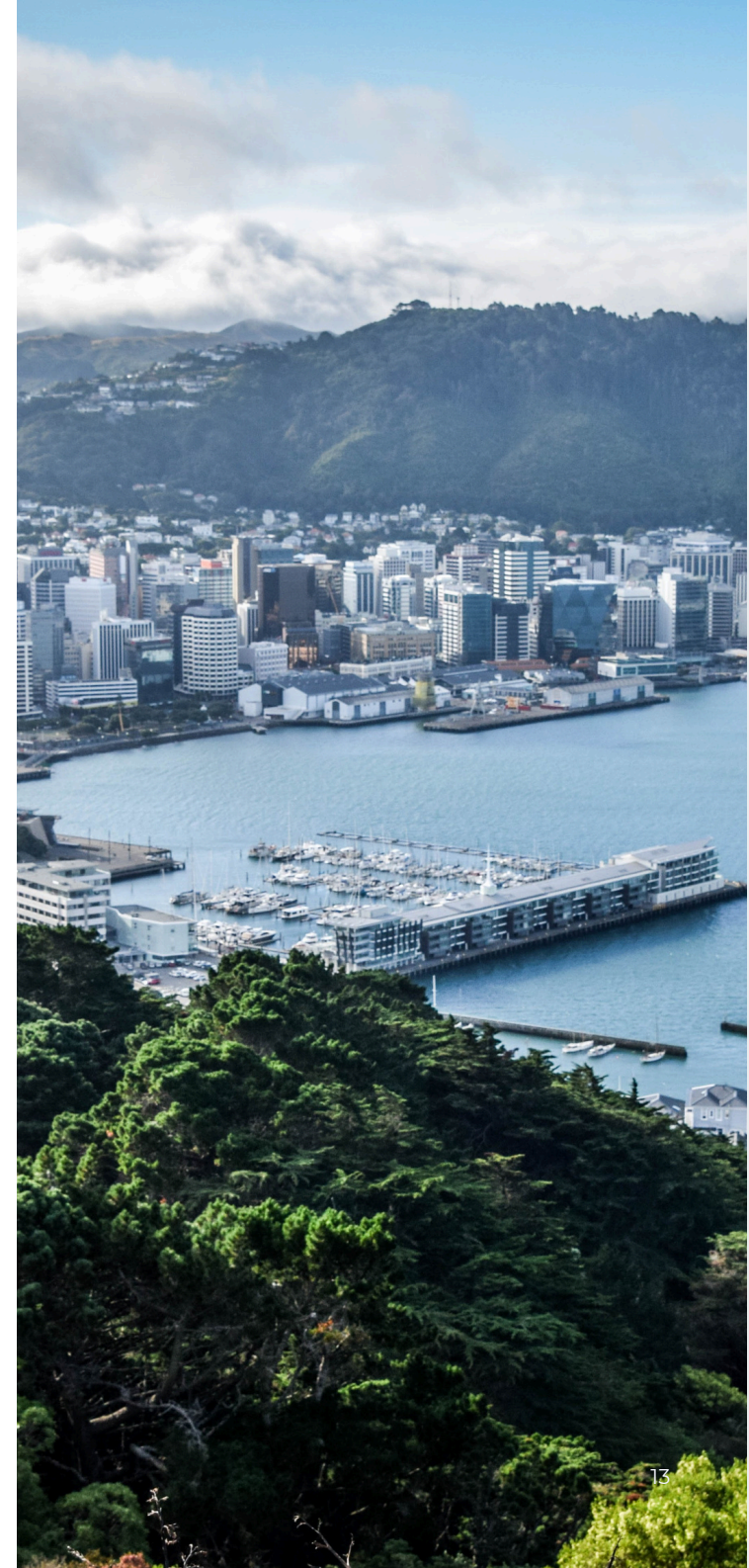
At the beginning of the year, we welcomed our interns to the city. This was a great meet and greet, and an opportunity to show our support for them during their time as interns. Later on in the year, we hosted our annual quiz alongside the Pharmacy Guild. We had a big turn out again, reaching max capacity for our venue. A special mention to the branch committee who took the reins in organising this year's quiz while I was at home with a newborn, and of course our quiz master Matt Ordish who continues to set a high standard each year. As a branch, we enjoy hosting this event to celebrate the hard work put into the pharmacy profession by our colleagues. Congratulations to Silverstream Pharmacy, our first community pharmacy team who took the win for 2023.

Later on in the year, we reconnected with interns prior to their Assessment Centre, and ran our annual careers evening to showcase the different pathways of pharmacy available to newly registered pharmacists.

Thank you to all our volunteers who have given their time for these events. Lastly, thank you to the branch committee for your input, creative minds, commitment to our profession and support.

We look forward to seeing all our members soon.

**Natasha Nagar**  
Branch President



# Canterbury-West Coast

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2023 was a year of rejuvenation for the Canterbury West Coast branch, having been on a hiatus since 2020. I would like to thank the volunteers for our newly formed committee: Mary Young and Rowan Pollock (Christchurch), and Zoe Millington, Ginny Brailsford, Sovia Wijaya and Eliza Sim (West Coast). We would love to hear from any other branch members who are interested in joining us.

In October we kicked off by sending out a survey to help us determine what types of events our members would prefer. We had 57 respondents and lots of positive comments which was encouraging. Based on the survey feedback we organised a humanitarian-themed social event held in November, with guest speakers Rowan Pollock, Miriam Tillman, Angela Blackwood, and Alan and Christine Bastin enlightening the audience with their experiences around the world in humanitarian pharmacist roles. We took the opportunity to incorporate a Zoom link so that all our members could participate - one of our challenges is the large geographical spread of the branch, so using technology to overcome

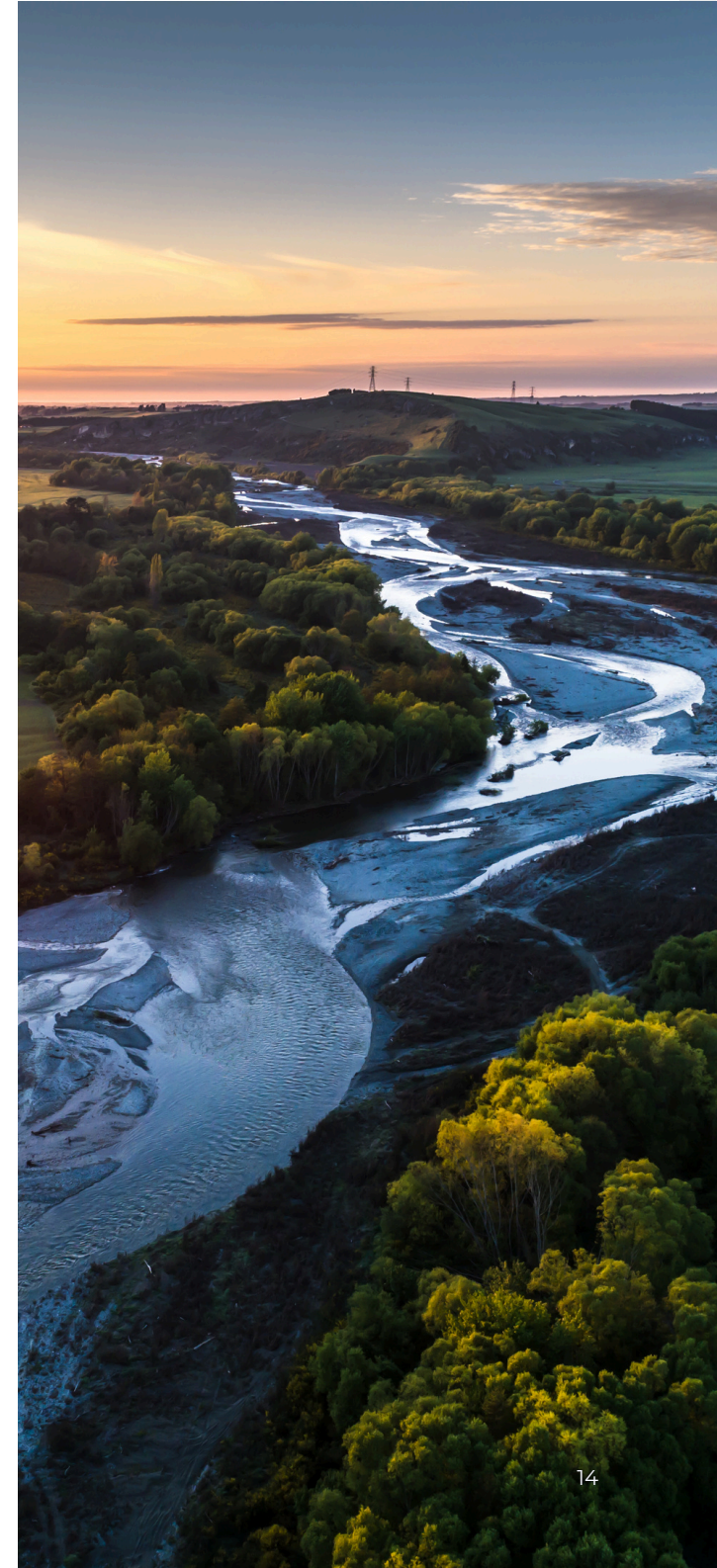
this is invaluable; we even had Jasmin tuning in from Tonga!

With your continued support, we look forward to building upon the momentum from 2023 and delivering more interesting, fun and beneficial events.

Please let us know if you have ideas for events, or if there is any other support we can provide, and we look forward to seeing you soon!

**Marie-Claire Morahan**

Branch President



# South Canterbury

Our focal areas for 2023 were social connectedness for our pharmacists and fostering excellence in pharmacy practice. We wanted to achieve this through providing opportunities for meeting together, and opportunities for education and peer support.

We rejoined the Pegasus Health Pharmacist Small Group Education Programme for 2023. South Canterbury has been involved in this programme since 2018 and we felt it was providing good value for supporting better patient outcomes, and consistency and excellence in pharmacy service across South Canterbury. In addition, it was assisting pharmacists with their recertification, cultural competency, and peer group requirements.

Twenty pharmacists were signed up for the programme with another two pharmacists joining later in the year (over 50% of our pharmacist population in South Canterbury). This was the largest single group we had had since the inception of the programme in our region. The topics for the year were well received by attendees, providing valuable, new learning to apply in pharmacy practice. The four topics were:

- Heart Failure
- Gut Instincts – why gut health matters
- Early Cancer Diagnosis in Primary Care
- Neurodiversity with a focus on ADHD.



The education sessions were delivered via Zoom using a local Pharmacist Group leader. The administration of the programme was supported by Health New Zealand | Te Whatu Ora South Canterbury for which we were very thankful.

Our AGM was held on 22 May 2023. One of the key aims for our Committee was to generate more pharmacist involvement at the AGM by trying a different approach. We organized a speaker and refreshments for the first half of the evening prior to the AGM and invited pharmacy technicians as well. We wanted to provide an opportunity for social connection as well as a focus on pharmacy staff wellbeing. Alicia Mabey from Motivating Me was an excellent choice.

The different approach worked with good attendance and positive feedback from pharmacists and pharmacy technicians, who were very appreciative of being included. People commented that it was great to meet face-to-face.

We had an end of year function at a local restaurant at the beginning of December that was attended by a good number of pharmacists and pharmacy technicians. It provided a great time for connecting socially and relaxing before the December rush. It is something we are looking at doing in mid-winter, as well, for the future.

I would like to thank our branch committee for their support and dedication: Victoria Holden (Secretary), Anna Bridson (Events), Laura Holland (ECP representative and Committee Member) and Tash Clemens (Committee Member).

**Karen Kennedy**  
Branch President

# Otago

What a great year 2023 was, it's time to say goodbye to COVID-19 and get back into normal living. Otago is prioritising social engagements, to better connect with our members. We were engaging with Otago University pharmacy students more and have invited one of their executive team to join our PSNZ committee executive team to strengthen the relationship.

We had a successful quiz co-hosted with Southland PSNZ, with a large turnout. It was an epically fun night, lots of food and prizes to be had. Unfortunately for us, a team from Southland took out the first place win. This just means that in 2024, Otago will up our game and take the win.

In the middle of the year, we ran a competition for International Pharmacist Day, asking all our members to send a photo of their team to go in the draw to win a morning tea shout. The photos are on our Facebook page if you'd like to have a look at the amazing bunch of pharmacy staff we have in the region.

We hosted our annual AGM at a local restaurant, with a large turn out and lots of delicious food to be had. Otago Preceptor of the Year 2023 went to Michaela Chang, who showed exceptional leadership and hands on help towards her interns, so thank you Michaela for doing the hard mahi.

As always, a massive thanks to my amazing executive team - without them I would be very lost. Thank you to Joe, Judy, Chelsea, Angela, Michaela, Kate, Lauren, Claudia and Georgia.

**Janelle Stevenson**  
Branch President

# Financial Overview

BRONWEN SHEPHERD



The 2023 year was defined by significant operational and financial challenges for PSNZ. The post COVID-19, economically constrained period brought a focus for PSNZ on the consolidation of costs, whilst continuing to enable members to practice, and to advocate for the advancement of pharmacy in a rapidly evolving health sector.

The budget set for the 2024 financial year indicated the achievement of a small surplus. This was predicated on an ongoing increase in revenue from education courses as had happened during the COVID-19 pandemic, and an uplift in membership numbers. Staff numbers in the education team were maintained on that basis.

Neither transpired while operating costs increased as the cost-of-living crisis took hold. This resulted in a net deficit for the year of \$409,312.

When the National Executive became aware of PSNZ's deteriorating financial position steps were taken in the second half of 2023 to reduce operating costs with the aim of eventually returning PSNZ to a sustainable financial footing.

Although PSNZ's functions are critical to the functioning of the pharmacy sector, optional membership remains an ongoing challenge.

Although the rate of fall in membership reduced in 2023, membership numbers have not recovered from the significant decline resulting from the changeover to the Pharmacy Council of New Zealand's (PCNZ) recertification (MyRecert) in 2021 from PSNZ Enhance. Total membership in 2023 fell to 3,455. As a follow-on effect, continuing education courses have also dropped in number and revenue on an ongoing basis since 2021.

A stagnant funding stream, alongside rising costs to carry out the Intern Training Programme (ITP), and Assessment Centre (AC), the latter run on behalf of PCNZ, has added to financial instability.

The deficit was also impacted by restructuring and the rationalising of costs which resulted in a correction to the Society's two greatest areas of controllable expenditure – personnel and premises costs. Although actions towards these two outcomes were underway by the end of 2023, the ongoing cost saving benefits will not be realised until the 2024 financial year accounts.

With total equity of \$925,601, PSNZ's future viability is at high risk in the short to medium term. However, with no further financial shocks, along with the financial realignment of activities largely undertaken in 2023 and continuing into 2024, the financial situation is expected to stabilise in 2025.

The Finance and Audit Committee (the Committee) has been delegated certain responsibilities that it carries out on behalf of the National Executive. These responsibilities include providing strategic direction during the preparation of the annual budget, reviewing financial performance against budget, approving both the annual budget and annual financial statements for presentation to the National Executive and reviewing and adopting financial policies.

The Committee meets five times per year. Committee meetings take place prior to National Executive meetings so that a summary report can be presented to the full National Executive.

## **Bronwen Shepherd**

Treasurer

### ACKNOWLEDGMENTS

I would like to acknowledge the Society's financial controller - Ken Lankshear for his ongoing quality reporting, and for preparing the Financial Statements for the 2023 Annual Report.

# Financial Statements

For the year ended 31 December 2023

Pharmaceutical Society of New Zealand Incorporated

## Entity Information

For the year ended 31 December 2023

Legal name of entity:	Pharmaceutical Society of New Zealand Incorporated
Other name of entity:	PSNZ
Type of entity and legal basis:	Registered Charity
Registration:	Incorporation number: 1480170 Registration number: CC542418 NZBN number: 9429043103508

### Entity's purpose or mission:

Under section 4.1 of the Pharmaceutical Society of New Zealand Incorporated (PSNZ) rules September 2020 the objects of the Society are:

To monitor, support and further the interests of Members and the profession of pharmacy in New Zealand including the professional, ethical, educational and developmental aspects of the profession.

To cooperate with any other society, college, corporation or organisation having similar objects.

Generally to promote in any manner which the National Executive thinks fit the interests of the profession and the public in relation to the profession.

Generally, to promote Charitable Purposes associated with the pharmacy profession.  
To do all things incidental or conducive to attainment of the above Objects.

### Activities:

Monitoring, supporting and furthering the interests of Members and the profession of pharmacy in New Zealand including the professional, ethical, educational and developmental aspects of the profession.

Cooperating with any other society, college, corporation of organisation having similar objectives.

Promoting the interests of the profession and the public in relation to the profession in any manner which the organisations' National Executive sees fit.

### Entity Structure:

The Society is incorporated under the Incorporated Societies Act 1908, and is registered under the Charities Act 2005.

### Main sources of the entity's cash and resources:

The main sources of income are:

- Membership subscriptions.
- Government contracts.
- Training fees.

### Entity's reliance on volunteers and donated goods or services:

PSNZ has a national network of branches with some branch members providing their services voluntarily.

## Statement of Service Performance

For the year ended 31 December 2023

### Description of entity's outcomes:

We aim to support the pharmacy profession to lead, grow and prosper as essential healthcare providers.

As the professional home for pharmacy in Aotearoa, we're committed to providing our members with professional support and resources to enable your practice whilst advocating for the advancement of the pharmacy role in healthcare and enhancing the reputation of pharmacy with the public.

We deliver accurate and authoritative practice advice and regulatory interpretation to ensure the capacity, competence and capability of the profession. We deliver quality education and specialised training to enable pharmacists to keep up to date and to provide a range of services.

The Society shapes the future of pharmacy by working with the Government and Health New Zealand | Te Whatu Ora localities as the voice of all pharmacists. We lobby for funding and service innovation to provide opportunities to work in your widest possible scope.

The Society educates the public on existing and new services that pharmacists provide. We position pharmacists as trusted healthcare professionals that the public and other health professionals increasingly value for their important role in our health system.

Quantification of the entity's outputs:	Year ended 31 December 2023	Year ended 31 December 2022
Submissions on external consultations	13	N/A
Number of members:		
• Pharmacists	2,393	2,522
• Technicians	158	132
• Interns*	262	243
• Students*	640	659
• Other members	2	-
<b>Total</b>	<b>3,455</b>	<b>3,556</b>
*complimentary membership		
• Interns enrolled in the Intern Training Programme	217	207
• Interns who completed the ITP programme	160	170
• Interns who passed assessment centre	186	97
Note: not all interns sit assessment centre in the year they enrol in the ITP.		
Number of enrolments in non-compulsory education courses:	5,148	7,445
Pharmacy Accuracy Checking Technicians (PACT) who certified during the year	51	28

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

Note	31 December 2023 (\$)	31 December 2022 (\$)
<b>Revenue from exchange transactions</b>		
Membership subscriptions	912,451	911,819
Operating activities	3,118,505	2,952,425
Accounting and administration services	491,543	777,583
Interest revenue	80,423	35,427
Other revenue	12,268	15,443
<b>Total revenue from exchange transactions</b>	<b>4,615,190</b>	<b>4,692,697</b>
<b>Expenses</b>		
Governance	80,084	78,209
Personnel expenses	3,527,780	3,493,602
Other expenses	1,416,638	1,237,114
<b>Total expenses</b>	<b>5,024,502</b>	<b>4,808,925</b>
<b>Total comprehensive revenue and expense for the year</b>	<b>(409,312)</b>	<b>(116,228)</b>

## Statement of Movements in Equity For the year ended 31 December 2023

Note	31 December 2023 (\$)	31 December 2022 (\$)
Net equity at the beginning of the year	1,317,824	1,434,052
Initial recognition of branch funds	17,089	-
Total recognised comprehensive revenue and expense	(409,312)	(116,228)
<b>Net equity at the end of the year</b>	<b>925,601</b>	<b>1,317,824</b>

The Statement of Accounting Policies and Notes to the Financial Statements on pages 21 to 28 form part of the financial statements

## Statement of Financial Position

As at 31 December 2023

		31 December 2023	31 December 2022
	Note	(\$)	(\$)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		470,237	323,311
Receivables and accrued income	5	165,231	126,273
Prepayments		65,277	72,762
Investments	6	773,787	1,322,868
<b>Total current assets</b>		<b>1,474,532</b>	<b>1,845,214</b>
<b>Non-current assets</b>			
Property, plant and equipment	7	197,367	198,689
Intangible assets	8	116,365	115,961
<b>Total non-current assets</b>		<b>313,732</b>	<b>314,650</b>
<b>Total assets</b>		<b>1,788,264</b>	<b>2,159,864</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables and accruals	9	135,331	114,287
Income in advance		590,013	458,892
Employee entitlements		90,296	206,164
<b>Total current liabilities</b>		<b>815,640</b>	<b>779,343</b>
<b>Non-current liabilities</b>			
Long term provision		47,023	62,697
<b>Total non-current liabilities</b>		<b>47,023</b>	<b>62,697</b>
<b>Total Liabilities</b>		<b>862,663</b>	<b>842,040</b>
<b>Net assets</b>		<b>925,601</b>	<b>1,317,824</b>
<b>Equity</b>			
Accumulated comprehensive revenue and expense	11	537,200	926,368
Branch funds	11	166,339	169,394
Special funds	11	222,062	222,062
<b>Total equity</b>		<b>925,601</b>	<b>1,317,824</b>

On behalf of the National Executive



M Hammond  
President  
8 October 2024



B Shepherd  
Treasurer  
8 October 2024

## Statement of Cash Flows

For the year ended 31 December 2021

	31 December 2023	31 December 2022
	(\$)	(\$)
<b>Cash flows from operating activities</b>		
<b>Cash was received from:</b>		
Membership subscriptions	1,059,784	1,194,526
Operating activities	3,063,333	2,897,162
Accounting and administration services	491,543	777,583
Interest	27,072	9,139
Other revenue	11,606	15,443
	<b>4,653,338</b>	<b>4,893,853</b>
<b>Cash was applied to:</b>		
Payments to suppliers and employees	5,009,308	4,603,836
Net GST	37	125,976
	<b>5,009,345</b>	<b>4,729,812</b>
<b>Net cash flows from / (used in) operating activities</b>	<b>(356,007)</b>	<b>164,041</b>
<b>Cash flows from investing activities</b>		
<b>Cash was received from:</b>		
Maturities of term deposits	2,032,433	2,192,285
Sale of property, plant and equipment, and intangible assets	9,630	-
	<b>2,042,063</b>	<b>2,192,285</b>
<b>Cash was applied to:</b>		
Investment in term deposits	1,430,000	2,090,000
Purchase of property, plant and equipment, and intangible assets	126,219	82,193
	<b>1,556,219</b>	<b>2,172,193</b>
<b>Net cash flows from / (used in) investing activities</b>	<b>485,844</b>	<b>20,092</b>
<b>Cash flows from financing activities</b>		
<b>Cash was received from:</b>		
Initial recognition of branch funds	17,089	-
	<b>17,089</b>	<b>-</b>
<b>Net cash flows from / (used in) financing activities</b>	<b>17,089</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>146,926</b>	<b>184,133</b>
Add cash and cash equivalents at the start of the year	323,311	139,178
<b>Cash and cash equivalents at the end of the year</b>	<b>470,237</b>	<b>323,311</b>

The Statement of Accounting Policies and Notes to the Financial Statements on pages 21 to 28 form part of the financial statements

## Notes to the Financial Statements

For the year ended 31 December 2023

### 1 Reporting entity

The Pharmaceutical Society of New Zealand Incorporated (the Society) is a voluntary body that provides professional support, education, training and career development for pharmacists and technicians. The financial statements for the year ended 31 December 2023 comprise the Society's central office, and six of the twelve branches.

The Society is incorporated under the Incorporated Societies Act 1908 and is registered under the Charities Act 2005.

### 2 Summary of Significant Accounting Policies

#### Basis of preparation

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). For the purposes of complying with NZ GAAP, the Society is a public benefit entity (PBE). In the case of the Society, NZ GAAP means Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime (PBE IPSAS RDR). Under the Accounting Standards Framework issued by the External Reporting Board, the Society is eligible to apply PBE IPSAS RDR because it is not publicly accountable and has total expenses less than or equal to \$30 million. The Society has elected to apply all RDR concessions available.

The financial statements have been prepared in New Zealand dollars, which is the Society's functional currency. All financial information has been rounded to the nearest dollar.

The financial statements have been prepared in accordance with historical cost concepts.

#### Specific Accounting Policies

The following specific accounting policies that materially affect the measurement of the financial performance, financial position and cash flows have been applied.

#### Donated services

The work of the Society is dependent on the voluntary services of many members. Due to the difficulty in determining the value of the donated services with sufficient reliability, donated services are not recognised in the Statement of Comprehensive Revenue and Expense.

#### Taxation

The Society was registered under the Charities Act 2005 on 30 June 2008 and therefore is not subject to income tax from that date.

The Statement of Comprehensive Revenue and Expense has been prepared so that all components are stated exclusive of Goods and Services Tax (GST). All items in the Statement of Financial Position are stated net of GST, except for accounts receivable and accounts payable. All items in the Statement of Cash Flows are stated exclusive of GST. The net GST received or paid during the year for operating, investing, and financing activities is included as part of operating cash flows.

#### Significant management judgements

There were no significant judgements that require disclosure other than those already made in this report.

### 3 Revenue

Revenue is recognised when it is probable that the economic benefits associated with a transaction will flow to the Society and when the amount of revenue can be reliably measured. Revenue is measured at the fair value of the consideration receivable. The following specific recognition criteria are used:

#### a) Membership subscriptions

The Society's annual subscription year for pharmacists and technicians is 1 January to 31 December. Fees are due 1 January. Membership income is recognised on a monthly basis throughout the year in line with services provided.

#### b) Operating Activities

	31 December 2023 (\$)	31 December 2022 (\$)
Continuing education enrolments and sales	500,320	550,546
Intern course fees	1,427,429	1,264,318
Intern Funding - Health New Zealand	970,524	970,524
Self-Care membership	129,711	141,497
Sponsorship	53,317	17,740
Conference fees	27,432	-
Sundry sales revenue	9,772	7,800
<b>Total operating activities</b>	<b>3,118,505</b>	<b>2,952,425</b>

#### • Continuing education revenue

Income from course enrolments is recognised once the event has been held.

#### • Intern course fees

Intern fees are recognised evenly over the period of the internship.

#### • Self-Care membership

Self-Care membership income is recognised evenly over the period of membership.

#### • Sponsorship

Sponsorship relating to a specific event is recognised when the event is held. Where provision of sponsorship extends over a period of time, revenue is recognised evenly over the contract period.

#### • Conference revenue

Income from PSNZ conferences and symposia enrolments is recognised once the event has been held.

#### c) Accounting and administration services

Income from the provision of accounting and administration services is recognised evenly over the period the services are provided.

#### d) Interest revenue

Interest is recognised as it is earned on a time proportion basis using the effective interest method.

#### e) Intern funding

Funding received for the Intern Training Programme from the Ministry of Health is recognised in the period to which it relates.

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### 4 Expenses

All expenditure is recognised when billed or an obligation arises on an accrual basis, except for donated services.

	31 December 2023 (\$)	31 December 2022 (\$)
<b>a) Governance</b>		
National Executive fees	51,000	49,125
Honoraria	29,084	29,084
<b>Total governance</b>	<b>80,084</b>	<b>78,209</b>
<b>b) Personnel</b>		
Staff remuneration	2,392,270	2,458,406
Other personnel expenses	90,280	57,286
Contractors and preceptors	1,045,230	977,910
<b>Total personnel</b>	<b>3,527,780</b>	<b>3,493,602</b>
<b>c) Other expenses</b>		
Administration expenses	132,531	164,652
Audit fees	18,315	13,000
Catering and hire	304,534	225,382
Depreciation and amortisation	102,496	135,365
Direct costs of product sold	10,132	7,345
Grants, scholarships and prizes	17,101	15,079
Information technology	193,447	193,734
Telecommunications	19,205	8,858
Occupancy costs	217,336	215,134
Printing & Stationery	90,454	84,656
Professional services and expenses	83,283	20,800
Travel and accommodation	218,721	146,390
Other expenses	9,083	6,719
<b>Total other expenses</b>	<b>1,416,638</b>	<b>1,237,114</b>

### Accounting Policies

#### Employee entitlements

The liability for employee benefits includes annual leave and accumulated sick leave which are expected to be settled within 12 months of balance date. These are measured at the undiscounted amount expected to be paid based on current rates of pay.

#### Income in advance

Only income that is attributable to the current financial period is recognised in the Statement of Comprehensive Revenue and Expense. The remaining income and any membership fees paid in advance of the due date of 1 January is recognised in the Statement of Financial Position as Income in Advance.

### 5 Receivables and accrued income

2023 Membership was invoiced in December 2022 and the receivable was recognised then. No revenue is recognised until the period to which the membership relates. 2023 Membership was invoiced when received, so no similar receivable exists for December 2023. For all other income, a receivable or accrued income is recorded at the same time the revenue is recognised.

All receivables come from exchange transactions.

	31 December 2023 (\$)	31 December 2022 (\$)
Trade receivables	155,213	118,482
Related party receivables	-	-
Accrued income	10,018	7,791
<b>Total receivables and accrued income</b>	<b>165,231</b>	<b>126,273</b>

### 6 Investments

	31 December 2023 (\$)	31 December 2022 (\$)
Term deposits	773,787	1,322,868
<b>Total investments</b>	<b>773,787</b>	<b>1,322,868</b>
<i>Total investments comprise:</i>		
Accrued interest	3,472	3,648
Investments maturing within 3 months	154,188	101,131
Investments maturing within 3 to 6 months	463,877	798,089
Investments maturing after 6 months	152,250	420,000
<b>Total investments</b>	<b>773,787</b>	<b>1,322,868</b>

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### 7 Property, plant and equipment

	Office equipment	Library and art collection	Furniture and fittings	Leasehold improvements	Computer equipment	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
2023						
Cost	13,833	5,000	118,576	234,272	108,175	479,856
Accumulated depreciation	(9,423)	-	(88,179)	(132,870)	(52,017)	(282,489)
Net book value	4,410	5,000	30,397	101,402	56,158	197,367

	Office equipment	Library and art collection	Furniture and fittings	Leasehold improvements	Computer equipment	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
2022						
Cost	16,207	5,000	116,303	234,272	54,029	425,811
Accumulated depreciation	(10,816)	-	(81,476)	(99,391)	(35,438)	(227,121)
Net book value	5,391	5,000	34,827	134,881	18,591	198,690

	Office equipment	Library and art collection	Furniture and fittings	Leasehold improvements	Computer equipment	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
2023						
Opening balance	5,391	5,000	34,826	134,880	18,591	198,688
Additions	1,599	-	2,274	-	63,663	67,536
Disposals (Cost)	(3,973)	-	-	-	(9,518)	(13,491)
Disposals (Accumulated Depreciation)	4,223	-	-	-	4,982	9,205
Depreciation expense	(2,830)	-	(6,703)	(33,478)	(21,560)	(64,571)
Closing balance	4,410	5,000	30,397	101,402	56,158	197,367

#### Accounting Policies

Items of property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. Cost includes those expenses that are directly attributable to the purchase of the asset. Subsequent expenditure that extends or increases an asset's service potential is capitalised.

Depreciation is provided on a straight-line basis on all property, plant and equipment, except for the library and art collection, to allocate the cost or value of the asset (less any residual value) over its useful life. The estimated useful lives of the major classes of property, plant and equipment are as follows:

Office equipment	3 - 5 years	Furniture and fittings	5 - 10 years
Computer equipment	3 - 4 years	Leasehold improvements	6 - 15 years
Library and art collection	Not depreciated		

The useful lives, depreciation methods and residual values are reviewed at each balance date and adjusted to reflect any change in the expected pattern of the consumption of the future economic benefits or service potential embodied in the asset.

### 8 Intangible assets

The Society's intangible assets are its websites, membership system and learning management system.

	31 December 2023	31 December 2022
	(\$)	(\$)
Cost	916,169	862,166
Accumulated amortisation	(799,804)	(746,205)
Total intangible assets	116,365	115,961
Opening balance	115,961	157,623
Additions	81,803	37,600
Capital Work in Progress	(27,800)	20,280
Disposals (Cost)	-	-
Disposals (Accumulated Amortisation)	-	-
Amortisation	(53,599)	(99,542)
Total intangible assets	116,365	115,961

#### Accounting Policies

All intangible assets were acquired separately. These assets are initially recorded at cost. Internal staffing costs associated with the setup of these assets is not capitalised but is recorded in surplus or deficit in the period in which it is incurred.

After initial recognition, intangible assets are carried at cost less accumulated amortisation and less accumulated impairment losses. The cost of the assets is amortised on a straight-line basis over their useful lives. It has been determined that these assets have finite useful lives of three to seven years. Amortisation is recorded as part of Depreciation and Amortisation expenses in the Statement of Comprehensive Revenue and Expense. At each balance date, the useful lives and amortisation methods are reviewed to determine if they are still appropriate. These are changed, if necessary, to reflect the changed pattern of consumption of the future economic benefits or service potential embodied in the assets.

### 9 Payables and accruals

	31 December 2023	31 December 2022
	(\$)	(\$)
Trade creditors	70,263	63,179
GST payable	34,502	34,539
Accrued expenditure	30,566	16,569
Total payables and accruals	135,331	114,287

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### 10 Financial Instruments

#### Financial assets

Under PBE IPSAS 41 Financial Instruments, financial assets can be classified into one of three categories. The classification is determined on initial recognition and specifies how assets are subsequently measured and where any gains or losses are recognised.

The Society's financial assets have been classified as at amortised cost because they hold the assets to collect their cashflows and those cashflows represent solely payments of principal and interest. These assets comprise cash and cash equivalents, receivables and accrued income, and investments in term deposits.

Financial assets at amortised cost are initially recognised at fair value plus transaction costs directly attributable to the acquisition of the asset. Subsequent measurement is at amortised cost using the effective interest method. Gains or losses arising when the asset is derecognised or impaired are recognised in surplus or deficit. A loss allowance for expected credit losses is recognised on financial assets measured at amortised cost. The loss allowance for trade and other receivables is measured at an amount equal to lifetime expected credit losses (ECLs). ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. ECLs are discounted at the effective interest rate of the financial asset. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. For the year ended 31 December 2023, no loss allowance has been recorded (2022 \$nil). Financial assets at amortised cost are derecognised when the contractual rights to receive the cash flows are waived or expire.

#### Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. For the Society, these assets are bank accounts and on call deposits.

Carrying amount of financial assets at amortised cost	31 December 2023 (\$)	31 December 2022 (\$)
Cash and cash equivalents	470,237	323,311
Receivables and accrued income	165,231	126,273
Investments	773,787	1,322,868
<b>Total carrying amount of financial assets at amortised cost</b>	<b>1,409,255</b>	<b>1,772,452</b>

#### Financial liabilities

The Society's financial liabilities comprise trade and sundry creditors, and accrued expenditure. Financial liabilities are initially recorded at fair value plus transaction costs directly attributable to the acquisition of the liability. Subsequent measurement is at amortised cost using the effective interest method. The liabilities are derecognised when the liability is extinguished. Gains or losses arising when the liability is derecognised are recorded in surplus or deficit.

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 December 2023 and 2022.

Financial assets not measured at fair value - 31 December 2023	Note	Financial assets at amortised cost (\$)	Financial liabilities at amortised cost (\$)	Total (\$)
Cash and cash equivalents		470,237	-	470,237
Receivables and accrued income	5	163,218	-	163,218
Investments in term deposits	6	773,787	-	773,787
<b>Total</b>		<b>1,407,242</b>	<b>-</b>	<b>1,407,242</b>

Financial liabilities not measured at fair value - 31 December 2023	Note	Financial assets at amortised cost (\$)	Financial liabilities at amortised cost (\$)	Total (\$)
Payables and accruals	9	-	135,069	135,069
<b>Total</b>		<b>-</b>	<b>135,069</b>	<b>135,069</b>

Financial assets not measured at fair value - 31 December 2022	Note	Financial assets at amortised cost (\$)	Financial liabilities at amortised cost (\$)	Total (\$)
Cash and cash equivalents		323,311	-	323,311
Receivables and accrued income	5	126,273	-	126,273
Investments in term deposits	6	1,322,868	-	1,322,868
<b>Total</b>		<b>1,772,452</b>	<b>-</b>	<b>1,772,452</b>

Financial liabilities not measured at fair value - 31 December 2022	Note	Financial assets at amortised cost (\$)	Financial liabilities at amortised cost (\$)	Total (\$)
Payables and accruals	9	-	114,287	114,287
<b>Total</b>		<b>-</b>	<b>114,287</b>	<b>114,287</b>

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### 11 Equity

Equity is the members' interest in the Society and is measured as the difference between total assets and total liabilities.

Equity is disaggregated and classified into components to enable clearer identification of the specified uses that the Society makes of its accumulated surpluses. The components of equity are accumulated comprehensive revenue and expense, special funds, and branch funds.

Special funds are those reserves subject to conditions of use, whether under statute or by a third party and may not be revised without reference to the Courts or a third party.

Branch funds are those reserves available for use by the local branches across New Zealand. Branches meet regularly and many offer a range of CPD and social activities throughout the year. 2020 was the first year that branch reserves and performance were incorporated into PSNZ results. Four of the Society's twelve branches were added in 2020, with two additional branches (South Canterbury and Otago) being added in 2022.

	31 December 2023 (\$)	31 December 2022 (\$)
<b>Accumulated comprehensive revenue and expense</b>		
Balance at the beginning of the year	926,368	1,036,207
Comprehensive revenue and expense for the year	(409,312)	(116,228)
Net transfers from special funds	-	-
Net transfer from branch funds	20,144	6,389
<b>Total accumulated comprehensive revenue and expense</b>	<b>537,200</b>	<b>962,368</b>
<b>Special funds</b>		
Benevolent fund – opening balance	87,752	87,752
Transfer (to)/from retained earnings	-	-
	87,752	87,752
Henderson bequest – opening balance	120,133	120,133
Scholarships paid - transfer to retained earnings	-	-
	120,133	120,133
Education fund – opening balance	14,177	14,177
Transfer (to)/from retained earnings	-	-
	14,177	14,177
<b>Total special funds</b>	<b>222,062</b>	<b>222,062</b>
Special funds – opening balance	222,062	222,062
Net transfer (to)/from retained earnings	-	-
	222,062	222,062

### Equity continued

	31 December 2023 (\$)	31 December 2022 (\$)
<b>Branch funds</b>		
Branch fund – opening balance	169,394	175,782
Initial recognition of branch funds	17,089	-
Transfer (to)/from retained earnings	(20,144)	(6,388)
<b>Total branch funds</b>	<b>166,339</b>	<b>169,394</b>

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### 12 Leases

The Society has entered into non-cancellable operating leases for premises and certain office equipment. Lease payments are recognised as an expense on a straight-line basis over the term of the lease. The significant leasing arrangements are:

- Premises – for a term of six years to 31 December 2026 with one right of renewal for a further three years.
- Photocopiers/printers – for a term of five years to 30 September 2024.
- Computer equipment – for a term of four years (expired 31 March 2023)
- Telecommunications system – for a term of three years (expired 13 March 2023)

	31 December 2023	31 December 2022
	(\$)	(\$)
Total operating lease obligations		
No later than one year	224,277	223,539
Later than one year and no later than five years	389,368	569,596
Later than five years	-	-
<b>Total operating lease obligation</b>	<b>613,645</b>	<b>793,135</b>

### 13 Related party transactions

#### The New Zealand Pharmacy Education and Research Foundation (NZPERF)

NZPERF was established by the PSNZ in 1967 for the purpose of promoting, fostering, and extending the study and practice of the art and science of pharmacy in New Zealand. PSNZ and NZPERF share some common directors.

The Society provides the Foundation with administration and financial services for a fee. In 2023 the fee for services provided was \$25,704 (2022: \$25,105). The Society collects donations on behalf of the Trustees via its website. Donations collected but not passed on to the Foundation at 31 December 2023 totalled \$9 (31 December 2022: \$20).

#### The Pharmacy Defence Association (PDA)

PSNZ and PDA share a common director. PSNZ provides PDA with accommodation and administration services. PDA staff are members of PSNZ and PSNZ staff are members of PDA. During 2023, PDA bought computer equipment from PSNZ at book value. All transactions are at commercial rates.

	2023	2022
	(\$)	(\$)
Payments from PDA	387,002	664,189
Owed by PDA at 31 December	-	1,490
<b>Payments to PDA</b>	<b>3,348</b>	<b>-</b>
Owed to PDA at 31 December	-	-

### Key management personnel

Key management personnel as defined by PBE IPSAS 20 Related Party Disclosures fall into two groups:

- National Executive, and
- Senior management group comprising the Chief Executive; General Manager, Corporate and Member Services; Manager, Practice and Policy; Manager, Education and Professional Development; Manager, EVOLVE Intern Training Programme; and Business Development Manager.

The Society made related party payments to, and earned related party receipts from, certain parties, including partners or employees of National Executive-related entities. Payments included consulting fees.

Receipts included membership subscriptions and training courses and events. All payments and receipts to all parties were made at arm's length commercial terms and conditions.

The aggregate remuneration of key management personnel is as follows:

	31 December 2023	31 December 2022
National Executive	\$80,084	\$78,209
Number of people	10	10
Senior management group	\$1,106,492	\$999,012
Number of people	9	7

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### 14 Branches and Associations

The following table shows the incorporation of the branches into equity.

2023	Auckland	Waikato / Bay of Plenty	Hawkes Bay	Central Districts
	(\$)	(\$)	(\$)	(\$)
Opening Balance	42,543	96,136	-	-
Incorporation of branch into opening balance	-	-	12,148	4,591
Income	-	-	-	-
Expenditure	(5,394)	-	(325)	(613)
Net income for the year	(5,394)	-	(325)	(613)
<b>Branch fund closing balance</b>	<b>37,149</b>	<b>96,136</b>	<b>12,174</b>	<b>3,978</b>

	Wellington	Nelson / Marlborough	Canterbury / West Coast	South Canterbury
	(\$)	(\$)	(\$)	(\$)
Opening Balance	12,708	6,951	-	4,642
Incorporation of branch into opening balance	-	-	-	-
Income	2,999	6,291	-	1,000
Expenditure	(7,513)	(9,104)	(640)	(2,358)
Net income for the year	(4,514)	(2,813)	(640)	(1,358)
<b>Branch fund closing balance</b>	<b>8,194</b>	<b>4,138</b>	<b>(640)</b>	<b>3,284</b>

	Otago	Southland	Total
	(\$)	(\$)	(\$)
Opening Balance	6,414	-	169,394
Incorporation of branch into opening balance	-	-	17,089
Income	-	-	10,290
Expenditure	(3,769)	(718)	(30,434)
Net income for the year	(3,769)	(718)	(20,144)
<b>Branch fund closing balance</b>	<b>2,645</b>	<b>(718)</b>	<b>166,339</b>

2022	Auckland	Waikato/Bay of Plenty	Wellington	Nelson/ Marlborough
	(\$)	(\$)	(\$)	(\$)
Opening Balance	44,494	96,111	16,200	8,398
Incorporation of branch into opening balance	-	-	-	-
Income	-	25	-	-
Expenditure	(1,951)	-	(3,492)	(1,447)
Net income for the year	(1,951)	25	(3,492)	(1,447)
<b>Branch fund closing balance</b>	<b>42,543</b>	<b>96,136</b>	<b>12,708</b>	<b>6,951</b>

	South Canterbury	Otago	Total
	(\$)	(\$)	(\$)
Opening Balance	3,642	6,938	175,783
Incorporation of branch into opening balance	-	-	-
Income	1,000	-	1,025
Expenditure	-	(524)	(7,414)
Net income for the year	1,000	(524)	(6,389)
<b>Branch fund closing balance</b>	<b>4,642</b>	<b>6,414</b>	<b>169,393</b>

For the year to 31 December 2023 the Society did not make any grants to the branches (2022: nil). Three honoraria totalling \$3,000 were paid to Branch Presidents, one of whom requested that their honorarium be paid directly into branch funds. (31 December 2022: nil).

The activities of the branches not identified above have not been incorporated in the results of the Society.

## Notes to the Financial Statements (continued)

For the year ended 31 December 2023

### 15 Capital commitments

The Society has nil capital commitments at 31 December 2023 (31 December 2022: \$55,948 for laptop purchases).

### 16 Contingencies

The Society has tax losses of \$789,173 (31 December 2022: \$789,173) that were accumulated prior to its registration under the Charities Act 2005 in June 2008, and which are still available if required. These arose because the Society's deductible expenses were greater than its assessable income up until the date of registration. Tax losses are not recognised as future tax benefits unless realisation of the asset is virtually certain. As the Society is not subject to income tax, the future tax benefit is not recognised as a tax loss because it is unlikely to be utilised, and accordingly the Society does not have a tax expense for the current period. (31 December 2022: nil).

There are no other contingent assets or contingent liabilities as at 31 December 2023 (31 December 2022: nil).

### 17 Events subsequent to balance date

On 31 May 2024 the Society agreed to exit its property lease early, incurring a total of \$107,447 for costs to exit the lease early. The Society also wrote off \$44,802 in leasehold improvement assets which would otherwise have been expensed over the remaining term of the lease. The Society has entered into a new property lease for a 24-month period with monthly payments of \$9,275. In making these changes, the Society expects to save \$126,521 over the same period as the original lease.

### 18 Going Concern Assumption

In approving these financial statements, the National Executive considers the going concern assumption appropriate. The National Executive engaged an external consultant. Their report indicates the Society will have sufficient cash flows to meet its financial obligations as they fall due. This assumption is based on consideration of the 31 December 2023 financial position and forecast financial performance for the 12 months following approval of the financial statements. The National Executive has a reasonable belief that this forecast will be met.

## INDEPENDENT AUDITOR'S REPORT

To the Members of Pharmaceutical Society of New Zealand Incorporated

### Opinion

We have audited the general purpose financial report of Pharmaceutical Society of New Zealand Incorporated (the Society) which comprise the financial statements on pages 3 to 18, and the service performance information on page 2. The complete set of financial statements comprise the statement of financial position as at 31 December 2023, and the statement of comprehensive revenue and expense, statement of movements in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of the Society as at 31 December 2023, and its financial performance and its cash flows for the year then ended; and
- the service performance of the Society for the year ended 31 December 2023 in accordance with the entity's service performance criteria

in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 The Audit of Service Performance Information. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the General Purpose Financial Report section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Society.

### Board Members' Responsibilities for the General Purpose Financial Report

The Board Members are responsible on behalf of the Society for:

- (a) the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime; and
- (c) such internal control as the Board Members determine is necessary to enable the preparation of the financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report, the Board Members are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board Members either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

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### Auditor's Responsibilities for the Audit of the General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole and the service performance information are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

As part of an audit in accordance with ISAs (NZ) and NZ AS 1, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the service performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain an understanding of the process applied by the entity to select what and how to report its service performance.
- Evaluate whether the service performance criteria are suitable so as to result in service performance information that is in accordance with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board Members and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the general purpose financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the general purpose financial report, including the disclosures, and whether the general purpose financial report represents the underlying transactions, events and service performance information in a manner that achieves fair presentation.

We communicate with the Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Restriction on Use

This report is made solely to the Society's Members, as a body. Our audit has been undertaken so that we might state to the Society's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Crowe New Zealand Audit Partnership**  
CHARTERED ACCOUNTANTS  
Dated at Wellington this 8th day of October 2024

The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.



**PHARMACEUTICAL SOCIETY**  
*of New Zealand Incorporated*