



10 November 2025

Christopher Owen
Vice President
The Pharmacy Guild of Australia

Sent via email: guild.nat@guild.org.au

CC: irene.tzavaras@au.ey.com

Dear Christopher Owen

**The Pharmacy Guild of Australia
Financial Report for the year ended 30 June 2025 – FR2025/99**

I acknowledge receipt of the financial report for the year ended 30 June 2025 for the Pharmacy Guild of Australia (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 5 November 2025.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that next year's financial report may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The Commission will confirm these matters have been addressed prior to filing next year's report.

1. Rotation of registered auditor

You must rotate your registered auditor

Correspondence was provided to the reporting unit on 17 June 2025, which alerted you that your registered auditor is approaching their statutory limit on how many consecutive financial years they are permitted to audit your financial report. The financial report lodged identifies that Irene Tzavaras was the reporting unit's registered auditor for this financial year. Our records indicate that you have now used your current registered auditor for five consecutive financial years, which is the statutory limit under section 256A.

Please ensure that Irene Tzavaras is not assigned to audit the financial report of the reporting unit for at least the following two financial years. Further information on the rotation of registered auditor requirement can be found via [this link](#).

Reporting Requirements

The Commission's website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements.

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission



**The Pharmacy
Guild of Australia**

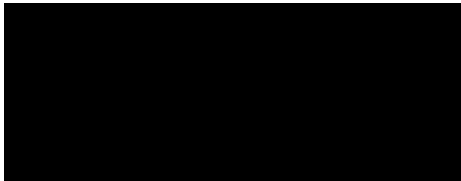
The Pharmacy Guild of Australia – National Secretariat

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
For the Year Ended 30 June 2025**

In accordance with section 268 of the *Fair Work (Registered Organisations) Act 2009*

I, Christopher Owen, being the National Vice President (Finance) of the Pharmacy Guild of Australia certify that:

1. The documents lodged herewith are copies of the full report for the Pharmacy Guild of Australia – National Secretariat for the period ended 30 June 2025 referred to in section 268 of the *Fair Work (Registered Organisations) Act 2009*; and
2. The full report was provided to members of the reporting unit on 3 November 2025; and
3. The full report was presented to a meeting of the National Council of the Pharmacy Guild of Australia on 5 November 2025 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.



**Christopher Owen
National Vice President (Finance)
5 November 2025**

National Secretariat

Level 2, 15 National Circuit, Barton ACT 2600
PO Box 310, Fyshwick ACT 2609
P: +61 2 6270 1888 • F: +61 2 6270 1800 • E: guild.nat@guild.org.au

www.guild.org.au



**The Pharmacy Guild of Australia
National Secretariat**

**Financial Report
For the Year Ended 30 June 2025**

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT

CONTENTS	PAGE
Operating Report	1
Committee of Management Statement	3
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Report Required under subsection 255(2A)	8
Notes to the Financial Statements	9
Independent Auditor's Report	42

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT

OPERATING REPORT

I, CHRISTOPHER OWEN, being the designated officer responsible for preparing this report for the financial year ended 30 June 2025 of The Pharmacy Guild of Australia - National Secretariat, report as follows:

(a) Principal Activities:

- (i) The Pharmacy Guild of Australia ("the Guild") is an employers' organisation servicing the needs of proprietors of independent community pharmacies and representing their interests in industrial matters.
- (ii) The Guild functions as a single legal entity and reports under the *Fair Work (Registered Organisations) Regulations 2009*.
- (iii) The development of Guild policy is the responsibility of the Guild's supreme governing body, the National Council, on which all State and Territory Branches are represented.
- (iv) The implementation of this policy is overseen by the National Executive through the National Secretariat.
- (v) The National Council also defines projects or areas of investigation that may include the development of objectives and targets. The Executive Director of the National Secretariat defines these objectives and targets based on the National Council directions and self-generated issues.
- (vi) These issues are referred to the various National Secretariat Teams who deliver the projects and services that address the various objectives and targets set for them.
- (vii) Included in the Annual Report is a report outlining the activities for the year. There were no significant changes in the nature of these activities during the year under review.

(b) Significant financial changes:

There have been no significant changes in the National Secretariat's principal activities or financial affairs during the period to which this report relates.

(c) Members advice:

- (i) Under Section 174 of the *Fair Work (Registered Organisations) Act 2009* and Rule 36 of the Constitution of the Guild, a member may resign from membership by written notice addressed and delivered to the Branch Director;
- (ii) The register of members of the organisation was maintained in accordance with the *Fair Work (Registered Organisations) Act 2009*; and
- (iii) Section 272 of the *Fair Work (Registered Organisations) Act 2009* outlines members and the General Manager of the Fair Work Commission's rights to certain prescribed information. This information is detailed in Note 4 of the financial statements.

(d) Prescribed and other Information:

- (i) As at 30 June 2025 to which this report relates the number of members of the organisation was 4,103.
- (ii) As at 30 June 2025 the total number of employees employed by the reporting entity was 72.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT

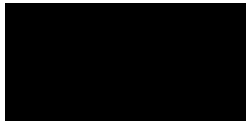
Operating Report (continued)

- (iii) During the financial year ended 30 June 2025 the following persons were members of National Council for the whole period, unless otherwise stated:

S. Blacker	D. Heffernan (resigned 19.11.24)	C. Whalan (appointed 19.11.24)
P. Hatswell	P. Krassaris (resigned 19.11.24)	M. Barone (appointed 19.11.24)
A. Ngeow	J. Plunkett (resigned 19.11.24)	C. Bronger (appointed 19.11.24)
H. O'Byrne	G. Scarlett (resigned 19.11.24)	P. Raso (appointed 19.11.24)
C. Owen	A. Tahan (resigned 19.11.24)	G. Tambasis (appointed 19.11.24)
J. O'Malley	A. Seeto (resigned 30.09.24)	M. Gillespie (appointed 19.11.24)
N. Panayiaris		
A. Tassone		
T. Twomey		
N. Willis		

Officers and members who are superannuation fund trustees or director of a company that is a superannuation fund trustee, because they are an officer or member of the Guild:

- (iv) During the reporting period no members of National Council were superannuation fund trustees or directors of a company that is a superannuation fund trustee where being a member or officer of the Guild is a criterion for them holding such a position.



CHRISTOPHER OWEN

15 October 2025

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT

COMMITTEE OF MANAGEMENT STATEMENT

We, TRENT TWOMEY and CHRISTOPHER OWEN, being two members of the National Council of The Pharmacy Guild of Australia, do state on behalf of the National Council and in accordance with a resolution passed by the National Council on 15 October 2025 that in relation to the General Purpose Financial Report of the National Secretariat, the opinion of National Council is as follows:

- (a) the attached financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* ("RO Act");
- (c) the financial statements and notes give a true and fair view of the financial position of the National Secretariat as at 30 June 2025 and the financial performance and cash flows of the National Secretariat for the year ended 30 June 2025;
- (d) there are reasonable grounds to believe that the National Secretariat will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the General Purpose Financial Report relates and since the end of that year:
 - (i) meetings of the National Council were held in accordance with the rules of the organisation;
 - (ii) the financial affairs of the National Secretariat have been managed in accordance with the rules of the organisation;
 - (iii) the financial records of the National Secretariat have been kept and maintained in accordance with the RO Act and the *Fair Work (Registered Organisations) Regulations 2009* ;
 - (iv) the financial records of the National Secretariat have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the committee of management.



TRENT TWOMEY
15 October 2025



CHRISTOPHER OWEN
15 October 2025

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025 \$	2024 \$
Income			
Revenue from contracts with customers	5	19,557,745	18,996,654
Other income	5	21,261,650	46,987,840
		<u>40,819,395</u>	<u>65,984,494</u>
Expenses			
Remuneration and employee benefits expense	6	(11,544,237)	(12,202,375)
Depreciation and amortisation	6	(781,602)	(741,383)
Write-down and impairment of assets	6	-	(319,165)
Other expenses	6	(26,227,432)	(24,341,052)
		<u>(38,553,271)</u>	<u>(37,603,975)</u>
Net surplus		<u>2,266,124</u>	<u>28,380,519</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income		<u>2,266,124</u>	<u>28,380,519</u>
Total comprehensive income attributable to the members of the Pharmacy Guild of Australia		<u>2,266,124</u>	<u>28,380,519</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	NOTE	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and short-term deposits	7	6,939,737	5,512,902
Trade and other receivables	8	4,148,892	3,931,190
Other current assets	9	953,222	1,068,479
Total current assets		12,041,851	10,512,571
Non-current assets			
Interests in related parties	10	21,420,053	21,420,055
Other financial assets	10	66,404,863	64,301,618
Property, plant and equipment	11	563,499	571,070
Right-of-use assets	12	4,061,348	4,522,841
Total non-current assets		92,449,763	90,815,584
TOTAL ASSETS		104,491,614	101,328,155
LIABILITIES			
Current liabilities			
Trade and other payables	13	3,821,129	2,511,359
Government grants and project funds held		504,231	539,275
Contract liabilities	14	164,975	213,893
Employee benefit liabilities	15	1,533,097	1,579,406
Lease liabilities	12	551,453	474,505
Total current liabilities		6,574,885	5,318,438
Non-current liabilities			
Contract liabilities	14	7,992	4,091
Employee benefit liabilities	15	182,307	119,472
Lease liabilities	12	4,920,181	5,346,029
Total non-current liabilities		5,110,480	5,469,592
TOTAL LIABILITIES		11,685,365	10,788,030
NET ASSETS		92,806,249	90,540,125
MEMBERS FUNDS			
Reserves	16(a)	35,061	155,198
Accumulated funds	16(b)	92,771,188	90,384,927
		92,806,249	90,540,125

The above statement of financial position should be read in conjunction with the accompanying notes.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	Accumulated Funds \$	National Fighting Fund Reserve \$	Total Equity \$
Balance as at 30 June 2023	16	<u>59,577,539</u>	<u>2,582,067</u>	<u>62,159,606</u>
Net surplus for the period		28,380,519	-	28,380,519
Other comprehensive income		-	-	-
Total comprehensive income		<u>28,380,519</u>	<u>-</u>	<u>28,380,519</u>
Transfers from National Fighting Fund reserve to the accumulated funds		2,426,869	(2,426,869)	-
Balance as at 30 June 2024	16	<u>90,384,927</u>	<u>155,198</u>	<u>90,540,125</u>
Net surplus for the period		2,266,124	-	2,266,124
Other comprehensive income		-	-	-
Total comprehensive income		<u>2,266,124</u>	<u>-</u>	<u>2,266,124</u>
Transfers from National Fighting Fund reserve to the accumulated funds		120,137	(120,137)	-
Balance as at 30 June 2025	16	<u>92,771,188</u>	<u>35,061</u>	<u>92,806,249</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025 \$	2024 \$
Operating activities			
Receipts from operations		28,692,344	27,603,189
Interest received		1,865,745	1,833,261
Dividends received		5,500,000	10,613,046
Distributions from managed funds		1,207,848	898,502
Distributions from jointly controlled entity		1,207,429	-
Government grants and project funds received		3,047,778	3,202,556
Interest payments on lease liabilities		(341,894)	(360,506)
Payments to suppliers and employees		(39,170,320)	(40,070,686)
Net cash flows from operating activities	7(a)	<u>2,008,930</u>	<u>3,719,362</u>
Investing activities			
Purchase of property, plant and equipment		(159,483)	(157,527)
Proceeds from sale of property, plant and equipment		-	5,500
Loan repayment by Australian Association of Consultants Pharmacy Ptd Ltd		80,000	-
Return of capital by Australian Association of Consultants Pharmacy Ptd Ltd		2	-
Net cash flows used in investing activities		<u>(79,481)</u>	<u>(152,027)</u>
Financing activities			
Loan repaid to Guild Group Holdings Limited		-	(5,313,046)
Repayment of lease liabilities		(502,614)	(464,170)
Net cash flows used in financing activities		<u>(502,614)</u>	<u>(5,777,216)</u>
Net increase/(decrease) in cash and cash equivalents		1,426,835	(2,209,881)
Cash and cash equivalents at beginning of period		5,512,902	7,722,783
Cash and cash equivalents at end of period	7	<u><u>6,939,737</u></u>	<u><u>5,512,902</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
Categories of expenditures		
Remuneration, and other employment-related costs and expenses, in respect of employees	11,544,237	12,202,375
Advertising	2,054,582	3,843,047
Operating costs	1,819,183	1,474,526
Donations to political parties	379,328	192,103
Legal costs	960,982	556,222

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

NOTE 1 ORGANISATIONAL INFORMATION

The financial statements of The Pharmacy Guild of Australia - National Secretariat (the Guild) for the year ended 30 June 2025 was authorised for issue in accordance with a resolution passed by the National Council on 15 October 2025.

The Pharmacy Guild of Australia is an organisation registered under the *Fair Work (Registered Organisations) Act 2009* (RO Act). The nature of the operations and the principal activities of the Guild are described in the Operating Report.

The registered office of the Pharmacy Guild of Australia - National Secretariat is:
Level 2, 15 National Circuit
BARTON ACT 2600

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act 2009*.

The financial report is prepared on the basis that the Guild is a not-for-profit entity.

The financial report, except for cash flow information, has been prepared using the accrual basis of accounting.

The financial report has also been prepared on a historical cost basis, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. The financial report is presented in Australian dollars.

Where necessary, comparatives have been reclassified for consistency with current year disclosures.

To meet the reporting requirements of sections 255 and 242(4) of the *Fair Work (Registered Organisations) Act 2009*, namely that each branch of an organisation must be in one, and only one, reporting unit, the Guild has determined that it meets the requirements of paragraph 4 of *AASB 10 Consolidated Financial Statements* that permit an exemption from preparing consolidated financial statements. Instead, these financial statements are separate financial statements and the accounting policies applied to investment in subsidiaries, jointly controlled entities and associates are listed in note 10 which disclose their measurement at cost. Under the Registered Rules of the Pharmacy Guild of Australia, the Guild prepares a separate set of consolidated financial statements which are available for all members upon request (or distributed to all members separately).

b) Going Concern

The Guild has agreed to provide the Tasmanian, Australian Capital Territory and Northern Territory Branches with financial support to ensure that they can continue on a going concern basis. The agreed financial support is up to a maximum of \$1,229,000 in total for the year ending 30 June 2026.

c) Statement of compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board (AASB).

d) New Australian accounting standards

Changes in accounting policy

The accounting policies adopted are consistent with those of the previous financial year.

In the current period, the Guild has adopted all new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and that are effective for the current annual reporting period.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

d) New Australian accounting standards (cont'd)

Accounting Standards and Interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Guild for the annual reporting period ended 30 June 2025. These are outlined below.

Reference	Title	Summary	Application date of standard*	Impact on Guild financial report	Application date for Guild*
AASB 2024-3	<i>Amendments to AASB 9</i>	The AASB has made the following narrow-scope amendments to AASB 9: <ul style="list-style-type: none"> ▪ Derecognition of lease liabilities - clarified that, when a lessee has determined that a lease liability has been extinguished in accordance with AASB 9, the lessee is required to apply AASB 9 and recognise any resulting gain or loss in profit or loss. ▪ Transaction price – to avoid confusion, replaced the reference to 'transaction price as defined by AASB 15 Revenue from Contracts with Customers' with 'the amount determined by applying AASB 15'. 	1 January 2026	The Guild has not yet determined the impact of the amendments.	1 July 2026
AASB 2024-3	<i>Amendments to AASB 107</i>	Paragraph 37 of AASB 107 has been amended to replace the term 'cost method' with the phrase 'at cost', following deletion of the definition of 'cost method'.	1 January 2026	The Guild has not yet determined the impact of the amendments.	1 July 2026
AASB 18	<i>Presentation and Disclosure in Financial Statements</i>	AASB 18 has been issued to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss. The key presentation and disclosure requirements established by AASB 18 are: <ul style="list-style-type: none"> ▪ The presentation of newly defined subtotals in the statement of profit or loss ▪ The disclosure of management-defined performance measures (MPM) ▪ Enhanced requirements for grouping information (i.e., aggregation and disaggregation) AASB 18 is accompanied with limited consequential amendments to the requirements in other accounting standards, including AASB 107. AASB 18 introduces three new categories for classification of all income and expenses in the statement of profit or loss: operating, investing and financing. Additionally, entities will be required to present subtotals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'. For the purposes of classifying income and expenses into one of the three new categories, entities will need to assess their main business activity, which will require judgement. There may be more than one main business activity. AASB 18 also requires several disclosures in relation to MPMs, such as how the measure is calculated, how it provides useful information and a reconciliation to the most comparable subtotal specified by AASB 18 or another standard. AASB 18 will replace AASB 101 Presentation of Financial Statements.	1 January 2028	The Guild has not yet determined the impact of the amendments.	1 July 2028

**THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025**

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

e) Revenue Recognition

The entity enters various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, accreditations, administration of government programs and grants.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the entity has a contract with a customer, the entity recognises revenue when or as it transfers control of goods or services to the customer. The entity accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the entity.

The entity recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the entity's promise to stand ready to provide assistance and support to the member as required.

For member subscriptions paid annually in advance, the entity has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

Capitation fees

Where the entity's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the entity recognises the capitation fees promised under that arrangement when or as it transfers the goods or services that will transfer as part of the specific promise to the branch/other reporting unit.

In circumstances where the criteria for a contract with a customer are not met, the entity will recognise capitation fees as income upon receipt.

Accreditation Fees

For accreditation arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised services are transferred to the customer, being an accredited pharmacy.

The entity recognises revenue at the point in time that the accreditation service is provided, that is when the accreditation is issued.

Administration of Government Programs

Revenue from the administration of government programs is recognised over the period of time that the contractual performance obligations are satisfied.

Distribution income from managed funds

Revenue is recognised when the Guild's right to receive the distribution payment is established, which is generally when the distribution is declared.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

e) Revenue Recognition (cont'd)

Commissions and referral fees

Commission and referral fee income is recognised with the Guild's right to receive the payment is established, which is linked to the timing of the underlying sale transaction.

Interest

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other revenue in the statement of comprehensive income.

Dividends

Revenue is recognised when the Guild's right to receive the dividend payment is established, which is generally when the dividend is declared.

f) Government Grants

Grants received on the enforceable condition that sufficiently specific services are delivered are considered to be an arrangement that meets the criteria of a contract with a customer. Such grants are initially recognised as a liability when the grant is received, and revenue is recognised as performance obligations are fulfilled.

In circumstances where the criteria for a contract with a customer are not met, the entity will recognise grant revenue upon receipt.

g) Leases

The entity assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Entity as a lessee

The entity applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The entity recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The entity recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses,

and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land & buildings	13.5 years
Plant and equipment	2 to 3 years

If ownership of the leased asset transfers to the reporting unit at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

**THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025**

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

g) Leases (cont'd)

Lease liabilities

At the commencement date of the lease, the entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the entity and payments of penalties for terminating the lease, if the lease term reflects the entity exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the entity uses the incremental borrowing rate if the implicit lease rate is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The entity's short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

h) Cash and Short-Term Deposits

Cash and short-term deposits in the statement of financial position comprise cash at bank and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

i) Borrowing Costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

j) Taxes

Income taxes

The Pharmacy Guild of Australia is exempt from income tax under section 50-15 of the *Income Tax Assessment Act 1997*.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- i) when the GST incurred on a sale or purchase of goods and services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable.
- ii) when receivables and payables are stated with the amount of GST included

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

**THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025**

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

j) Taxes (cont'd)

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

k) Property, Plant and Equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Repairs and maintenance costs are recognised in the income statement as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Plant and equipment - 3 to 10 years

Motor vehicles - 5 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition and disposal

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

l) Financial assets - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Contract assets and receivables

A contract asset is recognised when the Guild's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Guild's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Guild's business model for managing them. Except for trade receivables that do not contain a significant financing component or for which the Guild has applied the practical expedient, the Guild initially measures a financial asset at its fair value plus, in the case of financial assets not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15. Refer to the accounting policies in section (c) Revenue Recognition.

**THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025**

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

I) Financial assets - initial recognition and subsequent measurement (cont'd)

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Guild's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described below:

i) Financial assets at amortised cost (debt instruments)

The Guild measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the EIR method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired.

The Guild's assets at amortised cost includes trade receivables, term deposits included under other current financial assets, and loans to a jointly controlled entity, controlled entities and members included under other non-current financial assets.

ii) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Guild has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without significant delay to a third party under a "pass-through" arrangement; and either (a) the Guild has transferred substantially all the risks and rewards of the asset, or (b) the Guild has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025**

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

l) Financial assets - initial recognition and subsequent measurement (cont'd)

Impairment of financial assets

The Guild recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Guild expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables the Guild applies a simplified approach in calculating ECLs. Therefore, the Guild does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Guild has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Guild considers a financial asset in default when internal or external information indicates that the Guild is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Guild. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

m) Impairment of non-financial assets

The Guild assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Guild estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Value in use for Guild assets is taken to be its current replacement cost (where the Guild would replace the asset if it was deprived of it) as the future economic benefits of the assets are not primarily dependent on the asset's ability to generate future cash flows.

In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses of continuing operations are recognised in the income statement in expense categories consistent with the function of the impaired asset, except for properties previously revalued and the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Guild estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

**THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025**

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

n) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Guild's financial liabilities include trade and other payables, and loans and borrowings.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Guild. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

o) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Guild prior to the end of the financial year that are unpaid and arise when the Guild becomes obliged to make future payments in respect of the purchase of these goods and services. These amounts are unsecured and are usually paid within 30 days of recognition.

p) Contract liabilities

A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Guild transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Guild performs under the contract (i.e., transfers control of the related goods or services to the customer).

**THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025**

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

q) Provisions and employee benefits

General

Provisions are recognised when the Guild has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Guild expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the income statement net of any reimbursement.

Employee leave benefits

i) Wages, salaries, annual leave, and sick leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wages and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

r) Fair value measurement

The Guild measures financial instruments, such as, financial assets at fair value through the profit and loss, financial assets at fair value through OCI, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Guild. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Guild uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is SIGNIFICANT to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is SIGNIFICANT to the fair value measurement is directly or indirectly observable

**THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025**

NOTE 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

r) Fair value measurement (cont'd)

- Level 3—Valuation techniques for which the lowest level input that is SIGNIFICANT to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Guild determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is SIGNIFICANT to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of SIGNIFICANT assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For fair value disclosures, the Guild has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

s) Current versus non-current classification

The Guild presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the Guild's normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Guild classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in the Guild's normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The Guild classifies all other liabilities as non-current.

**THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025**

NOTE 3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The following accounting assumptions or estimates have been identified that have a significant risk of causing a significant adjustment to the carrying amounts of assets and liabilities within the next reporting period:

a) Long service leave provision

The liability for long service leave is recognised and measured at the present values of the estimated future cash flows to be made in respect of all employees at balance date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

b) Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

c) Impairment of assets

The Guild assesses impairment of all assets at each reporting date by evaluating conditions specific to the Guild that may lead to impairment of assets. If an impairment trigger exists, the recoverable amount of the asset is determined.

d) Leases – Estimating the incremental borrowing rate

The Guild cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Guild would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Guild 'would have to pay', which requires estimation when no observable rates are available (such as for entities that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

NOTE 4 INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of sub-sections (1), (2), and (3) of section 272 which read as follows:

Information to be provided to members or General Manager:

- 1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- 2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- 3) A reporting unit must comply with an application made under subsection (1).

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
NOTE 5 INCOME		
Revenue from contracts with customers		
Membership subscriptions	5,299,146	5,219,055
Capitation fees	-	-
Levies (compulsory or voluntary)	-	-
Quality Care Pharmacy Program (QCPP) income:		
Accreditation fees	13,295,605	12,501,230
Administration of government programs	446,852	574,813
Contributions for project work	151,500	366,750
Pharmacy resource tools	1,170	191
Vaccination services	363,472	334,615
	<u>19,557,745</u>	<u>18,996,654</u>
Component of membership subscriptions allocated to the Fighting Fund	<u>1,324,786</u>	<u>1,565,716</u>
Other income		
Commissions from controlled entity	1,503,785	1,170,134
Distribution income from managed funds	1,189,165	1,383,848
Distribution income from a jointly controlled entity	1,207,429	-
Dividend income from controlled entity	5,500,000	35,113,046
Donations received	-	-
Fair value gain on instruments at fair value through profit and loss	2,183,246	649,899
Interest received:		
Controlled entities	1,517,184	1,509,842
Other entities	348,561	323,419
Government grants and project funds	3,082,822	2,698,798
Recovery of wages activity	-	-
Referral fees from controlled entity	3,348,119	3,343,314
Rent received	45,097	46,259
Sponsorship income	272,558	206,455
Other income	1,063,684	542,826
	<u>21,261,650</u>	<u>46,987,840</u>
	<u>40,819,395</u>	<u>65,984,494</u>
NOTE 6 EXPENSES		
Remuneration and employee benefits expense		
Wages and salaries - officers	987,348	941,065
Wages and salaries - employees (other than officers)	8,302,149	8,296,428
Superannuation - officers	92,836	86,909
Superannuation - employees (other than officers)	923,768	898,373
Provision for annual leave - officers	866	22,979
Provision for annual leave - employees (other than officers)	186,435	128,320
Provision for long service leave - officers	27,314	68,061
Provision for long service leave - employees (other than officers)	104,382	175,562
Separation and redundancies - officers	-	-
Separation and redundancies - employees (other than officers)	58,215	780,569
Other on-costs (payroll tax and workers compensation expenses)	860,924	804,109
Total remuneration and employee benefits expense	<u>11,544,237</u>	<u>12,202,375</u>

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 6 EXPENSES (cont'd)		
Depreciation and amortisation		
Depreciation of property, plant and equipment	212,420	174,673
Amortisation of intangible assets	-	597
Depreciation of right-of-use assets	569,182	566,113
	<u>781,602</u>	<u>741,383</u>
Write-down and impairment of assets		
Impairment loss on non-current asset	-	319,165
Total write-down and impairment of assets	<u>-</u>	<u>319,165</u>
Other expenses		
Administrative expenses	981,486	922,932
Affiliation fees (a)	97,767	93,731
Audit fees	138,320	115,232
Bank fees	48,498	46,488
Branch funding - pharmacy service support	4,708,100	4,481,400
Capitation fee	-	-
Communication and marketing	427,712	148,472
Compulsory levies	-	-
Consideration for employers making payroll deductions of membership subscriptions	-	-
Consultants expenses	2,730,349	2,342,147
Donations and grants (b)	428,042	247,458
Government grant expenses and program payments	3,082,822	2,698,798
Interest expense	-	101,613
Interest on lease liabilities	341,894	360,506
Legal expenses - litigation	-	-
Legal expenses - other legal matters	960,982	556,222
(Gain)/loss on disposal of fixed assets	661	2,269
Meeting & conference - fees/allowances (excluding employee remuneration)	-	-
Meeting expenses:		
National Council	606,338	507,964
Committee expenses	171,390	264,226
Other meeting expenses	85,234	24,521
National membership database	91,759	82,319
Penalties imposed under the <i>Fair Work (Registered Organisations) Act 2009</i>	-	-
Public relations campaigns	1,626,870	3,694,575
QCPP assessment expenses	4,214,479	2,780,412
Special projects	701,553	510,695
Subsidies to branches	1,229,000	1,229,000
Travel expenses (local and overseas)	697,440	629,590
Vaccination services	322,059	336,968
Other expenses	2,534,677	2,163,514
Total other expenses	<u>26,227,432</u>	<u>24,341,052</u>
(a) Affiliation fees paid to each political party, federation, congress, council or group of organisations, or any international body having an interest in industrial matters:		
Australian Chamber of Commerce and Industry	64,973	62,475
Council of Small Business of Australia	10,000	10,000
World Pharmacy Council	22,794	21,256
	<u>97,767</u>	<u>93,731</u>
(b) Grants or donations paid:		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	11,494	3,239
Total paid that exceeded \$1,000	416,548	244,219
	<u>428,042</u>	<u>247,458</u>

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$

NOTE 7 CASH AND SHORT-TERM DEPOSITS

Guild cash

Cash at bank and on hand	6,939,737	5,512,902
--------------------------	-----------	-----------

Total cash and short-term deposits	6,939,737	5,512,902
---	------------------	------------------

Cash at bank earns interest at floating rates based on daily bank deposit rates.

(a) Reconciliation to statement of cash flows

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 30 June:

Cash at bank and on hand	6,939,737	5,512,902
--------------------------	-----------	-----------

Reconciliation of operating surplus to net cash flows from operations:

Operating surplus	2,266,124	28,380,519
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	212,420	174,673
Amortisation of intangible assets	-	597
Depreciation of right of use assets	569,182	566,113
Net (gain)/loss on disposal of fixed assets	661	2,269
Fair value gain on instruments at fair value through profit and loss	(2,183,246)	(649,899)
Interest capitalised to loan balance payable	-	101,613
Dividend income	-	(24,500,000)
Write off of investments	-	19
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in trade and other receivables	(217,703)	(394,869)
(Increase)/decrease in other current assets	115,257	136,334
Increase/(decrease) in trade and other payables	1,349,435	(905,114)
Increase/(decrease) in employee benefit liabilities	16,526	(34,951)
Increase/(decrease) in contract liabilities	(45,017)	211,620
Increase/(decrease) in net GST payable	(39,664)	271,396
Increase/(decrease) in government grants and project funds	(35,045)	359,041
Net cash flows from operating activities	2,008,930	3,719,361

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
NOTE 7 CASH AND SHORT-TERM DEPOSITS (cont'd)		
(b) Related party operating cash flows		
Cash inflows		
Branches:		
New South Wales	2,152,383	2,077,708
Victoria	1,431,804	1,269,382
Queensland	1,576,904	1,325,851
South Australia	526,203	458,229
Western Australia	841,981	830,370
Tasmania	529,375	675,188
Australian Capital Territory	185,804	192,399
Northern Territory	249,652	342,154
Other related parties:		
Gold Cross Products and Services Pty Ltd, a subsidiary of Guild Insurance Ltd	1,620,329	1,356,863
Guild Group Holdings Limited	7,030,407	12,132,844
Medicines Information Pty Ltd (formerly GuildLink Pty Ltd), an associate of Guild Group Holdings Ltd	-	8,798
Guild Insurance Limited, a subsidiary of Guild Group Holdings Ltd	3,659,095	3,476,299
Guild Trustee Services Pty Ltd, a subsidiary of Guild Group Holding Ltd	-	5,500
Meridian Lawyers Ltd, a subsidiary of Guild Group Holdings Ltd	-	2,723
Fred Health Pty Ltd, a former associate of the Victoria Branch	-	6,632
Australian College of Pharmacy Pty Ltd	238,713	58,927
MedAdvisor International Pty Ltd, a former associate of Guild Group Holdings Ltd	188	673
Total related party cash inflows from operating activities	20,042,838	24,220,540
Cash outflows		
Branches:		
New South Wales	(1,619,050)	(1,559,580)
Victoria	(1,070,289)	(1,004,757)
Queensland	(1,200,845)	(1,159,310)
South Australia	(454,274)	(452,577)
Western Australia	(699,100)	(674,305)
Tasmania	(606,561)	(589,339)
Australian Capital Territory	(575,048)	(582,986)
Northern Territory	(509,828)	(509,004)
Other related parties		
Gold Cross Products and Services Pty Ltd, a subsidiary of Guild Insurance Ltd	(5,323)	(1,063)
Guild Group Holdings Limited	(434,190)	-
Medicines Information Pty Ltd (formerly GuildLink Pty Ltd), an associate of Guild Group Holdings Ltd	(660)	(660)
Guild Insurance Limited, a subsidiary of Guild Group Holdings Ltd	(129,086)	(210,649)
Meridian Lawyers Ltd, a subsidiary of Guild Group Holdings Ltd	(982,692)	(475,006)
The Guild Properties (QLD) Unit Trust, a subsidiary of the Queensland Branch	(18,360)	(30,279)
Australian College of Pharmacy Pty Ltd	(285,211)	(330,714)
RXPG Pty Ltd, a company controlled by the spouse of the National president	(21,450)	(19,800)
MedAdvisor International Pty Ltd, a former associate of Guild Group Holdings Ltd	(134,510)	(393,021)
Total related party cash outflows used in operating activities	(8,746,477)	(7,993,050)

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$

NOTE 8 TRADE AND OTHER RECEIVABLES (CURRENT)

Trade and other receivables	1,171,803	1,093,794
Amounts receivable from related entities:		
Branch debtors	605,973	611,957
Gold Cross Products and Services Pty Ltd, a subsidiary of Guild Insurance Ltd	450,244	373,912
Guild Insurance Limited, a subsidiary of Guild Group Holdings Ltd	1,878,901	1,849,566
Guild Group Holdings Limited	28	54
Australian College of Pharmacy Pty Ltd	41,943	1,718
Fred Health Pty Ltd, a former associate of the Victoria Branch	-	81
MedAdvisor International Pty Ltd, a former associate of Guild Group Holdings Ltd	-	108
	<u>4,148,892</u>	<u>3,931,190</u>
Allowance for expected credit loss	-	-
Carrying amount of trade and other receivables	<u>4,148,892</u>	<u>3,931,190</u>

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

(a) Related party receivables

Branch debtors as at 30 June comprised:

New South Wales	179,357	263,745
Victoria	148,305	157,555
Queensland	193,078	177,850
South Australia	31,832	5,061
Western Australia	21,021	(4,230)
Tasmania	22,726	2,548
Australian Capital Territory	2,095	1,830
Northern Territory	7,559	7,598
	<u>605,973</u>	<u>611,957</u>
Allowance for expected credit loss	-	-
	<u>605,973</u>	<u>611,957</u>

Sales to related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

Outstanding balances at year end are unsecured, interest free and settlement occurs in cash.

(b) Fair values

Due to the short term nature of these receivables, the carrying value is assumed to approximate their fair value.

NOTE 9 OTHER CURRENT ASSETS (CURRENT)

Prepayments	953,222	1,068,479
	<u>953,222</u>	<u>1,068,479</u>

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 10 FINANCIAL ASSETS (NON-CURRENT)		
Interests in Related Parties		
At Cost		
Investments in controlled entities:		
Shares in controlled entities - unlisted		
Guild Funds Management Nominees Pty Ltd		
10 Ordinary shares (2025: 100%, 2024: 100%)	10	10
Guild Group Holdings Limited		
3,585,434 ordinary shares at \$1 per share (2025: 100%, 2024: 100%)	3,585,434	3,585,434
20,000 ordinary shares at \$100 per share (2025: 100%, 2024: 100%)	2,000,000	2,000,000
282,272 ordinary shares at \$33.81 per share (2025: 100%, 2024: 100%)	9,543,619	9,543,619
186,069 ordinary shares at \$33.81 per share (2025: 100%, 2024: 100%)	6,290,990	6,290,990
Australian College of Pharmacy Pty Ltd		
2,758,484 ordinary shares (2025: 51%, 2024: 51%)	92,000	92,000
1,773,139 ordinary shares (2025: 51%, 2024: 51%)	319,165	319,165
Accumulated impairment loss	(411,165)	(411,165)
	<u>21,420,053</u>	<u>21,420,053</u>
Investment in jointly controlled entity:		
Shares in jointly controlled entity - unlisted		
Australian Association of Consultant Pharmacy Pty Limited		
2 ordinary shares at cost (2025: nil, 2024: 50%)	-	2
Total interests in related parties	<u>21,420,053</u>	<u>21,420,055</u>
Other Financial Assets		
Financial Assets at Amortised Cost		
Unsecured loans to jointly controlled entity:		
Australian Association of Consultant Pharmacy Pty Limited	-	80,000
Unsecured loans to controlled entities:		
Gold Cross Products and Services Pty Ltd, a subsidiary of Guild Insurance Ltd	411,580	411,580
Unsecured promissory notes (controlled entities):		
Guild Group Holdings Limited	16,840,000	16,840,000
Total Financial Assets at Amortised Cost	<u>17,251,580</u>	<u>17,331,580</u>
Financial Assets at Fair Value through Profit or Loss		
Managed funds	49,153,283	46,970,038
Total Financial Assets at Fair Value through Profit or Loss	<u>49,153,283</u>	<u>46,970,038</u>
Total Other Financial Assets	<u>66,404,863</u>	<u>64,301,618</u>
Total Financial Assets (Non-current)	<u>87,824,916</u>	<u>85,721,673</u>

**THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025**

NOTE 10 FINANCIAL ASSETS (NON-CURRENT) (Cont'd)

(a) Financial Assets at Amortised Cost

(i) Guild Group Holdings Limited

On 30 June 2014, Guild Group Holdings Limited issued to the Pharmacy Guild of Australia - National Secretariat 1,684 unsecured promissory notes at an issue price of \$10,000 each (total value of \$16,840,000). These notes have a term of 19 years and 11 months and are repayable on 31 May 2034. The rate of interest applicable to the notes is the 180 Day Bank Bill Discount Rate plus 400 basis points.

In the event of a *non-viability trigger event* the Notes will immediately and irrevocably, in the first instance, be converted into ordinary shares of Guild Group Holdings Limited, or failing that, written off, the extent to which is dependent upon the type of non-viability trigger event specified below.

A *non-viability trigger event* occurs when the Australian Prudential Regulation Authority (APRA) notifies Guild Group Holdings Ltd (GGHL) in writing that it believes that (a) the conversion or write-off of Notes is necessary because, without conversion or write-off, Guild Group Holdings Limited would become non-viable (Event A); or (b) that without a public sector injection of capital, or equivalent support, Guild Group Holdings Limited would become non-viable (Event B).

For an Event A, the extent of the conversion or write-off shall be determined by GGHL that is necessary to enable APRA to conclude that GGHL is viable without further conversion or write-off.

For an Event B, GGHL must immediately convert or write-off the Notes in full.

(ii) Gold Cross Products and Services Pty Ltd, a subsidiary of Guild Insurance Ltd

The unsecured loan to Gold Cross Products and Services Pty Limited is repayable on call.
The interest rate is fixed at 6.3% per annum.

(b) Fair values

Management have assessed that the fair values of cash, trade receivables, trade payables, and other current liabilities as being approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Long-term receivables are evaluated by the Guild based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed party.

Based on this evaluation, allowances are taken into account for any expected losses of these receivables.

Managed funds are evaluated based on the withdrawal price for funds in the managed investment scheme.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 11 PROPERTY, PLANT AND EQUIPMENT		
Reconciliation of carrying amounts at the beginning and end of period		
Office equipment - at cost		
As at 1 July, net of accumulated depreciation and impairment	426,999	421,788
Additions	205,510	180,994
Disposals	(661)	(7,769)
Depreciation	(203,838)	(168,014)
As at 30 June, net of accumulated depreciation and impairment	<u>428,010</u>	<u>426,999</u>
Cost	1,211,615	1,385,232
Accumulated depreciation and impairment	(783,605)	(958,233)
Net carrying amount	<u>428,010</u>	<u>426,999</u>
Motor vehicles - at cost		
As at 1 July, net of accumulated depreciation and impairment	36,250	-
Additions	-	42,909
Depreciation	(8,582)	(6,659)
As at 30 June, net of accumulated depreciation and impairment	<u>27,668</u>	<u>36,250</u>
Cost	42,909	42,909
Accumulated depreciation and impairment	(15,241)	(6,659)
Net carrying amount	<u>27,668</u>	<u>36,250</u>
Artwork - at cost		
As at 1 July, net of accumulated depreciation and impairment	91,195	91,195
As at 30 June, net of accumulated depreciation and impairment	<u>91,195</u>	<u>91,195</u>
Net carrying amount	<u>91,195</u>	<u>91,195</u>
Antiques - at cost		
As at 1 July, net of accumulated depreciation and impairment	16,626	16,626
As at 30 June, net of accumulated depreciation and impairment	<u>16,626</u>	<u>16,626</u>
Net carrying amount	<u>16,626</u>	<u>16,626</u>
Total Property, Plant and Equipment - at cost		
As at 1 July, net of accumulated depreciation and impairment	571,070	529,609
Additions	205,510	223,903
Disposals	(661)	(7,769)
Depreciation	(212,420)	(174,673)
As at 30 June, net of accumulated depreciation and impairment	<u>563,499</u>	<u>571,070</u>
Cost	1,362,345	1,535,962
Accumulated depreciation and impairment	(798,846)	(964,892)
Net carrying amount	<u>563,499</u>	<u>571,070</u>

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
NOTE 12 LEASES		
Entity as a lessee		
Right-of-use assets		
Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:		
Land and buildings		
As at 1 July, net of accumulated depreciation and impairment	4,516,923	5,040,726
Re-measurement of lease liability due to lease modification	4,140	6,800
Depreciation	(531,402)	(530,603)
As at 30 June, net of accumulated depreciation and impairment	<u>3,989,661</u>	<u>4,516,923</u>
Cost	7,250,289	7,246,149
Accumulated depreciation and impairment	(3,260,628)	(2,729,226)
Net carrying amount	<u>3,989,661</u>	<u>4,516,923</u>
Office equipment		
As at 1 July, net of accumulated depreciation and impairment	5,918	67,525
Re-measurement of lease liability due to lease modification	-	(26,096)
Additions	127,443	-
Depreciation	(37,780)	(35,511)
Adjustments	(23,894)	-
As at 30 June, net of accumulated depreciation and impairment	<u>71,687</u>	<u>5,918</u>
Cost	127,443	205,420
Accumulated depreciation and impairment	(55,756)	(199,502)
Net carrying amount	<u>71,687</u>	<u>5,918</u>
Total right-of-use assets		
As at 1 July, net of accumulated depreciation and impairment	4,522,841	5,108,250
Re-measurement of lease liability due to lease modification	4,140	(19,296)
Additions	127,443	-
Depreciation	(569,182)	(566,113)
Adjustments	(23,894)	-
As at 30 June, net of accumulated depreciation and impairment	<u>4,061,348</u>	<u>4,522,841</u>
Cost	7,377,732	7,451,569
Accumulated depreciation and impairment	(3,316,384)	(2,928,728)
Net carrying amount	<u>4,061,348</u>	<u>4,522,841</u>

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$

NOTE 12 LEASES (Cont'd)

Leases

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Land & Buildings

As at 1 July	5,814,593	6,164,294
Re-measurement of lease liability due to lease modification	4,140	6,800
Additions	46,027	66,367
Accretion of interest	336,328	358,560
Payments	(804,871)	(781,428)
As at 30 June	<u>5,396,217</u>	<u>5,814,593</u>

Office equipment

As at 1 July	5,941	73,340
Re-measurement of lease liability due to lease modification	-	(26,096)
Additions	127,443	-
Accretion of interest	5,566	1,945
Adjustments	(21,631)	-
Payments	(41,902)	(43,248)
As at 30 June	<u>75,417</u>	<u>5,941</u>

Total leases

As at 1 July	5,820,534	6,237,634
Re-measurement of lease liability due to lease modification	4,140	(19,296)
Additions	173,470	66,367
Accretion of interest	341,894	360,505
Adjustments	(21,631)	-
Payments	(846,773)	(824,676)
As at 30 June	<u>5,471,634</u>	<u>5,820,534</u>

Current	551,453	474,505
Non-current	4,920,181	5,346,029
	<u>5,471,634</u>	<u>5,820,534</u>

The maturity analysis of lease liabilities is disclosed in Note 21(v).

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	569,182	566,113
Interest expense on lease liabilities	341,894	360,506
Total amount recognised in profit or loss	<u>911,076</u>	<u>926,619</u>

The following provides information on the Guild's variable lease payments, including the magnitude in relation to fixed payments:

Fixed rent	(846,773)	(824,676)
Variable rent with minimum payment	-	-
Variable rent only	<u>(846,773)</u>	<u>(824,676)</u>

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
NOTE 13 TRADE AND OTHER PAYABLES (CURRENT)		
Trade and other payables	3,360,639	2,030,654
Amounts payable to related entities:		
Branch creditors	67,774	19,189
Gold Cross Products and Services Pty Ltd, a subsidiary of Guild Insurance Ltd	2,971	377
Guild Insurance Limited, a subsidiary of Guild Group Holdings Ltd	28,943	19,525
Meridian Lawyers Limited, a subsidiary of Guild Group Holdings Ltd	100,685	43,453
Australian College of Pharmacy Pty Ltd	32,107	42,242
The Guild Properties (QLD) Unit Trust, a subsidiary of the Queensland Branch	2,300	2,000
RXPG Pty Ltd, a company controlled by the spouse of the National President	-	1,650
MedAdvisor International Pty Ltd, a former associate of Guild Group Holdings Ltd	-	86,894
Consideration for employers making payroll deductions of membership subscriptions	-	-
Net GST payable	225,710	265,375
	<u>3,821,129</u>	<u>2,511,359</u>
Legal fees payable		
- In respect of litigation	-	-
- In respect of other legal matters	119,760	49,318
	<u>119,760</u>	<u>49,318</u>

(a) Fair value

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

(b) Related party payables

Branch creditors as at 30 June comprised:

New South Wales	8,250	-
Victoria	8,922	167
Queensland	20,966	8,533
South Australia	8,550	-
Western Australia	6,050	215
Tasmania	6,033	10,151
Australian Capital Territory	4,603	123
Northern Territory	4,400	-
	<u>67,774</u>	<u>19,189</u>

Purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

Outstanding balances at year end are unsecured, interest free and settlement occurs in cash.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$

NOTE 14 CONTRACT LIABILITIES

Contract Liabilities - current	164,975	213,893
Contract Liabilities - non-current	7,992	4,091
	<u>172,967</u>	<u>217,984</u>

Contract liabilities predominantly relate to government program administration, and as such, the balance of this account varies depending on the government programs in existence at the end of the year.

Set out below is the amount of revenue recognised from:

- Amounts included in contract liabilities at the beginning of the year	87,659	-
---	--------	---

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied)

at year end are as follows:

- Within one year	164,975	213,893
- More than one year	7,992	4,091
	<u>172,967</u>	<u>217,984</u>

NOTE 15 EMPLOYEE BENEFIT LIABILITIES

Current

Annual leave	736,767	729,331
Long service leave	796,330	850,075
	<u>1,533,097</u>	<u>1,579,406</u>

Non-Current

Long service leave	182,307	119,472
	<u>182,307</u>	<u>119,472</u>

Employee entitlements (annual leave) in respect of :

- officers	-	73,440
- other employees	736,767	655,891
	<u>736,767</u>	<u>729,331</u>

Employee entitlements (separation and redundancies) in respect of:

- officers	-	-
- other employees	-	-
	<u>-</u>	<u>-</u>

Employee entitlements (long service leave) in respect of:

- officers	-	70,437
- other employees	978,637	899,110
	<u>978,637</u>	<u>969,547</u>

No employee provisions in respect of officers or employees have been recognised during the financial year for other employee provisions.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$

NOTE 16 RESERVES AND ACCUMULATED FUNDS

(a)	National Fighting Fund reserve		
	Balance at the beginning of year	155,198	2,582,067
	Transfer to accumulated funds	(120,137)	(2,426,869)
	Balance at the end of year	<u>35,061</u>	<u>155,198</u>
	Total Reserves	<u><u>35,061</u></u>	<u><u>155,198</u></u>

National Fighting Fund reserve

A National referendum was held in April 2002 to seek Guild members' approval to establish a National Fighting Fund. The Funds would be obtained from an increase in annual subscriptions (premises component only) and be used to fund special endeavours required to preserve and protect the long-term interests of members. The Fund would operate under the direct control of the Guild's Executive Committee who would consider each allocation of funds against stringent criteria agreed by the Executive. The referendum was successful and the collection of funds was commenced in the 2002/2003 financial year. The surplus funds are held in a reserve pending future costs relating to this cause. All funds are held as cash and interest on the funds are transferred to the reserve.

(b)	Accumulated Funds		
	Balance at the beginning of the year	90,384,927	59,577,539
	Net surplus attributable to the Guild	2,266,124	28,380,519
	Transfer from the Fighting Fund reserve	120,137	2,426,869
	Balance at the end of the year	<u><u>92,771,188</u></u>	<u><u>90,384,927</u></u>

No other fund is required by the rules of the organisation.

NOTE 17 COMMITMENTS

(a) Other commitments

The National Secretariat has committed to financially support the Tasmanian, Australian Capital Territory and Northern Territory Branches in the year ending 30 June 2026 by funding deficits of the relevant branches up to maximum of \$1,229,000 in total.

NOTE 18 RELATED PARTY DISCLOSURES

The following related party transactions occurred during the financial year:

Sales Transactions

Victoria Branch			
	Membership subscriptions	1,120,359	1,075,310
	National database on-charge	31,445	30,338
	IT Support	124,015	67,776
	Cost reimbursement and other	17,317	27,600
		<u><u>1,293,136</u></u>	<u><u>1,201,024</u></u>
Queensland Branch			
	Membership subscriptions	1,171,587	1,145,401
	National database on-charge	31,996	31,583
	IT Support	171,518	55,884
	Cost reimbursement and other	73,568	43,712
		<u><u>1,448,669</u></u>	<u><u>1,276,580</u></u>
Australian College of Pharmacy Pty Ltd			
	Cost reimbursement and other	253,989	55,601
		<u><u>253,989</u></u>	<u><u>55,601</u></u>

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 18 RELATED PARTY DISCLOSURES (Cont'd)		
New South Wales Branch		
Membership subscriptions	1,615,140	1,620,346
IT Support	166,309	149,460
National database on-charge	45,325	45,559
Cost reimbursement and other	53,196	80,418
	<u>1,879,970</u>	<u>1,895,783</u>
South Australia Branch		
Membership subscriptions	408,635	398,449
National database on-charge	11,607	11,381
IT Support	69,490	
Cost reimbursement and other	12,971	6,951
	<u>502,703</u>	<u>416,781</u>
Western Australia Branch		
Membership subscriptions	705,883	705,684
National database on-charge	19,632	19,545
Cost reimbursement and other	65,364	5,414
	<u>790,879</u>	<u>730,643</u>
Tasmania Branch		
Membership subscriptions	151,008	146,249
Cost reimbursement and other	382,902	482,557
	<u>533,910</u>	<u>628,806</u>
Australian Capital Territory Branch		
Membership subscriptions	87,642	87,317
Cost reimbursement and other	84,211	80,975
	<u>171,853</u>	<u>168,292</u>
Northern Territory Branch		
Membership subscriptions	38,892	40,300
Cost reimbursement and other	205,778	296,668
	<u>244,670</u>	<u>336,968</u>
Gold Cross Products and Services Pty Ltd, a subsidiary of Guild Insurance Ltd		
Commissions	1,503,785	1,170,134
Sponsorship	5,000	5,000
Interest	25,944	25,944
Cost reimbursement and other	10,050	15,058
	<u>1,544,779</u>	<u>1,216,136</u>
Guild Group Holdings Ltd		
Dividend	5,500,000	35,113,046
Interest	1,491,241	1,483,898
Sponsorship	35,000	32,000
Cost reimbursement and other	582	465
	<u>7,026,823</u>	<u>36,629,409</u>
MedAdvisor International Pty Ltd, a former associate of Guild Group Holdings Ltd		
Cost reimbursement and other	73	783
	<u>73</u>	<u>783</u>
Medicines Information Pty Ltd (formerly GuildLink Pty Ltd), an associate of Guild Group Holdings Ltd		
Cost reimbursement and other	-	5,803
	<u>-</u>	<u>5,803</u>
Guild Insurance Ltd, a subsidiary of Guild Group Holdings Ltd		
Referral fees	3,348,119	3,343,314
Sponsorship on-paid to external entity	5,000	5,000
Other	-	1,017
	<u>3,353,119</u>	<u>3,349,331</u>

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 18 RELATED PARTY DISCLOSURES (Cont'd)		
Fred Health Pty Ltd, a former associate of the Victoria Branch		
Sponsorship on-paid to external entity	-	5,000
Other	-	1,103
	<u>-</u>	<u>6,103</u>
Meridian Lawyers Ltd, a subsidiary of Guild Group Holdings Ltd		
Rent Income	-	2,475
	<u>-</u>	<u>2,475</u>
Guild Trustee Services Pty Ltd, a subsidiary of Guild Group Holdings Ltd		
Sponsorship on-paid to external entity	-	5,000
	<u>-</u>	<u>5,000</u>
Purchase Transactions		
Victoria Branch		
Branch funding - pharmacy service support	(956,800)	(888,800)
Reimbursement and other	(24,597)	(21,153)
	<u>(981,397)</u>	<u>(909,953)</u>
Queensland Branch		
Branch funding - pharmacy service support	(1,021,200)	(979,000)
Conferences and seminars	(39,318)	(22,364)
Reimbursement and other	(42,123)	(33,891)
	<u>(1,102,641)</u>	<u>(1,035,255)</u>
Australian College of Pharmacy Pty Ltd		
Funding - Project work	-	(117,327)
Reimbursement and other	(251,793)	(192,515)
	<u>(251,793)</u>	<u>(309,842)</u>
The Guild Properties (QLD) Unit Trust, a subsidiary of the Queensland Branch		
Rent	(18,660)	(32,279)
	<u>(18,660)</u>	<u>(32,279)</u>
New South Wales Branch		
Branch funding - pharmacy service support	(1,469,700)	(1,405,800)
Reimbursement and other	(9,664)	-
	<u>(1,479,364)</u>	<u>(1,405,800)</u>
South Australia Branch		
Branch funding - pharmacy service support	(374,900)	(361,900)
Reimbursement and other	(46,085)	(24,913)
	<u>(420,985)</u>	<u>(386,813)</u>
Western Australia Branch		
Branch funding - pharmacy service support	(629,050)	(601,700)
Reimbursement and other	(11,800)	(196)
	<u>(640,850)</u>	<u>(601,896)</u>

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
NOTE 18 RELATED PARTY DISCLOSURES (Cont'd)		
Tasmania Branch		
Branch funding - pharmacy service support	(139,150)	(132,000)
Branch subsidy	(364,000)	(364,000)
Reimbursement and other	(44,551)	(39,993)
	<u>(547,701)</u>	<u>(535,993)</u>
Australian Capital Territory Branch		
Branch funding - pharmacy service support	(81,650)	(78,100)
Branch subsidy	(438,000)	(438,000)
Reimbursement and other	(7,299)	(4,052)
	<u>(526,949)</u>	<u>(520,152)</u>
Northern Territory Branch		
Branch funding - pharmacy service support	(35,650)	(34,100)
Branch subsidy	(427,000)	(427,000)
Reimbursement and other	(4,830)	(1,631)
	<u>(467,480)</u>	<u>(462,731)</u>
Gold Cross Products and Services Pty Ltd, a subsidiary of Guild Insurance Ltd		
Reimbursement and other	(7,197)	(1,310)
	<u>(7,197)</u>	<u>(1,310)</u>
Guild Group Holdings Ltd		
Reimbursement and other	(394,719)	-
	<u>(394,719)</u>	<u>-</u>
MedAdvisor International Pty Ltd, a former associate of Guild Group Holdings Ltd		
Vaccine Program	(43,287)	(436,286)
	<u>(43,287)</u>	<u>(436,286)</u>
Medicines Information Pty Ltd (formerly GuildLink Pty Ltd), a former associate of Group Group Holdings Ltd		
Reimbursement and other	(600)	-
	<u>(600)</u>	<u>-</u>
Guild Insurance Ltd, a subsidiary of Guild Group Holdings Ltd		
Corporate insurance premiums	(116,459)	(109,590)
Workers compensation	(81,438)	(68,472)
Car insurance	(2,474)	(2,447)
	<u>(200,371)</u>	<u>(180,509)</u>
Meridian Lawyers Ltd, a subsidiary of Guild Group Holdings Ltd		
Legal fees	(949,513)	(397,260)
	<u>(949,513)</u>	<u>(397,260)</u>
RXPG Pty Ltd, a company controlled by the spouse of the National President		
Rent	(18,000)	(18,000)
	<u>(18,000)</u>	<u>(18,000)</u>

NOTE 19 KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

(i) National Council

Current at Balance Sheet date

S. Blacker	N. Willis
P. Hatswell	C. Whalan
A. Ngeow	M. Barone
H. O'Byrne	C. Bronger
C. Owen	P. Raso
J. O'Malley	G. Tambasis
N. Panayiaris	M. Gillespie
A. Tassone	T. Twomey

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
(ii) <i>Compensation of National Councillors and other key management personnel</i>		
Short-term employee benefits	1,797,340	2,052,135
Post employment benefits	178,445	196,148
Other long-term benefits	62,892	128,122
Termination benefits	-	381,370
Total compensation	<u>2,038,677</u>	<u>2,757,775</u>

NOTE 20 EVENTS AFTER THE BALANCE SHEET DATE

On 24 September 2025, the directors of Guild Group Holdings Ltd declared an ordinary dividend of \$3,000,000 and a special dividend of \$5,800,000. The ordinary dividend was paid on 30 September 2025, and the special dividend will be directed to be paid into managed funds. The dividend has not been provided for in the 30 June 2025 financial statements.

On 12 September 2025, the Guild acquired 100% of the shares of Member Benefits Australia Pty Ltd (MBA) for \$100,000.

On 30 September 2025, the Guild provided a loan of \$500,000 to MBA at an interest rate applicable to the 180-day bank bill swap rate plus 3% and with a repayment term of 12 months.

After the reporting date, the Guild entered a proposed arrangement with the Pharmaceutical Society of Australia (PSA) to sell its equity interest in Australian College of Pharmacy Pty Ltd (ACP) for a price of \$1. As part of the arrangement, the Guild intends to provide PSA with a warranty capped at \$500,000. Additionally, the Guild has agreed to pay PSA a total of \$1,300,000, payable over four years, to provide implementation support. The transaction, which has not been provided for in the 30 June 2025 financial statements, is indicative of conditions that arose after the reporting period and remains subject to the finalisation and execution of the Securities Purchase Agreement.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

NOTE 21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Guild's principal financial instruments comprise cash, receivables, managed funds, payables and loans.

Risk Exposures and Responses

The Guild is exposed to interest rate risk, equity price risk, credit risk and liquidity risk.

Primary responsibility for identification and control of financial risks rests with Guild management under the authority of the National Council. The National Council reviews and agrees policies for managing each of the risks identified below.

It is, and has been throughout the period under review, the Guild's policy that no trading in financial instruments shall be undertaken.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Guild's exposure to the risk of changes in market interest rates relates to the Guild's cash, term deposits and interest-bearing receivables. The Guild has no debt obligations exposed to interest rate risk.

At balance date, the Guild had the following mix of financial assets exposed to Australian variable interest rate risk:

	2025 \$	2024 \$
Financial Assets		
Cash	6,939,737	5,512,902
Amounts receivable from controlled entities:		
Guild Group Holdings Limited	16,840,000	16,840,000
	<u>23,779,737</u>	<u>22,352,902</u>

At 30 June 2025, if interest rates had moved, as illustrated in the table below, with all other variables held constant, the net surplus would have been affected as follows:

	Net Surplus Higher/(Lower) 2025 \$	Net Surplus Higher/(Lower) 2024 \$
Judgments of reasonably possible movements:		
+ 1% (100 basis points)	230,663	233,881
- 1% (100 basis points)	(230,663)	(233,881)

The reasonably possible movements in net surplus are due to higher/(lower) interest from variable rate cash and receivables.

The assessment of reasonably possible movements in interest rates is based on expectations of movements in market interest rates.

(ii) Foreign Currency Risk

The Guild's exposure to foreign currency risk is minimal as it does not deal with foreign currency in the ordinary course of operations.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

NOTE 21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(iii) Equity Price Risk

The Guild's non-listed equity investment in managed funds is susceptible to market price risk arising from uncertainties about the future value of the investment. The Guild manages the equity price risk through the diversification strategy set by the fund manager. The National Council reviews and approves all equity investment decisions.

At the reporting date, the following assets were exposed to equity price risk:

	2025 \$	2024 \$
Financial Assets		
Managed Funds	49,153,283	46,970,038

If equity prices had moved as illustrated in the table below, with all other variables held constant, the effect on the net surplus and equity would have been as follows:

Judgments of reasonably possible movements:	Net Surplus Higher/(Lower) 2025 \$	Net Surplus Higher/(Lower) 2024 \$
+ 5%	2,457,664	2,348,502
- 5%	(2,457,664)	(2,348,502)

The reasonably possible movements in net surplus are due to a higher/(lower) withdrawal price for the managed funds.

The assessment of reasonably possible movements in equity price is based on expectations of movements in the withdrawal price for the managed funds.

(iv) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Guild is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

The Guild trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Guild's policy to securitise its trade and other receivables.

Receivable balances are monitored on an ongoing basis with the result that the Guild's exposure to bad debts is not significant.

Other than the notes receivable from Guild Group Holdings Ltd of \$16,840,000 (2023: \$16,840,000), there are no significant concentrations of credit risk within the Guild.

The carrying amount of the Guild's financial assets best represents its maximum credit risk exposure. The Guild's maximum exposure to credit risk at the reporting date was:

	Note	2025 \$	2024 \$
Cash and short-term deposits	7	6,939,737	5,512,902
Trade and other receivables (current)	8	4,148,892	3,931,190
Interests in related parties (non-current)	10	21,420,053	21,420,055
Other financial assets (non-current)	10	66,404,863	64,301,618
		<u>98,913,545</u>	<u>95,165,765</u>

Set out below is the information about the credit risk exposure on the Guild's trade receivables using a provision matrix:

Year ended 30 June 2025	Trade Receivables Days past due				
	Current	30-60 days	61-90 days	>90 days	Total
Expected credit loss rate	0%	0%	0%	0%	
Estimated total gross carrying amount at default	4,051,003	15,220	82,669	-	4,148,892
Expected credit loss	-	-	-	-	-
Year ended 30 June 2024	Trade Receivables Days past due				
	Current	30-60 days	61-90 days	>90 days	Total
Expected credit loss rate	0%	0%	0%	0%	
Estimated total gross carrying amount at default	3,813,264	113,756	2,032	2,137	3,931,189
Expected credit loss	-	-	-	-	-

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

NOTE 21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(v) Liquidity Risk

Liquidity risk arises from the financial liabilities of the Guild and the Guild's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due.

The Guild's exposure to liquidity risk relates primarily to trade and other payables, loans, and lease liabilities.

The Guild manages its liquidity risk by monitoring the total cash inflows and outflows on a monthly basis.

The following table details the Guild's remaining contractual maturity for its financial assets and liabilities.

Maturity analysis of financial assets and liabilities based on management's expectation.

Year ended 30 June 2025	<1 year	1 - 5 years	>5 years	Total
Financial Assets				
Cash and short-term deposits	6,939,737	-	-	6,939,737
Trade and other receivables	4,148,892	-	17,251,580	21,400,472
Financial assets as fair value through profit and loss	-	-	49,153,283	49,153,283
	<u>11,088,629</u>	<u>-</u>	<u>66,404,863</u>	<u>77,493,492</u>
Financial Liabilities				
Trade and other payables	3,821,129	-	-	3,821,129
Government grants and project funds held	504,231	-	-	504,231
Lease liabilities	551,453	2,649,371	2,270,810	5,471,634
	<u>4,876,813</u>	<u>2,649,371</u>	<u>2,270,810</u>	<u>9,796,994</u>
Net	<u>6,211,816</u>	<u>(2,649,371)</u>	<u>64,134,053</u>	<u>67,696,498</u>
Year ended 30 June 2024	<1 year	1 - 5 years	>5 years	Total
Financial Assets				
Cash and short-term deposits	5,512,902	-	-	5,512,902
Trade and other receivables	3,931,190	-	17,331,580	21,262,770
Financial assets as fair value through profit and loss	-	-	46,970,038	46,970,038
	<u>9,444,092</u>	<u>-</u>	<u>64,301,618</u>	<u>73,745,710</u>
Financial Liabilities				
Trade and other payables	2,511,359	-	-	2,511,359
Government grants and project funds held	539,275	-	-	539,275
Lease liabilities	474,505	3,075,219	2,270,810	5,820,534
	<u>3,525,139</u>	<u>3,075,219</u>	<u>2,270,810</u>	<u>8,871,168</u>
Net	<u>5,918,953</u>	<u>(3,075,219)</u>	<u>62,030,808</u>	<u>64,874,542</u>

(vi) Fair value hierarchy

The following table provides an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

	Date of valuation	Level 1	Level 2	Level 3	Total
Year Ended 30 June 2025					
Assets measured at fair value:					
Managed funds	30 June 2025	-	49,153,283	-	49,153,283
		<u>-</u>	<u>49,153,283</u>	<u>-</u>	<u>49,153,283</u>
Year Ended 30 June 2024					
Assets measured at fair value:					
Managed funds	30 June 2024	-	46,970,038	-	46,970,038
		<u>-</u>	<u>46,970,038</u>	<u>-</u>	<u>46,970,038</u>

There were no transfers between Level 1 and Level 2 during 2025 and 2024.

THE PHARMACY GUILD OF AUSTRALIA - NATIONAL SECRETARIAT
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2025

NOTE 22 AUDITOR REMUNERATION

	2025	2024
	\$	\$
Remuneration to auditors		
Audit fees	128,960	106,392
Other assurance services	9,360	8,840
QCPP audit assessments	4,214,479	2,780,412
Other non-assurance services	-	62,000
	<u>4,352,799</u>	<u>2,957,644</u>

NOTE 23 MISCELLANEOUS DISCLOSURES

- (i) The National Secretariat is not reliant upon other reporting units in order to continue as a going concern.
- (ii) The National Secretariat has not received any financial support from the branches of the organisation.
- (iii) No terms or conditions are attached to the financial support provided to the Tasmania, Australian Capital Territory and Northern Territory branches.
- (iv) The National Secretariat has not acquired an asset or liability during the financial year as a result of:
 - (a) an amalgamation under Part 2 of Chapter 3 of the *Fair Work (Registered Organisations) Act 2009* ;
 - (b) a restructure of the branches of the organisation;
 - (c) a determination by the General Manager of the Fair Work Commission under subsection 245(1) of the *Fair Work (Registered Organisations) Act 2009* of an alternative reporting structure for the organisation; or
 - (d) a revocation by the General Manager of the Fair Work Commission under subsection 249(1) of the *Fair Work (Registered Organisations) Act 2009* of a certificate issued to an organisation under subsection 245(1).
- (v) The financial affairs of the National Secretariat are not administered by another entity.
- (vi) No payments were made during the reporting period to a former related party of the reporting unit, where the liability was incurred during the period in which a related party relationship existed.

Independent auditor's report to the members of the Pharmacy Guild of Australia – National Secretariat

Report on the audit of the financial report

Opinion

We have audited the financial report of the Pharmacy Guild of Australia - National Secretariat (the Reporting Unit), which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2025, notes to the financial statements, including a summary of material accounting policies, the committee of management statement and the subsection 255(2A) report.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Pharmacy Guild of Australia - National Secretariat as at 30 June 2025, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a. The Australian Accounting Standards; and
- b. Any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the financial report and auditor's report thereon

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the committee of management for the financial report

The committee of management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management is responsible for assessing the Reporting Unit'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 committee of management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is 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 Australian Auditing Standards 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 economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:


- Identify and assess the risks of material misstatement of the financial report, 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit'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 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 Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

We communicate with the committee of management 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.

The engagement partner on the audit resulting in this independent auditor's report is Irene Tzavaras who is an approved auditor, a member of Chartered Accountants Australia and New Zealand and holds a current Certificate of Public Practice.

Ernst & Young
Ernst & Young



Irene Tzavaras
Partner
Canberra

15 October 2025

Registration number (as registered by the RO Commissioner under the RO Act): AA2021/19