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# Guild Digest

## 2012

A survey of independent pharmacy operations in Australia  
financial year 2010-11

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## FOREWORD

This year marks the 40<sup>th</sup> edition of the Guild Digest. The **2012 Digest** presents a snapshot of pharmacy operations in Australia for the financial year 2010-11. In the process, it also provides valuable management information to pharmacy owners and managers in a rapidly evolving economic environment.

Community pharmacy in Australia is a vibrant and efficient industry. Practising as health care professionals in a commercial environment, pharmacists are placed in a unique niche of service providers in the community. Combining their professional and management skills, community pharmacists are the most accessible and the most cost-effective health care providers in the community.

Not surprisingly, pharmacists remain one of the highest ranking custodians of community trust and confidence.

Based on Table 3, which is the most relevant table for year to year comparisons, community pharmacy recorded a turnover growth of 2.4% in 2010-11. Gross profit percentage recorded an increase from 33.8% to 34.1% which, in combination with the growth in turnover, resulted in a 3.4% lift in gross profit dollars. However, with total expenses growing by 4.6% there was a small drop (-0.5%) in average net profit.

Here are the key features of Australian community pharmacy as at 30 June 2011, derived principally from Table 2:

- ✚ Community pharmacy is a \$15.4 billion health sector, including \$10.7 billion in prescription sales per year;
- ✚ Community pharmacies dispense 280 million prescriptions annually, including 201 million PBS/RPBS subsidised prescriptions;
- ✚ Community pharmacy employs around 54,000 highly skilled staff (excluding proprietors), the majority of whom are women;
- ✚ Total Dispensary Sales represent around 69.1% of all sales through pharmacies;
- ✚ The average community pharmacy dispenses 54,116 prescriptions per year; and
- ✚ As at 30 June 2011 there were 5,167 community pharmacies, each serving on average a community of 4,291 people across Australia (see Table 34).

Interest in the Digest remains encouragingly high notwithstanding respondents' more immediate priorities to deal with the challenges of running busy pharmacies. The



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analyses contained in the **2012 Digest** are based largely on the sample of 281 participating pharmacies, marginally higher than the previous year's 280.

The Guild records its sincere appreciation to all participants in this crucially important annual survey during a period of uncertainty and intense time pressures. Without their contribution and support this edition of the Digest would not have been possible.

The Guild also recognises the strong support of the pharmacy accounting firms. Three respected accounting firms have lent their tangible support by contributing anonymous information to the Digest on behalf of their pharmacy clients. We formally record our appreciation to **RSM Bird Cameron (incorporating Guild Accountants)**, **Johnston Rorke Pharmacy Services**, **MSI Taylor Pharmacy Services** and their pharmacy clients.

Thanks are extended to National Secretariat staff, in particular, Duncan Turner and Cathy Portolesi for their dedication and outstanding work in the preparation of this edition.

**STEPHEN ARMSTRONG**  
**NATIONAL DIRECTOR, HEALTH ECONOMICS**



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## THE YEAR IN PHARMACY 2010-11

The 2010-11 financial year was once again an important one for community pharmacy, as the first year of the Fifth Community Pharmacy Agreement (5CPA).

The 5CPA was signed on 3 May 2010 and took effect on 1 July 2010. The total Government allocation of funds over five years of the Agreement will be \$15.4 billion. A positive result for the first year of the Agreement was that all of the funding for the year was expended as allocated. This was a very different result from the first year of the Fourth Agreement when a significant amount of money remained unspent because of delays in obtaining sign-off for the implementation of the various Agreement programs.

A major component of the 5CPA is the new Pharmacy Practice Incentive (PPI) Program, which was launched in March 2011. PPIs are a new way to reward community pharmacies for delivering agreed services to patients in order to improve their quality use of medicines, such as clinical interventions and Dose Administration Aids (DAAs), and to demonstrate the achievement of defined outcomes in relation to the delivery of these quality services. By 30 June 2011 over 4700 community pharmacies had registered to participate. There has never before been a professional services program in community pharmacy that has achieved this level of participation

Another noteworthy event for the year was the decision by the National Coordinating Committee on Therapeutic Goods (NCCTG) in December 2010 that the two OTC schedules – Pharmacy Medicines (S2) and Pharmacist Only Medicines (S3) – were to be retained, with a requirement for annual reporting of mystery shopper data to inform the NCCTG's continuing review of the schedules, leading up to a final report in 2015. This was a significant endorsement of the current scheduling system, and the value of its two Over The Counter (OTC) schedules, as well as the primary health care role pharmacies play in the community.

This year also saw the establishment of the Guild Pharmacy Academy – a newly formed Division of the National Secretariat that will work in a partnership arrangement with the Guild's Branches. It is intended that the Academy will become a key provider of education and training services for pharmacists, interns, dispensary assistants and pharmacy assistants.

### **The Economy**

Recovery from the Global Financial Crisis (GFC) remained uneven in the financial year 2010-11. Strong growth from the developing nations contrasted weak growth and uncertainty across the major economic blocks of the world.

The Eurozone destabilisation continued to worsen with Portugal, Ireland, Italy, Greece and Spain suffering from high levels of public debt, unemployment and stagnant economic growth. A grim economic outlook and the high cost of government borrowing raised concerns over large scale sovereign debt defaults.

In the United States, the labour market continued to reflect low economic growth with unemployment at close to 10%.



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Closer to home, economic growth in the Asian region continued to underpin robust growth in the Australian economy. Australia's GDP grew by 1.8% in average terms over the year, outpacing most other Organisation for Economic Cooperation and Development (OECD) countries.

Economic indicators pointed to a healthy recovery from the subdued growth of the previous two years. Headline inflation averaged 3.0% while employment growth averaged 2.5%. Real net national disposable income grew by 4.8% between 2009-10 and 2010-11 reflecting the growth in productivity over the year.

The Reserve Bank kept the official cash interest rate relatively stable over the course of 2010-11, with a single rate hike from 4.5% to 4.75% (after rising from 3% to 4.5% over the course of 2009-10).

### **Quality Care Pharmacy Program**

Following on from the Guild's accreditation as a Standards Development Organisation in November 2009, QCPP was acknowledged as an Australian Standard in 2011. Australian Standard 85000:2011- quality management system for pharmacies in Australia was published in April 2011.

The QCPP manual was reviewed to recognise QCPP's acknowledgment as an Australian Standard and to provide members with a more user-friendly experience. The new manual ensures pharmacies and assessment procedures smoothly accommodate requirements for PPI payments and report mechanisms to Medicare and the Department of Health and Ageing.

### **Medication Management**

The Agreement will fund the delivery of a number of medication management programs such as Medicine Use Review (MUR, later referred to as MedsCheck), Home Medicines Review (HMR), Residential Medication Management (RMMR) and a new Diabetes Medication Management Service (later referred to as Diabetes MedsCheck).

### **Pharmacy Practice Incentives**

Pharmacies that received accreditation will be eligible to receive pharmacy practice incentive payments based on demonstrated delivery of services to improve patients' quality use of medicines. Funding will be allocated for such programs as Dose Administration Aids, Staged Supply and documentation of Clinical Interventions.

### **Further PBS Remuneration Changes and PBS Reforms**

These reforms were the outcome of prolonged negotiations between the Government and the peak body representing pharmaceutical manufacturers, Medicines Australia. The resulting Memorandum of Understanding (MoU), signed in May 2010, provides significant commitments from both the industry and the Government and is intended to provide a period of stability and certainty in the sector up to 2014.



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The Expanded and Accelerated Price Disclosure arrangements commenced on 1 December 2010, bringing all brands of all drugs in the F2 formulary (i.e. all multi-brand drugs) into the price disclosure mechanism. All items containing drugs in the F2 formulary, including section-100 only listings and combination drugs with an F2 component may be subject to price reductions resulting from price disclosure. The price reduction date from this cycle is 1 April 2012.

In addition to the expanded price disclosure arrangements, a number of PBS reform price reductions applied from 1 February 2011:

- Price reductions applied on single-brand PBS drugs on listing of a competitor brand increased from 12.5% to 16%;
- A 2% reduction was applied on 1 February 2011 to all drugs listed on F2A as at 11 October 2010; and
- A 5% reduction was applied on 1 February 2011 to all drugs listed on F2T as at 11 October 2010.

The Guild provided a range of resources to guide members through the changes and help prepare for the impact on 1 April 2012.

### **ScriptMAP (Modelling & Analysis for Pharmacies) 2015**

ScriptMAP-2015 covers the full five years of the new Agreement, from 1 July 2010 to 30 June 2015. The report, using best available information and based on the community pharmacies unique dispensing data, provides a comprehensive analysis of the impact of changes to PBS pricing and remuneration over the Agreement period. It also provides an Action List and guides the pharmacy staff through specific changes that may assist their pharmacy, with a focus on generic substitution and dispensing volume growth.

ScriptMAP-2015 underwent a series of updates over the course of the year to account for new information as it became available.

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## METHODOLOGY FOR THE 2012 GUILD DIGEST

With the exception of Table 3, the analyses contained in this edition of the Digest are based largely on operating information supplied by 281 respondents weighted according to their stratification by prescription volume.

Table 3 is based on responses from participating pharmacists who submitted operating data for both consecutive years – i.e. 2009-10 and 2010-11.

Based on official, de-identified annual prescription volumes, the total population of Australian pharmacies was stratified into national and state strata. The resultant weighting factors were applied to the corresponding strata in the sample. It should be noted that there are significant variations among the states in respect of the distribution of pharmacies within the strata. The four national strata boundaries were defined as follows:

	<b>Prescription Volumes</b>	<b>Number of Pharmacies</b>	<b>Distribution National</b>
Stratum 1	Less than 35,000	1,800	34.8%
Stratum 2	35,000 – 60,000	1,590	30.8%
Stratum 3	60,000 – 95,000	1,302	25.2%
Stratum 4	More than 95,000	475	9.2%
TOTAL		5,167	

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The above weighting factors were used to correct expected biases in the responding sample. Similarly, State weighting factors were used to estimate the respective State averages.

**Users of the Digest that are comparing older years should note that the 2008-09 weightings (2010 Guild Digest) were significantly different to those for 2007-08 (2009 Guild Digest). This resulted in some large movements in results between those two years. The changes in weightings were only minor between 2008-09 and 2009-10 and 2010-11. Table 3, which uses a matched sample approach and is not impacted by weightings or changes in the make-up of the responding pharmacies, remains the more appropriate table to use when reviewing percentage movements in figures from one year to the next.**



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## SURVEY RESPONSE

After excluding responses with incomplete information, the final number of responses analysed for the purposes of the main sample for 2010-11 was 281.

Response rates are reasonably consistent with the distribution of pharmacies by State, with the exception of Queensland and New South Wales which enjoy higher than average response rates, and Victoria which is lower than average.

Care should be taken in interpreting results for smaller states due to the lower sample size.

Over the past decade, response has gradually favoured larger pharmacies. The responding sample for this year's Digest continues this trend. The weighting methodology used for overall national and state averages removes the effect of this bias.

**NOTE: Wherever you see the word "weighted" in the Digest, the weighting methodology has been applied. Wherever that word is not used, the results are a raw (unweighted) average and may be being impacted by a bias in the sample. In these cases, the percentages (for example, salaries as a percentage of revenue) are often more appropriate to use for benchmarking purposes than the raw dollar figures.**

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## STATISTICAL APPRAISAL OF RESULTS

The annual Guild Digest survey allows Guild member pharmacies to assess their current performance compared with others. The results can assist management by focusing attention on items for which there are significant differences from the industry norm or benchmark, although even significant differences on their own do not necessarily mean a problem exists.

Standard information has been provided for different categories and locations of pharmacies. This allows more sophisticated comparisons controlling for these factors. For example, in general terms pharmacies with larger sales volumes tend to have higher profits compared with lower profits or losses for those with smaller volumes, so a large sales volume pharmacy should expect to do somewhat better than the average pharmacy in the same region.

How seriously can pharmacies take the survey findings? One issue is whether the survey results are representative of all pharmacies. Another is what difference between well-run pharmacies might be expected anyway. Lastly, are there enough respondents that the estimates are of adequate precision? These questions are explored in greater detail in the following paragraphs.

### REPRESENTATIVENESS OF THE SURVEYED PHARMACIES

A sample of 281 pharmacies responded to this year's survey. The current analyses are based on weightings derived from the distribution of Australian pharmacies in accordance with their annual prescription volumes.

This is a voluntary survey requesting detailed financial questions, so non-response is inevitable and the response rate varied by state.

As the characteristics of the responding pharmacies change from one survey to the next, primarily because of the restructuring that has taken place over the last decade, comparability of the main sample data over time may be a problem. Therefore, comparisons over time may be more meaningful using the data provided by the consecutive year respondents summarised in Table 3. 91 respondents formed part of this category in 2010-11.

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## EXPECTED DIFFERENCES

Although an average can be calculated for any numerical data, this does not mean that all values are close to that mean. For example, although an average rent can be calculated for a group of respondents, this does not mean that everyone is paying a rent close to the average.

One approach is to show the spread of values for the responding pharmacies using quartiles. This type of analysis is shown in Table 4. One quarter have lower values than the low quartile and one quarter have values greater than the high quartile. The 'normal' value in the tables is the median value. Half the pharmacies have a higher value than the normal value, and half have lower values.

Another approach is to present separate estimates for pharmacies with different characteristics, such as sales volume, geographical location, hours of operation, etc. These are presented throughout the Digest commencing with Table 6.

## PRECISION OF THE ESTIMATES

The precision of the estimated averages in the tables depends on the spread of the distribution of values and the number of responding pharmacies. It is commonsense that an average based on 300 pharmacies will be much more precise than an average based on only two pharmacies.

One measure of the precision of an estimate is its standard error. The standard error of a mean can be approximately calculated from the difference between the high and low quartiles. This difference, or *inter-quartile range (IQR)*, is divided by a number which depends on the number of respondents used to estimate the mean. This number is approximately 1.35 multiplied by the square root of the sample size:

Number of Respondents used for estimate	Divisor for inter-quartile range
400	27
350	25
300	23
281	22.6
200	19
100	14
50	10
20	6
10	4
5	3

For example, the mean Total Expenses as a percentage of Total Revenue (based on 281 respondents) is 26.21% (see Table 2). The inter-quartile range (from Table 4) is 9.82 (= 31.05 – 21.23), so the approximate standard error of this estimate is 0.44 (=9.82/22.6).

Standard statistical theory shows that there is a 95% certainty that the true mean is within twice the standard error of the estimate. In this case, the 95% confidence interval for the true

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mean Total Expenses, based on 281 respondents, is between 25.33% and 27.09% of Total Revenue.

Standard errors and confidence intervals calculated in this way will be slight over-estimates. This is because the standard errors will be lower when the data are stratified for characteristics that explain some of the spread in values.

The estimates here make particular statistical assumptions. These assumptions imply, for example, that the mean and median will be similar. However, they should give adequate estimates even if there are small departures from these assumptions.

### **USING THIS SURVEY**

The statistical characteristics required of a survey depend on what the survey is to be used for. This survey is intended mainly as an aid to management, and its results will be extremely useful for this purpose.

Even large differences for particular items from the norm shown in the tables may not necessarily indicate a problem. Every business is different. For example, paying relatively high rent may reflect an unnecessarily high expense or a conscious decision to pay for a premium location. Conversely, an average rent could reflect paying the right price for the location - or hide paying too much for a poor location.



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# DEFINITION OF KEY INCOME AND EXPENSE ITEMS IN TABLES

*(All financial values are exclusive of GST)*

<b>Sales:</b>	relate to the sale of all products (both prescription and retail) for which goods were purchased at wholesale for the purpose of re-sale at a profit: it excludes services income, government payments such as rural allowances, commissions, agency fees, dividends and disposal of assets.
<b>Cost of Goods Sold:</b>	refers to purchases of goods for re-sale at a profit: a fuller definition of Cost of Goods Sold is provided in the <i>User's Guide to the 2012 Digest</i> section.  Percentage shown is of Sales.
<b>Gross Margin:</b>	is derived by deducting Cost of Goods Sold from Sales.  Percentage shown is of Sales.
<b>Other Income:</b>	is income from items which do not involve cost of goods sold. They may, for example, be related to Community Pharmacy Agreement programs or professional services. Dividend and rent income, and other such income not connected with the pharmacy's operation, are also included here.
<b>Gross Margin Plus Other Income:</b>	is the arithmetic total of the Gross Margin and Other Income and it represents the Gross Margin from Trading.
<b>Total Revenue:</b>	is the arithmetic total of Sales and Other Income; all Expenses are expressed as a percentage of Total Revenue (not Sales) since a portion of all expenses is also incurred in earning Other Income.
<b>Salaries and Wages:</b>	include wages paid to all staff and locums but <u>exclude</u> proprietors' earnings (since the latter are represented by Proprietors' Notional Salary); percentage shown is of Total Revenue.
<b>Expenses:</b>	all Expense items are expressed as a percentage of Total Revenue.
<b>Total Income:</b>	is arrived at by subtracting Total Expenses and Cost of Goods Sold from Total Revenue; it refers to the Trading Profit of the pharmacy which may involve several partners; percentage shown is of Total Revenue.
<b>Proprietors' Notional Salary:</b>	is a notional estimate of a reasonable professional salary for hours worked in the pharmacy by pharmacy proprietors. It is adjusted for over-award payments but includes only work performed within the pharmacy. This is consistent with the rationale that a proprietor should expect remuneration at least equivalent to the salary which he/she would otherwise receive for a similar effort as a manager.  Accordingly the calculation of proprietors' notional salary not only reflects normal working hours but also other factors such as leave loading, superannuation, provision for annual leave, provision for long service leave and sick leave (collectively termed On-costs) and overtime worked.  In 2010-11, the normal hourly rate was estimated at \$54.21 for the first 38 hours - equivalent to an annual salary of \$107,119. Additional hours were calculated at time and a half rate to reflect overtime. A rate of 1.2547 was applied to reflect On-Cost



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provisions. (Refer also to detailed explanation under Section titled “**Analysis of Survey Results**”)

***For the purposes of the Digest, no allowance has been made for 'proprietary lead' which is essentially the incentive to invest in a business rather than in an interest bearing investment account.***

It is worth noting that where a pharmacy was manager-operated, the proprietor's notional salary was based on the actual number of hours worked by the proprietors in that pharmacy, if any.

The corresponding percentage is expressed as percent of Total Revenue.

**Full-Time-Equivalent:** is a notional rate which should be interpreted in the particular circumstances of individual pharmacies. It is derived simply by dividing the total hours worked by 38 (the normal award hours) irrespective of the number of hours worked by each partner.

**Net Profit/Loss:** is calculated by subtracting Proprietors' Notional Salary from Total income. Please note that taxation is not considered in the Guild's survey or the published results. All figures are before tax.

The corresponding percentage is expressed as percent of Total Revenue.

**Sales Analysis - Prescriptions:** refers to all prescription sales including the income derived from dispensing private prescriptions, prescriptions valued less than the maximum patient contribution, all PBS and RPBS prescriptions and all patient contributions; it excludes OTC items.

The corresponding percentage is expressed as percent of Sales.

**Other Sales:** include all retail and OTC sales but exclude Other Income.

The corresponding percentage is expressed as percent of Sales.

**Stock Turn:** is the Cost of Goods Sold in a given year divided by the mathematical average of the Opening and Closing stock in the same year. It is a measure of the frequency with which stocks are turned over in the financial year.

**Funds Retained in Business:** are necessary to re-finance inflation affected inventories and to replace fixtures and other capital equipment. This figure is calculated as the difference between Total Income and the reported Drawings by Proprietors. Where Drawings have not been reported by respondents, they have been excluded from the calculated average.

The corresponding percentage is expressed as percent of Total Revenue.



**AUSTRALIAN PHARMACIES 2001 - 2011**  
(Based on all participating pharmacies)

**Table 1**

	2001 (402) \$	2002 (408) \$	2003 (528) \$	2004 (427) \$	2005 (418) \$	2006 (385) \$	2007 (353) \$	2008 (326) \$	2009 (302) \$	2010 (289) \$	2011 (281) \$
<b>SALES</b>	1,741,104	1,930,960	2,116,736	2,195,552	2,334,145	2,394,030	2,464,443	2,568,388	2,901,620	2,972,997	2,984,920
<b>GROSS MARGIN</b>	560,521	616,179	660,229	684,059	722,192	756,166	797,473	838,984	980,871	987,422	999,199
SALARIES & WAGES	187,324	210,770	227,379	227,712	254,689	263,115	280,355	295,931	341,052	345,136	350,638
RENT	53,838	60,566	65,566	65,427	73,183	77,862	85,460	90,049	115,547	121,236	119,091
OTHER EXPENSES	156,577	162,343	181,101	179,567	191,412	205,955	225,749	250,126	298,739	321,248	320,098
<b>TOTAL EXPENSES</b>	<b>397,739</b>	<b>433,679</b>	<b>474,046</b>	<b>472,706</b>	<b>519,284</b>	<b>546,932</b>	<b>591,564</b>	<b>636,107</b>	<b>755,339</b>	<b>787,619</b>	<b>789,826</b>
<b>TRADING PROFIT</b>	162,782	182,500	186,183	211,353	202,908	209,234	205,909	202,877	225,532	199,803	209,373
OTHER INCOME	14,623	17,966	15,276	15,112	14,445	23,721	30,681	24,597	34,024	38,758	28,936
<b>TOTAL INCOME</b>	<b>177,406</b>	<b>200,466</b>	<b>201,459</b>	<b>226,465</b>	<b>217,353</b>	<b>232,955</b>	<b>236,590</b>	<b>227,474</b>	<b>259,556</b>	<b>238,562</b>	<b>238,309</b>
PROPRIETORS' SALARIES	89,189	97,400	104,809	136,619	142,167	160,349	156,316	145,055	148,106	134,992	129,092
<b>NET PROFIT/LOSS</b>	<b>88,217</b>	<b>103,066</b>	<b>96,650</b>	<b>89,846</b>	<b>75,186</b>	<b>72,606</b>	<b>80,274</b>	<b>82,419</b>	<b>111,370</b>	<b>103,570</b>	<b>109,217</b>
STOCK CARRIED	156,662	183,802	186,903	186,409	197,893	204,134	219,388	231,567	246,943	280,867	276,898

**AUSTRALIAN PHARMACIES - COMPARISON BETWEEN 2010 AND 2011**  
(Based on 12 Months of Trading to 30/06/11)

**Table 2**

	2010 AVERAGES		2011 AVERAGES		AMOUNT AND PERCENT OF CHANGE	
SALES, EXPENSES & PROFITABILITY	\$	%	\$	%	\$	%
<b>SALES</b>	<b>2,972,997</b>		<b>2,984,920</b>		<b>11,924</b>	<b>0.40</b>
<b>COST OF GOODS SOLD</b>	<b>1,985,574</b>	<b>66.79</b>	<b>1,985,721</b>	<b>66.53</b>	<b>147</b>	<b>0.01</b>
<b>GROSS MARGIN</b>	<b>987,422</b>	<b>33.21</b>	<b>999,199</b>	<b>33.47</b>	<b>11,777</b>	<b>1.19</b>
Other Income	38,758		28,936		-9,823	-25.34
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,026,181</b>		<b>1,028,135</b>		<b>1,954</b>	<b>0.19</b>
<b>TOTAL REVENUE</b>	<b>3,011,755</b>	<b>100.00</b>	<b>3,013,856</b>	<b>100.00</b>	<b>2,101</b>	<b>0.07</b>
<b>EXPENSES</b>						
Salaries and Wages	345,136	11.46	350,638	11.63	5,502	1.59
Rent Paid	121,236	4.03	119,091	3.95	-2,145	-1.77
Outgoings - Rental & Rates	6,006	0.20	4,477	0.15	-1,529	-25.45
Accounting	10,550	0.35	10,974	0.36	424	4.02
Advertising	37,484	1.24	31,358	1.04	-6,126	-16.34
Bank Charges	9,369	0.31	7,057	0.23	-2,313	-24.68
Computer Expenses	9,805	0.33	11,478	0.38	1,673	17.06
Depreciation	31,302	1.04	29,621	0.98	-1,681	-5.37
Electricity, Water, Heating	9,499	0.32	10,393	0.34	894	9.41
Insurance	8,685	0.29	9,065	0.30	380	4.38
Interest Paid	52,229	1.73	54,181	1.80	1,951	3.74
Leasing Expenses	10,223	0.34	9,228	0.31	-996	-9.74
Motor Vehicle Expenses	4,963	0.16	5,300	0.18	337	6.78
Postage, Freight, Printing	11,496	0.38	9,459	0.31	-2,037	-17.72
Repairs, Maintenance, Service	4,737	0.16	4,705	0.16	-32	-0.68
Subs and Registrations	9,315	0.31	11,519	0.38	2,205	23.67
Superannuation	31,784	1.06	31,830	1.06	45	0.14
Telephone	6,270	0.21	5,804	0.19	-465	-7.42
Training	3,773	0.13	3,849	0.13	76	2.03
Abnormal Expenses	6,118	0.20	6,002	0.20	-116	-1.89
Payroll Tax	5,914	0.20	4,963	0.16	-951	-16.08
Workers' Compensation	2,909	0.10	2,913	0.10	4	0.14
Other Expenses	48,816	1.62	55,921	1.86	7,105	14.56
<b>TOTAL EXPENSES</b>	<b>787,619</b>	<b>26.15</b>	<b>789,826</b>	<b>26.21</b>	<b>2,207</b>	<b>0.28</b>
<b>TOTAL INCOME</b>	<b>238,562</b>	<b>7.92</b>	<b>238,309</b>	<b>7.91</b>	<b>-253</b>	<b>-0.11</b>
Less Proprietors' Salary (1)	134,992	4.48	129,092	4.28	-5,900	-4.37
[ Full-Time-Equivalents ]	1.10		1.05			
<b>NET PROFIT/LOSS</b>	<b>103,570</b>	<b>3.44</b>	<b>109,217</b>	<b>3.62</b>	<b>5,648</b>	<b>5.45</b>
<b>SALES ANALYSIS</b>						
Prescriptions	2,015,075	67.78	2,061,988	69.08	46,913	2.33
Other Sales	957,922	32.22	922,932	30.92	-34,990	-3.65
<b>INVENTORY ANALYSIS</b>						
Prescription	80,462	2.67	94,251	3.13	13,789	17.14
Other	200,405	6.65	182,648	6.06	-17,757	-8.86
<b>STOCK CARRIED (Total)</b>	<b>280,867</b>	<b>9.33</b>	<b>276,898</b>	<b>9.19</b>	<b>-3,969</b>	<b>-1.41</b>
<b>STOCK TURN (On Total Inventory)</b>	<b>7.07</b>		<b>7.17</b>		<b>0.10</b>	<b>1.44</b>
<b>SALES PER INVENTORY DOLLAR</b>						
Prescription	25.04		21.88		-3.17	-12.64
Other	4.78		5.05		0.27	5.71
<b>STATISTICS</b>						
PHARMACY SIZE (square metres)	165		168		3	1.75
PRESCRIPTIONS DISPENSED (Total)	54,038		54,116		77	0.14
PRESCRIPTIONS DISPENSED WEEKLY	1,036		1,038		1	0.14
TOTAL HOURS OPEN per WEEK	59.4		58.7		-0.7	-1.12
AV HRS WORKED BY PROPRIETORS/WEEK	42.0		39.9		-2.1	-4.89
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>84,991</b>	<b>2.82</b>	<b>88,280</b>	<b>2.93</b>	<b>3,289</b>	<b>3.87</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

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# SUMMARY OF PHARMACY PERFORMANCE 2010-11

(Refer to Table 2)

This section examines the 2010-11 survey results, after applying weightings to remove any distortion caused by the responding sample being skewed towards larger pharmacies. Table 2 also presents the 2009-10 averages for comparison purposes. However, for more accurate analysis of the movements from one period to the next, it is useful to compare the performance of pharmacies which participated in both years. Those results are summarised in the next section by reference to Table 3.

The following are a few key characteristics of Community Pharmacy in Australia:

- ✚ Community pharmacy is a \$15.4 billion health sector, including \$10.7 billion in prescription sales per year;
- ✚ Community pharmacies dispense 280 million prescriptions annually, including 201 million PBS/RPBS subsidised prescriptions;
- ✚ Community pharmacy employs around 54,000 highly skilled staff (excluding proprietors), the majority of whom are women;
- ✚ Total Dispensary Sales represent around 69.1% of all sales through pharmacies;
- ✚ The average community pharmacy dispenses 54,116 prescriptions per year; and
- ✚ As at 30 June 2011 there were 5,167 community pharmacies, each serving on average a community of 4,291 people across Australia (see Table 34).

Here are the salient results of the 2010-11 financial year based on the national weighted averages in Table 2:

- Average Total Sales are \$2,984,920, of which 69.1% is from prescriptions and the remaining 30.9% is from non-prescription sales.
- Average Gross Margin is 33.5%, up from 33.2% in 2009-10.
- Average revenue from Other Income dropped from the previous year's all-time peak to be \$28,936.
- Expenses ended the year at 26.21% as a percentage of Sales. This is up from 26.15% in 2009-10 and is again the highest level since 1991-92, just seven years after touching an all



time low in 2003-04.

- Salaries and wages as a percentage of sales increased slightly from 11.46% to 11.63%, the highest level in more than 20 years.
- Rent dropped marginally from 4.03% of sales to 3.95% (the 2009-10 figure was the highest since 1991-92).
- Wages and rent combined make up 59.5% of total expenses.
- Proprietors' Notional Salary represented 4.3% of turnover, down from 4.5% in 2009-10 reflecting a drop in average hours worked from 42.0 to 39.9 hours per week. This continues a trend seen in recent years.
- The average prescription volume per pharmacy increased slightly (0.1%) and has remained above one thousand per week (1,038), after reaching this milestone in 2008-09.



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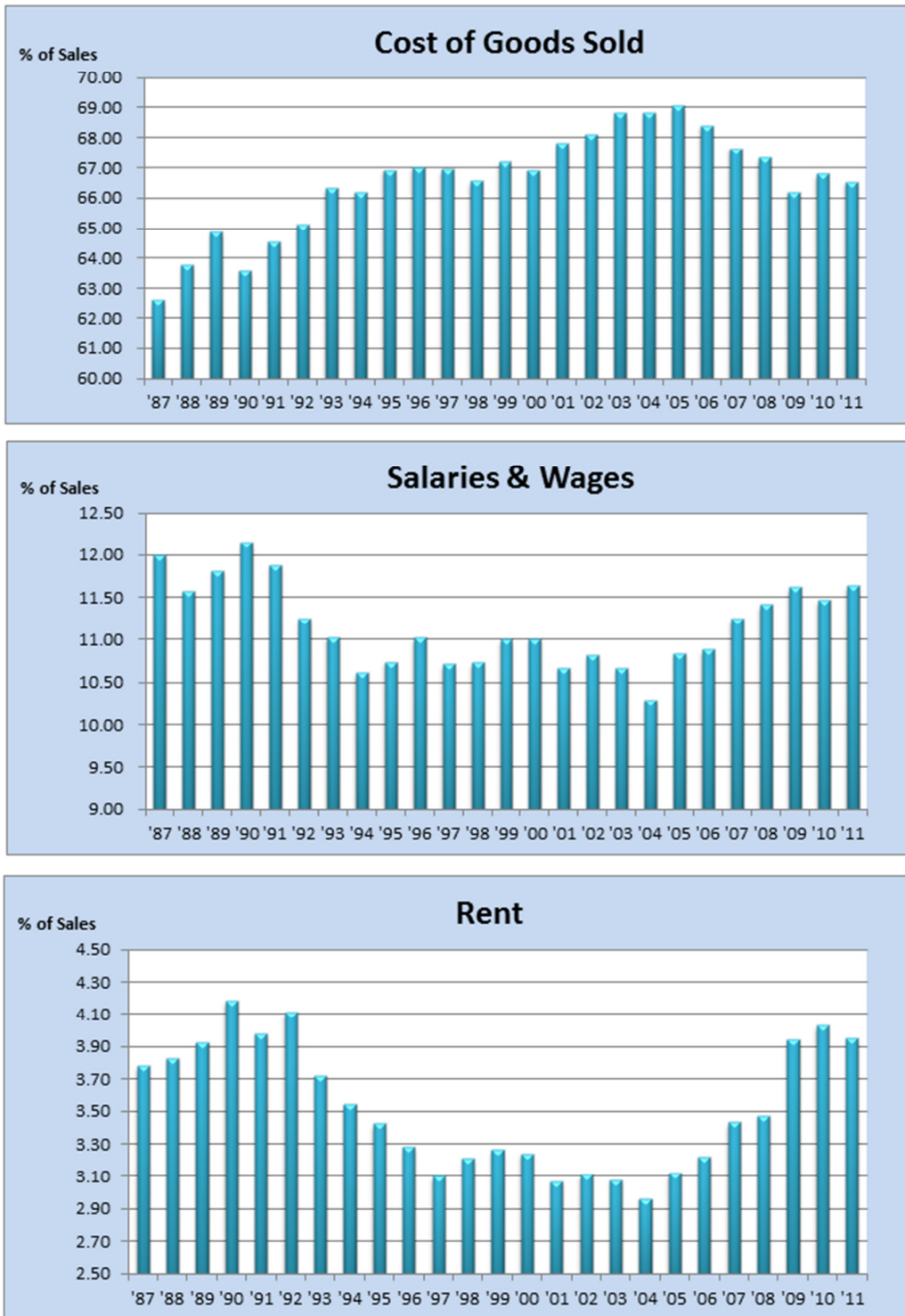
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Chart 1

Trends in Pharmacy Operations, 1987 – 2010



**Chart 1 (continued)**

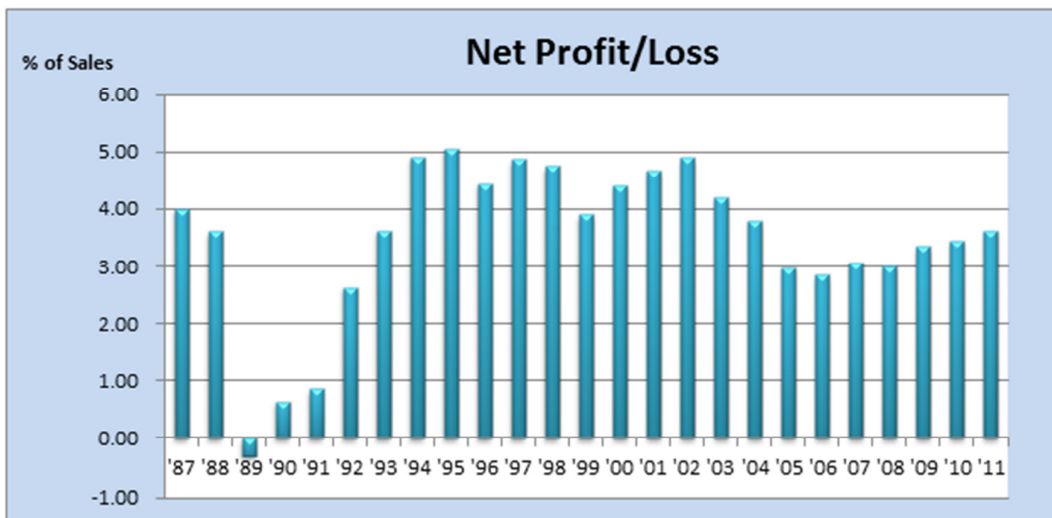
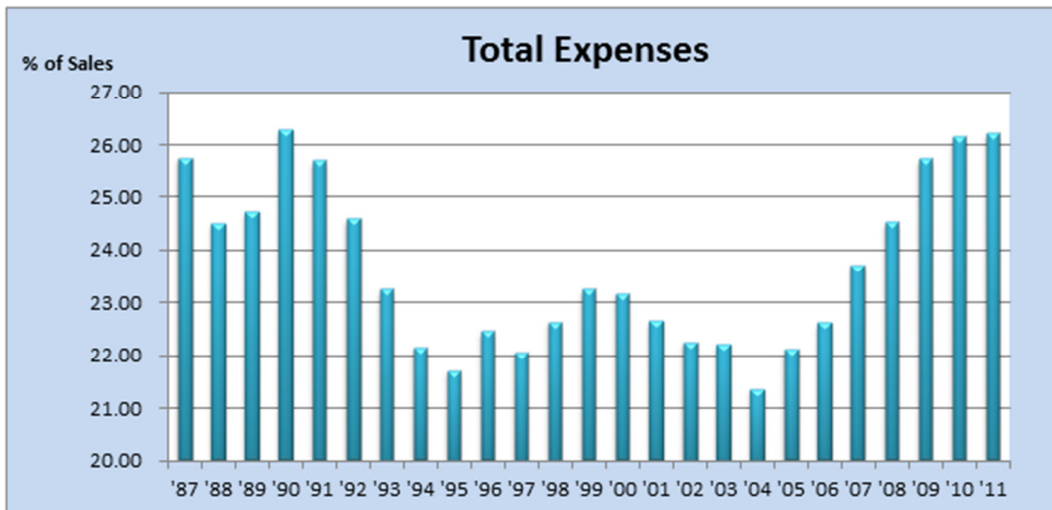
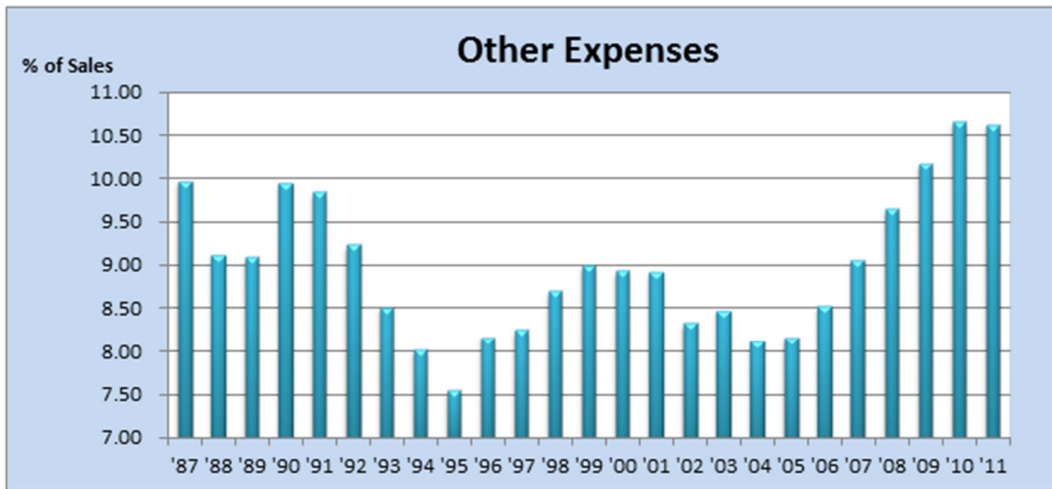
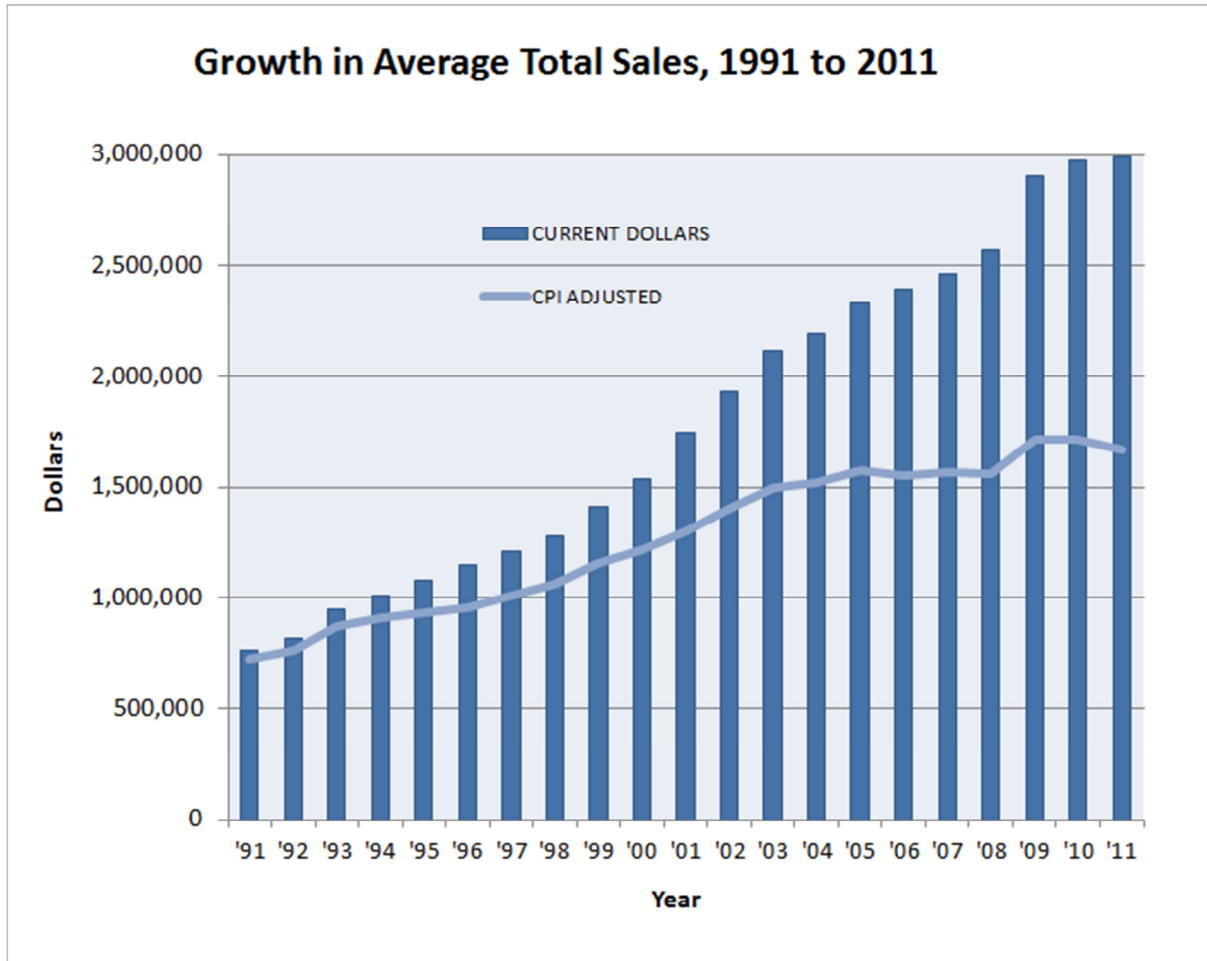


Chart 2



**AUSTRALIAN PHARMACIES REPORTING IN TWO CONSECUTIVE YEARS 2010 AND 2011**  
(Based on 12 Months of Trading to 30/06/11)

**Table 3**

	2010 AVERAGES		2011 AVERAGES		AMOUNT AND PERCENT OF CHANGE	
SALES, EXPENSES & PROFITABILITY	\$	%	\$	%	\$	%
<b>SALES</b>	<b>3,573,368</b>		<b>3,659,912</b>		<b>86,544</b>	<b>2.42</b>
<b>COST OF GOODS SOLD</b>	<b>2,365,462</b>	<b>66.20</b>	<b>2,411,305</b>	<b>65.88</b>	<b>45,843</b>	<b>1.94</b>
<b>GROSS MARGIN</b>	<b>1,207,906</b>	<b>33.80</b>	<b>1,248,607</b>	<b>34.12</b>	<b>40,701</b>	<b>3.37</b>
Other Income	40,409		36,376		-4,033	-9.98
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,248,315</b>		<b>1,284,983</b>		<b>36,668</b>	<b>2.94</b>
<b>TOTAL REVENUE</b>	<b>3,613,777</b>	<b>100.00</b>	<b>3,696,288</b>	<b>100.00</b>	<b>82,511</b>	<b>2.28</b>
<b>EXPENSES</b>						
Salaries and Wages	412,820	11.42	435,475	11.78	22,655	5.49
Rent Paid	115,404	3.19	120,643	3.26	5,240	4.54
Outgoings - Rental & Rates	7,441	0.21	6,562	0.18	-879	-11.81
Accounting	10,758	0.30	11,255	0.30	497	4.62
Advertising	44,279	1.23	46,222	1.25	1,943	4.39
Bank Charges	9,861	0.27	10,490	0.28	629	6.38
Computer Expenses	10,184	0.28	12,564	0.34	2,380	23.37
Depreciation	28,295	0.78	28,196	0.76	-98	-0.35
Electricity, Water, Heating	10,293	0.28	11,240	0.30	948	9.21
Insurance	8,674	0.24	9,170	0.25	496	5.71
Interest Paid	41,118	1.14	46,089	1.25	4,972	12.09
Leasing Expenses	6,973	0.19	5,712	0.15	-1,261	-18.08
Motor Vehicle Expenses	5,210	0.14	6,369	0.17	1,159	22.25
Postage, Freight, Printing	14,543	0.40	13,627	0.37	-915	-6.29
Repairs, Maintenance, Service	6,819	0.19	7,472	0.20	654	9.59
Subs and Registrations	10,484	0.29	11,303	0.31	819	7.82
Superannuation	40,039	1.11	39,605	1.07	-434	-1.08
Telephone	6,645	0.18	6,433	0.17	-212	-3.19
Training	5,077	0.14	4,980	0.13	-97	-1.91
Abnormal Expenses	16,744	0.46	16,724	0.45	-19	-0.12
Payroll Tax	6,417	0.18	6,083	0.16	-334	-5.20
Workers' Compensation	4,119	0.11	3,842	0.10	-276	-6.70
Other Expenses	17,694	0.49	18,507	0.50	813	4.59
<b>TOTAL EXPENSES</b>	<b>839,889</b>	<b>23.24</b>	<b>878,566</b>	<b>23.77</b>	<b>38,678</b>	<b>4.61</b>
<b>TOTAL INCOME</b>	<b>408,426</b>	<b>11.30</b>	<b>406,417</b>	<b>11.00</b>	<b>-2,010</b>	<b>-0.49</b>
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	140,350	3.88	139,707	3.78	-642	-0.46
<b>NET PROFIT/LOSS</b>	<b>268,077</b>	<b>7.42</b>	<b>266,709</b>	<b>7.22</b>	<b>-1,367</b>	<b>-0.51</b>
<b>SALES ANALYSIS</b>						
Prescriptions	2,525,498	70.68	2,624,894	71.72	99,395	3.94
Other Sales	1,047,869	29.32	1,035,019	28.28	-12,851	-1.23
<b>INVENTORY ANALYSIS</b>						
Prescription	118,785	3.29	133,048	3.60	14,263	12.01
Other	230,943	6.39	219,322	5.93	-11,621	-5.03
<b>STOCK CARRIED (Total)</b>	<b>349,728</b>	<b>9.68</b>	<b>352,369</b>	<b>9.53</b>	<b>2,642</b>	<b>0.76</b>
<b>STOCK TURN (On Total Inventory)</b>	<b>6.76</b>		<b>6.84</b>		<b>0.08</b>	<b>1.17</b>
<b>SALES PER INVENTORY DOLLAR</b>						
Prescription	21.26		19.73		-1.53	-7.21
Other	4.54		4.72		0.18	4.01
<b>STATISTICS</b>						
PHARMACY SIZE (square metres)	188		190		2	1.06
PRESCRIPTIONS DISPENSED (Total)	67,584		67,581		-3	-0.01
PRESCRIPTIONS DISPENSED WEEKLY	1,296		1,296		-0	-0.01
TOTAL HOURS OPEN per WEEK	59.5		59.7		0.3	0.44
AV HRS WORKED BY PROPRIETORS/WEEK	43.4		42.8		-0.6	-1.29
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>224,082</b>	<b>6.20</b>	<b>118,998</b>	<b>3.22</b>	<b>-105,084</b>	<b>-46.90</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

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## COMPARISON OF PHARMACIES RESPONDING IN CONSECUTIVE YEARS

(Refer to Table 3)

The Digest includes a comparison of performance for pharmacies which have responded in two consecutive years. This is particularly important in highlighting movements in key indicators from one year to the next. It is usually more relevant in assessing movements than the estimates provided in Table 2 (i.e. the entire sample).

It is for this purpose that voluntary participation is encouraged to supplement the annual samples being compared. Since these responses are not restricted to the main sample, the larger their number the more representative the comparisons would be.

A sample of 91 pharmacies provided responses for both 2009-10 and 2010-11.

The following section offers an overview of the results summarised in Table 3.

- Total Sales increased by 2.4%.
- Cost of Goods Sold rose by 1.9%. Consistent with the findings of the main sample, this in turn produced a higher Gross Margin as a percentage of Sales, at 34.1% compared with 33.8% in 2009-10.
- Total Expenses grew by 4.6% in dollar terms and also increased as a percentage of sales, from 23.2% to 23.8% in 2010-11.
- With the growth in expenses outstripping the increase in dollar gross margin, Total Income dropped by 0.5%.
- Salaries and Wages for the comparative sample grew by 5.5% while Rents grew by 4.5% (which is likely to be a much better guide to rent increases than the decrease shown in Table 2).
- Expenses growth was moderated by a large reduction in Outgoings – Rental and Rates (-11.8%) and in Leasing Expenses (-18.1%).
- Prescription revenue, driven by more use of newer, relatively high cost drugs, recorded moderate growth (up by 3.9%).
- Non-Prescription Sales posted a decrease of 1.2%, reflecting general economic conditions and the competitive environment.
- The number of prescriptions dispensed in 2010-11 was unchanged compared with the previous year's volume, while the average prescription price rose by 3.9% (from \$37.37 to \$38.84).



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## ANALYSIS OF SURVEY RESULTS

Successful businesses are essentially characterised by their ability to:

- secure a reasonable salary for the proprietor(s) commensurate with the hours invested in the job, whether it be serving a customer, planning for the future growth of the business or after hours record-keeping;
- ensure a reasonable return on the funds invested in the business at a rate appropriate to the level of risk involved; (if the recent past is any guide, pharmacy is anything but a low risk business); and
- generate sufficient additional funds to cover the necessary inflationary costs of replacing stock and non-depreciable items as well as the depreciation deficiency on capital items whose replacement costs need to be based on current (and not historical) values.

Community pharmacy is no exception.

Despite its primary health care role, community pharmacy is also a business. As well as being health professionals, pharmacists need to survive in the business environment with all its associated risks and rewards. Profitability is an essential part of that landscape.

Based on Table 3, the overall sales performance of community pharmacy in 2010-11 continued to improve marginally. Much of the growth in 2010-11 came from dispensary sales through the continuing trend towards prescribing of newer, higher cost drugs. Profitability dropped slightly due to higher expenses, which continue to reach record highs as a percentage of sales.

### QUARTILE ANALYSIS (Table 4)

Statistical reports should never be considered in isolation as bare facts. They must be interpreted in context and compared by reference to other factors which may be unique to the operation. With this caveat in mind, the following analyses provide a useful guide for decision-making.

Quartiles provide a means of assessing the performance of a particular business relative to a scale of results actually achieved by other respondents. For every revenue, expense, stock and prescription category item listed, each respondent's results are ranked in order of magnitude. The best and the worst results are not shown, but the results are tabulated according to three discrete points in the total sample: low or 1<sup>st</sup> quartile; normal or 2<sup>nd</sup> quartile (or median); and high or 3<sup>rd</sup> quartile. The first quartile simply means that 25% of respondents achieved results less than the value shown for the item. On the other hand, the 3<sup>rd</sup> or high quartile means that 75% achieved less and 25% achieved greater than the value indicated.

Similarly, the median or Normal quartile marks the value which one half of the respondents achieved and the other half did not. It is worth noting that the figures in the Low, Normal and High columns represent results from a wide range of pharmacies and the data should be viewed only in terms of their corresponding expense or income items. Strictly speaking, the Salaries and Wages



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percentage in the Normal Quartile (11.36%) bears no relationship to the Sales figure in the same quartile (\$2,912,691). The correct interpretation is that the Normal Quartile for Salaries and Wages is 11.36% of the Sales figure reported by that median respondent. The Sales figure of \$2,912,691 is independent of the 11.36%. Conversely, the median respondent who reported the Sales figure of \$2,912,691 may have a totally different Salaries and Wages percentage.

**When putting these results into benchmarking practice, the general rule of thumb is to aim for:**

- **Expense results below the low quartile**
- **Revenue results above the high quartile**

An expense result above the high quartile value means that the business needs to examine very closely the causes of the high expense level and to undertake remedial action. Revenue results below the low quartile value require similar urgent attention since they indicate scope for improvement.

Examples

Gross Margin	30%	less than desirable
	36%	excellent
Salaries and Wages	9%	excellent
	14%	room for improvement

However, each result must be viewed in its proper context. With respect to Salaries and Wages, a pharmacy with one part-time staff member may be below the 9% rate and still not be achieving efficiencies. At the other end of the spectrum, a manager-operated pharmacy is likely to have a higher salary cost component (approaching 14%) but in some cases may be operating at a highly efficient level. Similarly, higher than average rents do not necessarily suggest an unproductive location.

The quartile range of Gross Margins of 32.01% to 36.34% (compared with 31.55% to 36.24% in 2009-10) suggests that the increase in percentage Gross Margins (as seen in Tables 2 and 3) is applying to the majority of pharmacies.

It is worth noting that a 1% fall in expenses (expressed in terms of revenue) directly translates to an increase of 1% in profits (expressed in terms of revenue).

### **PROPRIETOR'S NOTIONAL SALARY**

As in previous years, the purpose of this calculation is to provide an indication of a reasonable level of professional remuneration for a pharmacy proprietor (or proprietors) for working in the pharmacy (often for extended hours), taking shorter holidays than employees, bearing the after-hours burden of record-keeping and assuming all the risks associated with investing in and running a business.

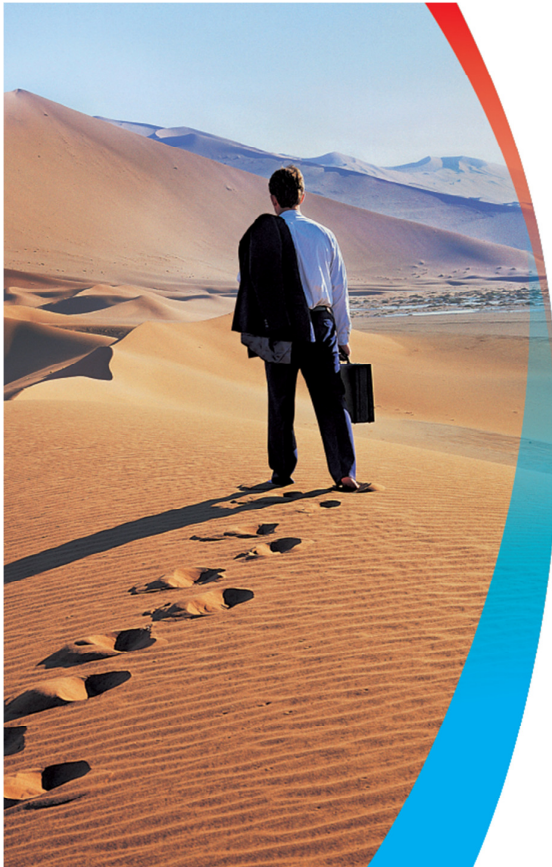


The starting base is an employee manager's actual salary for a 38 hour week, adjusted for overtime for any additional hours. To this figure are added on-costs which necessarily form part of labour costs of employing a manager - such things as annual leave, long service leave, superannuation.

In 2009-10, the normal hourly rate was estimated at \$54.21 for the first 38 hours - equivalent to an annual salary of \$107,119. Additional hours were calculated at time and a half rate to reflect overtime. A rate of 1.2547 was applied to reflect On-Cost provisions.

The on-costs were derived as follows:

	Annual Salary (38 hour week)
%	
7.69	Holiday (4 weeks)
1.35	Leave loading (17.5% of 4 weeks)
1.92	Sick leave (1 week)
1.67	Long service leave (3 mths/15 yr)
3.85	Public holidays (2 weeks)
9.00	Superannuation
25.47	Total On-Cost



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**AUSTRALIAN PHARMACIES – 2010-11**  
(Based on 12 Months of Trading to 30/06/11)

**Table 4**

<b>NATIONAL AVERAGE</b>	<b>2011 AVERAGES</b>		<b>Low</b>	<b>Normal</b>	<b>High</b>
<b>SALES, EXPENSES &amp; PROFITABILITY</b>	<b>\$</b>	<b>%</b>			
<b>SALES</b>	<b>2,984,920</b>		<b>1,849,756</b>	<b>2,900,615</b>	<b>4,514,575</b>
<b>COST OF GOODS SOLD</b>	<b>1,985,721</b>	<b>66.53</b>	<b>63.66</b>	<b>65.87</b>	<b>67.99</b>
<b>GROSS MARGIN</b>	<b>999,199</b>	<b>33.47</b>	<b>32.01</b>	<b>34.13</b>	<b>36.34</b>
Other Income	28,936	0.96	0.22	0.53	1.02
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,028,135</b>	<b>34.11</b>	<b>32.61</b>	<b>34.71</b>	<b>36.83</b>
<b>TOTAL REVENUE</b>	<b>3,013,856</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>EXPENSES</b>					
Salaries and Wages	350,638	11.63	9.48	11.51	13.75
Rent Paid	119,091	3.95	1.68	3.00	5.10
Outgoings - Rental & Rates	4,477	0.15	0.00	0.00	0.13
Accounting	10,974	0.36	0.15	0.31	0.52
Advertising	31,358	1.04	0.25	0.69	1.53
Bank Charges	7,057	0.23	0.11	0.20	0.31
Computer Expenses	11,478	0.38	0.20	0.33	0.51
Depreciation	29,621	0.98	0.39	0.72	1.22
Electricity, Water, Heating	10,393	0.34	0.21	0.30	0.46
Insurance	9,065	0.30	0.19	0.27	0.41
Interest Paid	54,181	1.80	0.04	0.64	2.81
Leasing Expenses	9,228	0.31	0.00	0.06	0.38
Motor Vehicle Expenses	5,300	0.18	0.00	0.07	0.26
Postage, Freight, Printing	9,459	0.31	0.12	0.29	0.45
Repairs, Maintenance, Service	4,705	0.16	0.06	0.11	0.19
Subs and Registrations	11,519	0.38	0.21	0.33	0.54
Superannuation	31,830	1.06	0.81	1.00	1.24
Telephone	5,804	0.19	0.12	0.18	0.26
Training	3,849	0.13	0.03	0.08	0.17
Abnormal Expenses	6,002	0.20	0.00	0.00	0.00
Payroll Tax	4,963	0.16	0.00	0.00	0.02
Workers' Compensation	2,913	0.10	0.03	0.06	0.12
Other Expenses	55,921	1.86	0.31	0.78	3.10
<b>TOTAL EXPENSES</b>	<b>789,826</b>	<b>26.21</b>	<b>21.23</b>	<b>25.26</b>	<b>31.05</b>
<b>TOTAL INCOME</b>	<b>238,309</b>	<b>7.91</b>	<b>3.28</b>	<b>8.97</b>	<b>14.15</b>
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	129,092 1.05	4.28	117,534	137,125	176,301
<b>NET PROFIT/LOSS</b>	<b>109,217</b>	<b>3.62</b>	<b>-2.51</b>	<b>4.54</b>	<b>9.70</b>
<b>SALES ANALYSIS</b>					
Prescriptions	2,061,988	69.08	1,336,908	2,018,688	3,279,794
Other Sales	922,932	30.92	385,833	769,113	1,288,056
<b>INVENTORY ANALYSIS</b>					
STOCK CARRIED (Total)	276,898	9.19	6.28	8.11	9.81
STOCK TURN (On Total Inventory)	7.17		6.71	8.05	10.37
<b>SALES PER INVENTORY DOLLAR</b>					
Prescription	21.88		19.79	25.96	31.95
Other	5.05		4.04	5.40	7.05
<b>STATISTICS</b>					
PHARMACY SIZE (square metres)	168		104	156	233
PRESCRIPTIONS DISPENSED (Total)	54,116		35,491	54,631	84,480
PRESCRIPTIONS DISPENSED WEEKLY	1,038		681	1,048	1,620
TOTAL HOURS OPEN per WEEK	59		53	57	64
AV HRS WORKED BY PROPRIETORS/WEEK	40		36	42	54
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>88,280</b>	<b>2.93</b>	<b>-65,878</b>	<b>89,993</b>	<b>294,561</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

# PLANNING TOOLS AND PRODUCTIVITY MEASURES

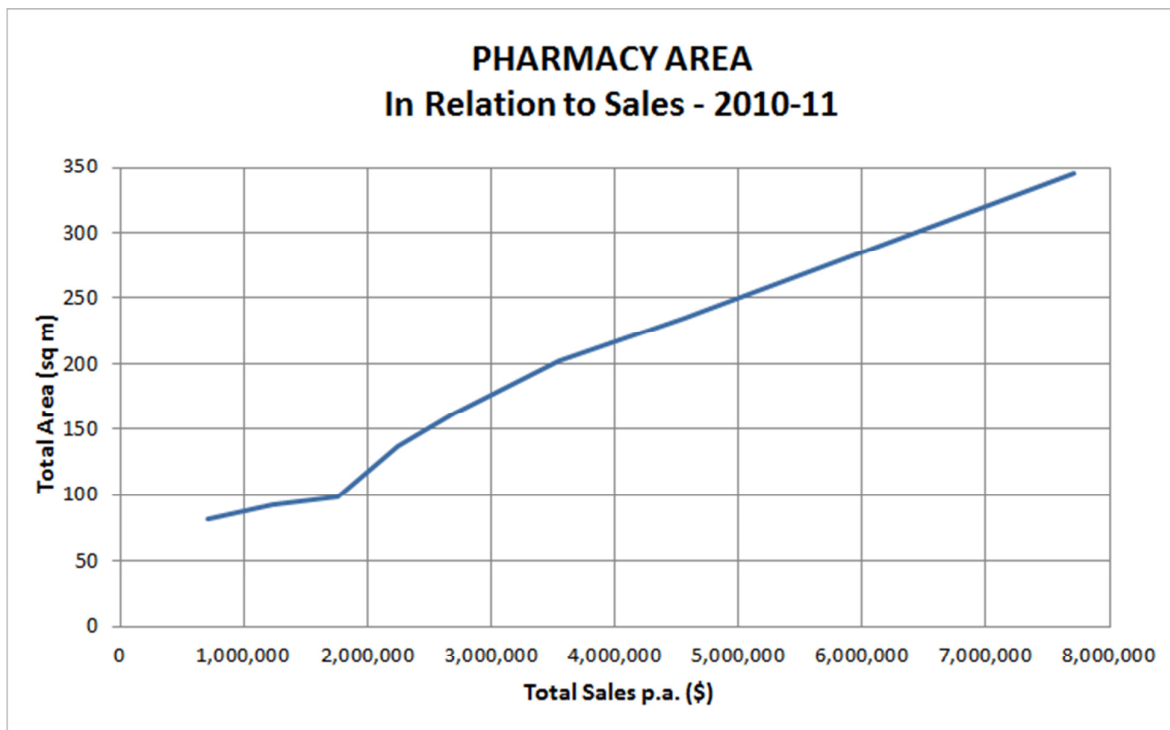
(Refer to Table 5)

## SALES PER SQUARE METRE

This is a useful benchmarking tool to guide merchandising and display. Refer to Table 5 for details according to turnover range. As a general rule, sales productivity by area of selling space tends to increase with turnover and this year turnover per square metre ranged from \$8,804 to \$22,643.

The relationship between Shop Area and Sales is illustrated in Chart 3.

Chart 3



## TOTAL SALES vs NUMBER OF PRESCRIPTIONS

The average prescription generated between \$43 and \$57 in sales revenue. With an average value per prescription of about \$38, each prescription produced between \$10 and \$20 extra revenue in the non-prescription sector.

Turnover Group	Average Script Value	Non-Prescription Sales/Script	Script Sales/ Total Sales
\$	\$	\$	%
Under \$1,000,000	36.10	11.51	75.8
\$1,000,000 - \$1,500,000	36.01	10.04	78.2

\$1,500,000 - \$2,000,000	37.75	10.74	77.8
\$2,000,000 - \$2,500,000	36.27	13.27	73.2
\$2,500,000 - \$3,000,000	39.27	14.84	72.6
\$3,000,000 - \$4,000,000	37.37	16.19	69.8
\$4,000,000 - \$5,000,000	38.43	17.57	68.6
Over \$5,000,000	38.90	19.73	66.3
All Pharmacies (weighted)	38.10	54.26	69.1

In practice, customer numbers far exceed the number of prescriptions dispensed. Digest data indicates the average number of customers per pharmacy per year is approximately 69,000 (compared with 54,116 dispensed prescriptions). Therefore the average sale per customer may be lower than the Sales per script figures. It is nevertheless important to note that prescriptions contribute significantly to other sales and the important nexus between the two should not be underestimated. The close correlation between the number of prescriptions dispensed and Total Sales is illustrated in Chart 4, and the long term trend towards an increase in the proportion of dispensary to total sales is shown in Chart 5.

**Chart 4**

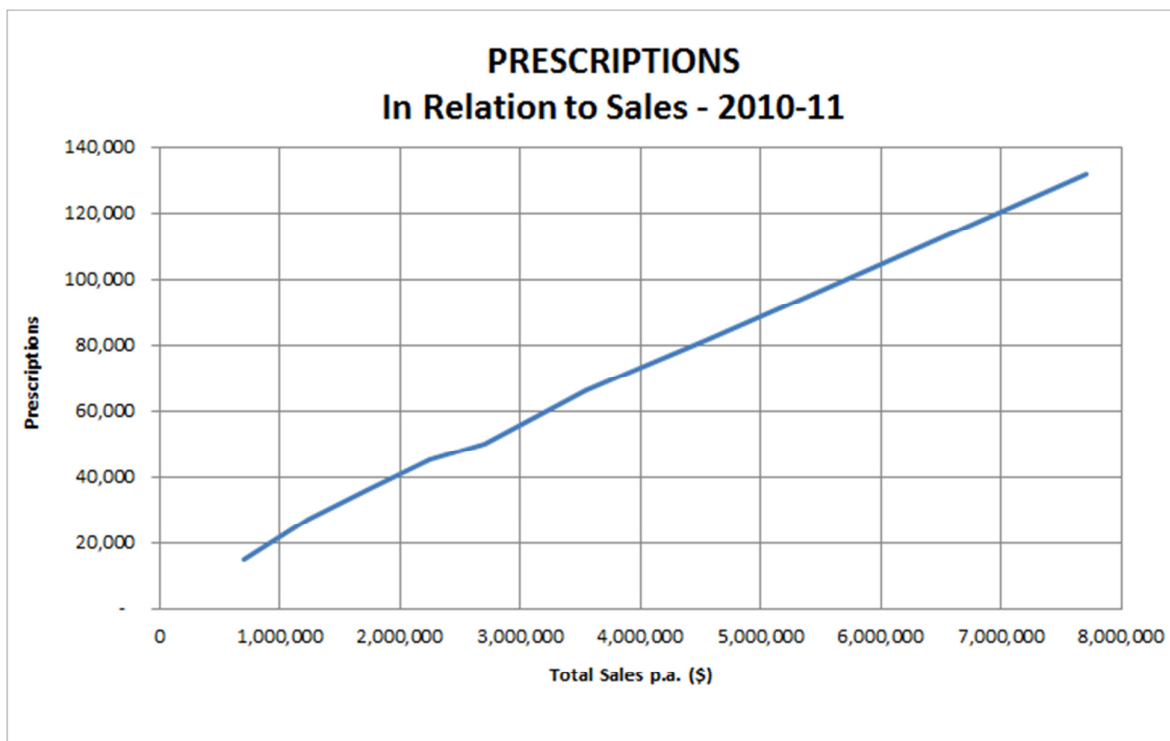
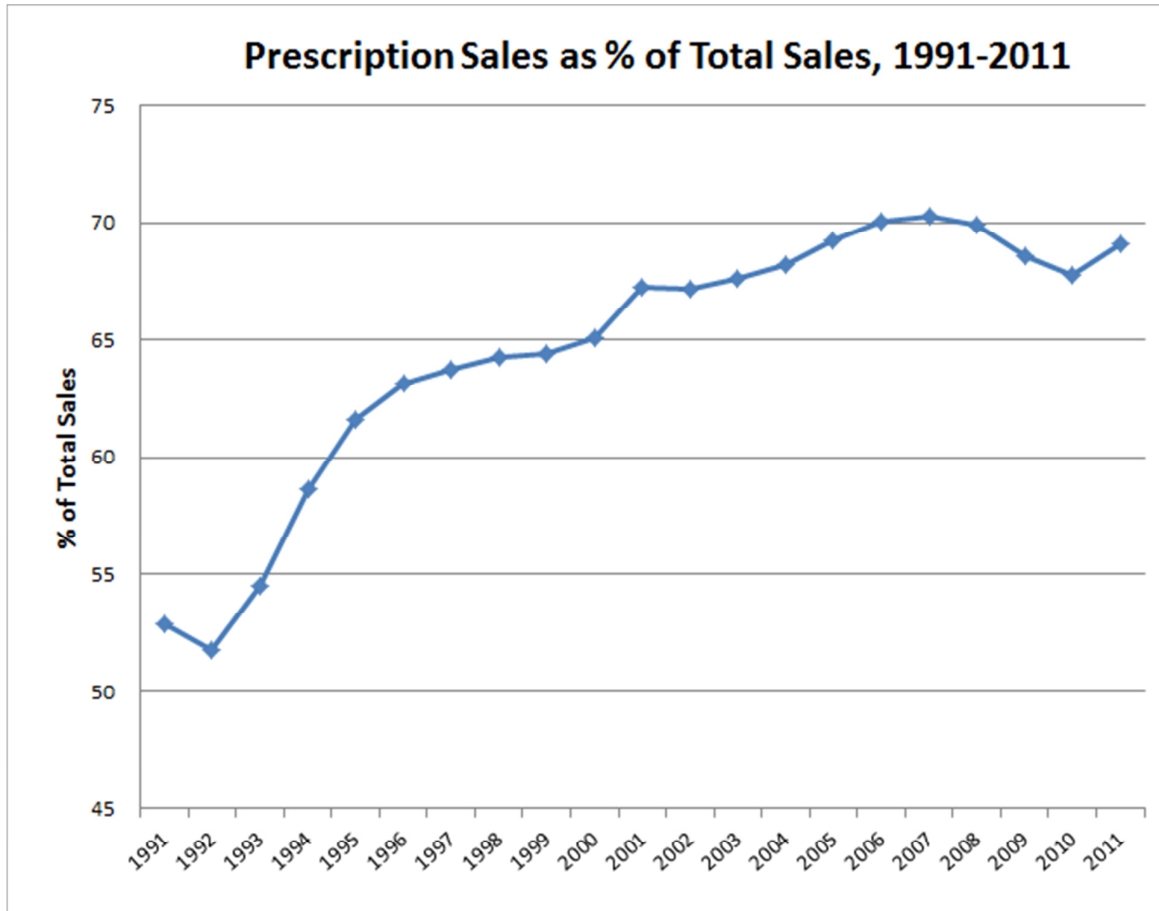


Chart 5



**SALES PER \$ OF STAFF WAGES**

This is a useful general measure of productivity of staff. Table 5 shows that staff generate between \$7 and \$9 sales revenue per dollar of wages, with a weighted average of \$8.60.

**NON-PRESCRIPTION SALES PER FULL-TIME EQUIVALENT NON-DISPENSARY STAFF**

Salaries and wages represent the largest single expense item in community pharmacy. Sales staff therefore have the capacity to significantly influence sales outcomes. The following figures provide a useful benchmark for performance rating.

As with the previous section, the following table excludes dispensary turnover from the calculation to obtain the retail sector sales per full-time equivalent non-dispensary employee. This is based on a 38 hour week and includes only hours for the Sales and Other Staff category in Table 18.

While there are some significant variances in the lower turnover ranges, there is a tighter range of \$214,000 to \$246,000 in sales per employee in the higher bands.

Turnover Group	Retail Sales/Full-Time Equivalent Non-Dispensary Employee \$
Under \$1,000,000	219,743
\$1,000,000 - \$1,500,000	281,023
\$1,500,000 - \$2,000,000	166,457
\$2,000,000 - \$2,500,000	214,084
\$2,500,000 - \$3,000,000	222,452
\$3,000,000 - \$4,000,000	246,506
\$4,000,000 - \$5,000,000	223,871
Over \$5,000,000	224,117

### RENT PER SQUARE METRE

With minor exceptions, the range of rents paid per square metre varied in direct proportion to pharmacy turnover without the benefit of economies of scale - large pharmacies pay premium rents (see Table 5). Small turnover pharmacies paid on average around \$400 per square metre per annum whereas the average rental for the \$2.5m-\$3m category was approximately \$600 and for the over \$5m turnover category was about \$850 per square metre.

Country pharmacies generally enjoyed cheaper rents (at an average of about \$700 per square metre) than their metropolitan counterparts (around \$900 per square metre).

Also of interest is the market reality that larger pharmacies, while paying high rents (particularly in large shopping centres), do not necessarily benefit from commensurate margins.

**Table 5****SUMMARY OF PRODUCTIVITY MEASURES – 2010-11**

<b>TURNOVER RANGE</b>	<b>AVERAGE TURNOVER \$</b>	<b>TURNOVER PER \$ STAFF WAGES</b>	<b>TURNOVER PER FULL TIME EQUIVALENT EMPLOYEE</b>	<b>TURNOVER PER SQ M SHOP SPACE</b>	<b>RENT \$ PER SQ M SHOP SPACE</b>
UNDER \$1,000,000	714,171	6.88	309,842	8,804	412.10
\$1,000,000 - \$1,500,000	1,252,406	8.43	465,324	13,577	518.66
\$1,500,000 - \$2,000,000	1,782,365	9.00	335,564	18,025	513.60
\$2,000,000 - \$2,500,000	2,263,861	8.88	370,092	16,520	628.26
\$2,500,000 - \$3,000,000	2,736,460	8.53	382,848	16,844	603.87
\$3,000,000 - \$4,000,000	3,580,748	7.94	363,029	17,737	682.42
\$4,000,000 - \$5,000,000	4,588,913	8.90	375,169	19,584	854.31
OVER \$5,000,000	7,797,851	8.95	417,908	22,642	841.68
<b>AUSTRALIA</b>					
ALL PHARMACIES - WEIGHTED	3,013,856	8.60	405,241	17,986	710.70
METROPOLITAN	3,453,194	8.97	496,244	19,795	919.54
COUNTRY	3,871,831	8.29	419,698	18,823	564.00

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# USER'S GUIDE TO THE GUILD DIGEST

Management decisions which result in the successful operation of a pharmacy require more than general and vague impressions of an operation's financial structure. The Digest is designed to enable retail pharmacists to make valuable comparisons of their financial performance against industry benchmarks.

The purpose of this section is to aid in those comparisons by providing a better understanding of the financial data presented. Terms are defined, methods of computation are set out, and notes that aid in the application of the financial statements are given.

## OPERATING PERIOD

Extreme movements may be experienced in individual businesses from period to period but as a general rule, unless there are exceptional economic factors, industry movements are small from period to period.

The Digest can therefore be useful to identify short term trends, such as adverse margins or high inventory levels at anytime during the current period. In addition comparisons of digest results can be made at anytime after 30 June 2010 to identify any long term problems such as inappropriate locations.

## DIGEST FORMAT

For the purposes of financial management, two major areas are presented:

- a) Operating results for the twelve month period summarised into various charts and tables according to turnover ranges, location and volume of prescription business;
- b) Financial position of the business at a specific point in time, ie 30 June 2010, after the year's trading has been taken into account.

## OPERATING RESULTS

Often referred to as the Profit and Loss Account, the operating results present, in a single format, revenue derived from the sale of merchandise and expenses incurred to produce those sales.

All income statement data are reported as percentage of Total Revenue to allow the comparison of each item in its relationship to the total operation.



## OPERATING STATEMENT TERMS

**Sales** include all prescription sales, patient contributions and counter sales. It does not include trade rebates, discounts and commission from Health Funds and other sources.

Gross Margin is obtained by first arriving at the Cost of Goods Sold and deducting the figure from Sales as follows:		
Inventory at the beginning of the year	\$ <input type="text"/>	**
Plus Purchases during the year*	\$ <input type="text"/>	
= Cost of Merchandise	\$ <input type="text"/>	
- Purchase Rebates and Trade Rebates	\$ <input type="text"/>	
- Goods taken for own use	\$ <input type="text"/>	
- Inventory at end of year	\$ <input type="text"/>	
= Cost of Goods Sold	\$ <input type="text"/>	
Sales	\$ <input type="text"/>	
- Cost of Goods Sold	\$ <input type="text"/>	
= Gross Margin	\$ <input type="text"/>	
* Only include merchandise purchased for re-sale.		
** Fill in your own figures as examples.		

**Trading Profit/Loss** (Trading Income) is determined by deducting all operating expenses from Gross Margin.

## THE BALANCE SHEET

The Balance Sheet is a statement of financial position at a given point in time. Balance sheets are expressed as:

$$\text{Assets} = \text{Liabilities} + \text{Owners Equity (Net Worth)}$$

### Assets

Current Assets are assets that can usually be converted into cash at short notice.

Fixed Assets, on the other hand, are assets with a long term life which are needed to carry out the normal activities of the business. They also have a depreciable life and are shown at cost less depreciation written off to date.

Goodwill is the price paid to take over the clientele when purchasing a business, less amounts written off over a designated period.



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## Liabilities

Current Liabilities include all debts which are due within one year from the date of the balance sheet. The main components are normally accounts payable, accrued expenses, overdrafts and provision for tax.

Long Term Liabilities are those which are payable over a number of financial years. They include loans, mortgages and long term provisions such as Long Service Leave.

## Net Worth

Net worth is the owners equity in the business and is expressed by the following relationship:

$$\text{Net Worth} = \text{Total Assets} - \text{Total Liabilities}$$

## FINANCIAL RATIOS

From an investor's point of view, the pharmacy proprietor must review the balance sheet in order to relate the income produced from the venture to the funds invested in it. The owner must also be prepared to justify the level of expenditure incurred in earning both the income and the return on funds invested. Thus a sound management policy dictates that the proprietor should review both the income and expense statement for an evaluation of operations and the balance sheet for an assessment of financial position and solvency.

The proprietor can judge how effectively the assets are being utilised by relating the asset and liability position to sales and profit figures.

Balance sheet information can be developed into ratios that measure asset usage (return on asset investment); the liquidity of the business, or its ability to meet current obligations (current ratio); and the general solvency of the firm (debt/equity ratio).

It should be noted that the ratios calculated from the financial information are not inflexible determinants of success or failure, but rather, represent indicators of performance at one point in time. It is suggested that these ratios be considered as a group rather than separately.

### *Liquidity or Short-Term Capitalisation*

Liquidity measures the pharmacy's ability to meet its current obligations and reflects the relationship between the business' short-term financial obligations (current liabilities) and the sources of funds available to meet those requirements (current assets).

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Also known as Working Capital Ratio, a ratio of around 2 to 1 for most businesses enables the business to relatively easily meet current obligations. In most cases a ratio higher than this would indicate that the manager is not utilising funds in the most productive way.



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## ***Profitability***

Profitability is the measuring stick used to evaluate how effective the manager has been in increasing the owner's equity.

$$\text{Net profit on annual sale} = \frac{\text{Net Profit (before tax)}}{\text{Annual Sales}}$$

Year to year comparisons can be made to determine the change in net profit in relation to the change in sales. This measure of profitability is most useful in connection with another standard ratio – return on investment.

$$\begin{array}{l} \text{Return on Investment} \\ \text{(or return on Equity)} \end{array} = \frac{\text{Net Profit (before tax)}}{\text{Net Worth}}$$

Net worth is the amount of owner's equity and is the difference between total assets and total liabilities. The resulting figure is then divided into net profit (before taxes).

Often a more accurate indicator of investment return can be found in the return on total investment.

$$\begin{array}{l} \text{Return on} \\ \text{Total Investment} \end{array} = \frac{\text{Net Profit (before tax)}}{\text{Owner's Equity + Long Term Liabilities}}$$

Net profit on total investment expresses income in relation to the total of the permanent funds invested in the business. It makes no distinction between owner's equity and borrowed capital. The Return on Total Investment ratio is a measure of how well management has used all these permanent funds.

## ***Solvency or Long-Term Capitalisation***

Solvency is calculated by lenders in estimating the borrowing potential of a firm. Solvency refers to the ability of a pharmacy to meet the repayment schedule on long-term obligations.

$$\begin{array}{l} \text{Debt Equity Ratio} \\ \text{(or gearing)} \end{array} = \frac{\text{Total Liabilities}}{\text{Net Worth}}$$

A pharmacy in which the total debt exceeds the owner's equity is quite vulnerable if external changes cause a prolonged drop in sales or an unpredictable increase in expenses such as those caused by interest rate rises. When the debt/equity ratio is low in comparison with that in similar operations the pharmacy may not be leveraged to best advantage.

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### ***Net Sales to Net Worth***

This ratio examines the productivity of equity in terms of generating sales. A high ratio may imply inadequate owner's capitalisation. When the ratio is low, the operation is not obtaining full use of its funds.

### ***Funded Debt to Net Working Capital***

A business' ability to borrow is obtained by dividing funded debts, mortgages etc by working capital. When the ratio is low there is less reliance on funded debt for working capital and the owner is in a better financial position to borrow funds.

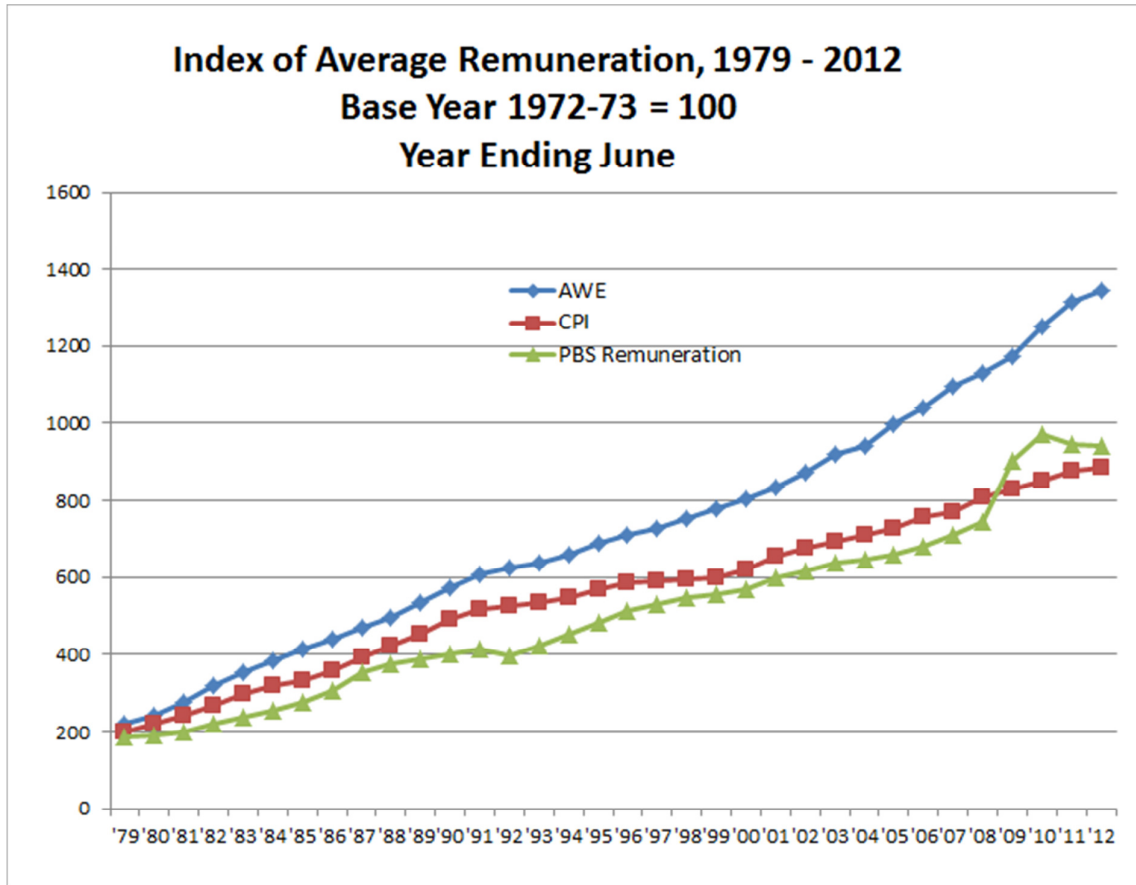
### ***Age of Debtors***

$$\text{Average Payable Period} = \frac{\text{Outstanding Accounts Payable} \times 365}{\text{Annual Purchases}}$$

This ratio expresses the number of days outstanding in accounts payable and measures the extent to which a business is operating on suppliers' capital. A higher-than-average value may imply that the pharmacy is not taking suppliers' cash discounts.



Chart 6



**AUSTRALIAN PHARMACIES – SUMMARY OF SALES VOLUME IN 2010-11**  
(Based on 12 Months of Trading to 30/06/11)

**Table 6**

	Up to \$1,000,000		\$1,000,000 to \$1,500,000		\$1,500,000 to \$2,000,000		\$2,000,000 to \$2,500,000	
<b>SALES, EXPENSES &amp; PROFITABILITY</b>	\$	%	\$	%	\$	%	\$	%
<b>SALES</b>	<b>705,682</b>		<b>1,236,700</b>		<b>1,756,701</b>		<b>2,241,955</b>	
<b>COST OF GOODS SOLD</b>	<b>452,830</b>	<b>64.17</b>	<b>826,211</b>	<b>66.81</b>	<b>1,140,264</b>	<b>64.91</b>	<b>1,480,088</b>	<b>66.02</b>
<b>GROSS MARGIN</b>	<b>252,852</b>	<b>35.83</b>	<b>410,489</b>	<b>33.19</b>	<b>616,437</b>	<b>35.09</b>	<b>761,867</b>	<b>33.98</b>
Other Income	8,489		15,706		25,665		21,905	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>261,341</b>		<b>426,195</b>		<b>642,101</b>		<b>783,773</b>	
<b>TOTAL REVENUE</b>	<b>714,171</b>	<b>100.00</b>	<b>1,252,406</b>	<b>100.00</b>	<b>1,782,365</b>	<b>100.00</b>	<b>2,263,861</b>	<b>100.00</b>
<b>EXPENSES</b>								
Salaries and Wages	103,787	14.53	148,557	11.86	198,142	11.12	255,027	11.27
Rent Paid	33,428	4.68	47,841	3.82	50,786	2.85	86,094	3.80
Outgoings - Rental & Rates	1,003	0.14	1,310	0.10	1,448	0.08	834	0.04
Accounting	6,878	0.96	6,657	0.53	6,679	0.37	8,044	0.36
Advertising	5,408	0.76	6,231	0.50	9,947	0.56	27,589	1.22
Bank Charges	1,992	0.28	3,216	0.26	5,134	0.29	5,881	0.26
Computer Expenses	8,598	1.20	6,999	0.56	7,920	0.44	7,704	0.34
Depreciation	13,209	1.85	11,008	0.88	13,776	0.77	27,979	1.24
Electricity, Water, Heating	3,258	0.46	5,028	0.40	5,213	0.29	9,318	0.41
Insurance	4,424	0.62	5,605	0.45	6,962	0.39	8,376	0.37
Interest Paid	6,615	0.93	31,933	2.55	49,579	2.78	45,694	2.02
Leasing Expenses	6,726	0.94	5,611	0.45	2,919	0.16	13,302	0.59
Motor Vehicle Expenses	3,845	0.54	3,666	0.29	3,305	0.19	4,517	0.20
Postage, Freight, Printing	1,246	0.17	3,345	0.27	5,167	0.29	5,424	0.24
Repairs, Maintenance, Service	1,124	0.16	1,929	0.15	2,596	0.15	3,458	0.15
Subs and Registrations	9,398	1.32	8,511	0.68	9,978	0.56	12,257	0.54
Superannuation	8,666	1.21	15,261	1.22	17,954	1.01	24,970	1.10
Telephone	2,564	0.36	3,088	0.25	5,100	0.29	4,542	0.20
Training	2,270	0.32	1,314	0.10	2,560	0.14	3,397	0.15
Abnormal Expenses	194	0.03	62	0.00	1,422	0.08	9,682	0.43
Payroll Tax	0	0.00	847.21	0.07	3,134	0.18	2,642	0.12
Workers' Compensation	614	0.09	866	0.07	1,186	0.07	1,574	0.07
Other Expenses	19,634	2.75	28,896	2.31	33,476	1.88	55,809	2.47
<b>TOTAL EXPENSES</b>	<b>244,883</b>	<b>34.29</b>	<b>347,783</b>	<b>27.77</b>	<b>444,383</b>	<b>24.93</b>	<b>624,116</b>	<b>27.57</b>
<b>TOTAL INCOME</b>	<b>16,458</b>	<b>2.30</b>	<b>78,412</b>	<b>6.26</b>	<b>197,719</b>	<b>11.09</b>	<b>159,657</b>	<b>7.05</b>
Less Proprietors' Salary (1)	111,293	15.58	118,436	9.46	105,940	5.94	134,705	5.95
[ Full-Time-Equivalents ]	0.90		0.95		0.88		1.09	
<b>NET PROFIT/LOSS</b>	<b>-94,835</b>	<b>-13.28</b>	<b>-40,023</b>	<b>-3.20</b>	<b>91,779</b>	<b>5.15</b>	<b>24,952</b>	<b>1.10</b>
<b>SALES ANALYSIS</b>								
Prescriptions	535,092	75.83	967,180	78.21	1,367,638	77.85	1,641,486	73.22
Other Sales	170,590	24.17	269,519	21.79	389,063	22.15	600,469	26.78
<b>INVENTORY ANALYSIS</b>								
Prescription	40,817	5.72	55,515	4.43	62,881	3.53	118,656	5.24
Other	38,483	5.39	57,002	4.55	84,284	4.73	216,114	9.55
<b>STOCK CARRIED (Total)</b>	<b>79,300</b>	<b>11.10</b>	<b>112,517</b>	<b>8.98</b>	<b>147,166</b>	<b>8.26</b>	<b>334,769</b>	<b>14.79</b>
<b>STOCK TURN (On Total Inventory)</b>	<b>5.71</b>		<b>7.34</b>		<b>7.75</b>		<b>4.42</b>	
<b>SALES PER INVENTORY DOLLAR</b>								
Prescription	13.11		17.42		21.75		13.83	
Other	4.43		4.73		4.62		2.78	
<b>STATISTICS</b>								
PHARMACY SIZE (square metres)	81		92		99		137	
PRESCRIPTIONS DISPENSED (Total)	14,822		26,856		36,227		45,260	
PRESCRIPTIONS DISPENSED WEEKLY	284		515		695		868	
TOTAL HOURS OPEN per WEEK	53.5		52.8		53.0		56.5	
AV HRS WORKED BY PROPRIETORS/WEEK	34.1		36.3		33.6		41.3	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>57,630</b>	<b>8.07</b>	<b>118,457</b>	<b>9.46</b>	<b>130,616</b>	<b>7.33</b>	<b>57,689</b>	<b>2.55</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**AUSTRALIAN PHARMACIES – SUMMARY OF SALES VOLUME IN 2010-11**  
(Based on 12 Months of Trading to 30/06/11)

**Table 6**

	\$2,500,000 to \$3,000,000		\$3,000,000 to \$4,000,000		\$4,000,000 to \$5,000,000		Over \$5,000,000	
<b>SALES, EXPENSES &amp; PROFITABILITY</b>	\$	%	\$	%	\$	%	\$	%
<b>SALES</b>	<b>2,711,091</b>		<b>3,549,295</b>		<b>4,564,425</b>		<b>7,712,032</b>	
<b>COST OF GOODS SOLD</b>	<b>1,756,073</b>	<b>64.77</b>	<b>2,334,996</b>	<b>65.79</b>	<b>3,030,297</b>	<b>66.39</b>	<b>5,302,988</b>	<b>68.76</b>
<b>GROSS MARGIN</b>	<b>955,019</b>	<b>35.23</b>	<b>1,214,299</b>	<b>34.21</b>	<b>1,534,128</b>	<b>33.61</b>	<b>2,409,044</b>	<b>31.24</b>
Other Income	25,369		31,453		24,488		85,818	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>980,388</b>		<b>1,245,752</b>		<b>1,558,616</b>		<b>2,494,863</b>	
<b>TOTAL REVENUE</b>	<b>2,736,460</b>	<b>100.00</b>	<b>3,580,748</b>	<b>100.00</b>	<b>4,588,913</b>	<b>100.00</b>	<b>7,797,851</b>	<b>100.00</b>
<b>EXPENSES</b>								
Salaries and Wages	320,864	11.73	451,210	12.60	515,796	11.24	871,540	11.18
Rent Paid	98,105	3.59	137,768	3.85	200,185	4.36	289,871	3.72
Outgoings - Rental & Rates	5,348	0.20	8,954	0.25	4,187	0.09	9,766	0.13
Accounting	12,259	0.45	14,177	0.40	12,756	0.28	18,066	0.23
Advertising	26,471	0.97	39,282	1.10	54,108	1.18	84,414	1.08
Bank Charges	6,785	0.25	9,001	0.25	9,175	0.20	14,955	0.19
Computer Expenses	12,079	0.44	14,325	0.40	16,634	0.36	17,395	0.22
Depreciation	27,260	1.00	30,810	0.86	47,252	1.03	72,958	0.94
Electricity, Water, Heating	10,801	0.39	13,044	0.36	16,752	0.37	19,824	0.25
Insurance	8,223	0.30	11,106	0.31	11,929	0.26	16,104	0.21
Interest Paid	58,849	2.15	55,299	1.54	56,642	1.23	123,696	1.59
Leasing Expenses	4,724	0.17	9,245	0.26	11,266	0.25	21,548	0.28
Motor Vehicle Expenses	6,119	0.22	4,914	0.14	7,163	0.16	7,682	0.10
Postage, Freight, Printing	8,482	0.31	13,785	0.38	13,417	0.29	23,862	0.31
Repairs, Maintenance, Service	3,419	0.12	7,397	0.21	6,504	0.14	11,713	0.15
Subs and Registrations	10,593	0.39	13,653	0.38	12,316	0.27	17,704	0.23
Superannuation	26,679	0.97	39,719	1.11	47,193	1.03	82,233	1.05
Telephone	6,331	0.23	7,092	0.20	7,114	0.16	10,564	0.14
Training	2,298	0.08	5,452	0.15	4,974	0.11	8,919	0.11
Abnormal Expenses	14,129	0.52	5,200	0.15	237	0.01	20,811	0.27
Payroll Tax	1,753	0.06	5,340	0.15	3,305	0.07	24,133	0.31
Workers' Compensation	2,623	0.10	4,048	0.11	3,030	0.07	8,933	0.11
Other Expenses	49,400	1.81	48,874	1.36	89,460	1.95	125,888	1.61
<b>TOTAL EXPENSES</b>	<b>723,596</b>	<b>26.44</b>	<b>949,694</b>	<b>26.52</b>	<b>1,151,393</b>	<b>25.09</b>	<b>1,902,579</b>	<b>24.40</b>
<b>TOTAL INCOME</b>	<b>256,792</b>	<b>9.38</b>	<b>296,057</b>	<b>8.27</b>	<b>407,223</b>	<b>8.87</b>	<b>592,284</b>	<b>7.60</b>
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	130,858 1.05	4.78	131,426 1.09	3.67	169,772 1.37	3.70	155,480 1.25	1.99
<b>NET PROFIT/LOSS</b>	<b>125,934</b>	<b>4.60</b>	<b>164,631</b>	<b>4.60</b>	<b>237,451</b>	<b>5.17</b>	<b>436,804</b>	<b>5.60</b>
<b>SALES ANALYSIS</b>								
Prescriptions	1,967,632	72.58	2,476,622	69.78	3,132,239	68.62	5,116,573	66.35
Other Sales	743,459	27.42	1,072,673	30.22	1,432,186	31.38	2,595,459	33.65
<b>INVENTORY ANALYSIS</b>								
Prescription	98,475	3.60	120,895	3.38	110,297	2.40	184,700	2.37
Other	200,370	7.32	208,633	5.83	253,856	5.53	375,228	4.81
<b>STOCK CARRIED (Total)</b>	<b>298,845</b>	<b>10.92</b>	<b>329,528</b>	<b>9.20</b>	<b>364,153</b>	<b>7.94</b>	<b>559,928</b>	<b>7.18</b>
<b>STOCK TURN (On Total Inventory)</b>	<b>5.88</b>		<b>7.09</b>		<b>8.32</b>		<b>9.47</b>	
<b>SALES PER INVENTORY DOLLAR</b>								
Prescription	19.98		20.49		28.40		27.70	
Other	3.71		5.14		5.64		6.92	
<b>STATISTICS</b>								
PHARMACY SIZE (square metres)	162		202		234		344	
PRESCRIPTIONS DISPENSED (Total)	50,099		66,271		81,498		131,520	
PRESCRIPTIONS DISPENSED WEEKLY	961		1,271		1,563		2,522	
TOTAL HOURS OPEN per WEEK	62.0		59.4		64.2		69.3	
AV HRS WORKED BY PROPRIETORS/WEEK	40.1		41.3		52.0		47.6	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>135,564</b>	<b>4.95</b>	<b>36,490</b>	<b>1.02</b>	<b>-9,027</b>	<b>-0.20</b>	<b>128,142</b>	<b>1.64</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**COMPARISON OF PERFORMANCE – METRO v COUNTRY & BANNER GROUP**  
(Based on 12 Months of Trading to 30/06/11)

**Table 7**

	Metro		Country		Group		No Group	
	\$	%	\$	%	\$	%	\$	%
<b>SALES, EXPENSES &amp; PROFITABILITY</b>								
<b>SALES</b>	<b>3,692,219</b>		<b>3,827,271</b>		<b>4,000,547</b>		<b>2,317,721</b>	
<b>COST OF GOODS SOLD</b>	<b>2,512,462</b>	<b>68.05</b>	<b>2,540,810</b>	<b>66.39</b>	<b>2,701,045</b>	<b>67.52</b>	<b>1,550,066</b>	<b>66.88</b>
<b>GROSS MARGIN</b>	<b>1,179,757</b>	<b>31.95</b>	<b>1,286,462</b>	<b>33.61</b>	<b>1,299,501</b>	<b>32.48</b>	<b>767,654</b>	<b>33.12</b>
Other Income	28,792		44,560		51,674		18,336	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,208,549</b>		<b>1,331,021</b>		<b>1,351,175</b>		<b>785,991</b>	
<b>TOTAL REVENUE</b>	<b>3,721,011</b>	<b>100.00</b>	<b>3,871,831</b>	<b>100.00</b>	<b>4,052,220</b>	<b>100.00</b>	<b>2,336,057</b>	<b>100.00</b>
<b>EXPENSES</b>								
Salaries and Wages	414,970	11.15	467,155	12.07	448,046	11.06	256,496	10.98
Rent Paid	162,185	4.36	116,015	3.00	165,656	4.09	59,081	2.53
Outgoings - Rental & Rates	5,990	0.16	6,011	0.16	4,501	0.11	1,700	0.07
Accounting	13,218	0.36	12,624	0.33	9,849	0.24	9,563	0.41
Advertising	38,529	1.04	44,225	1.14	38,338	0.95	10,303	0.44
Bank Charges	9,126	0.25	8,540	0.22	6,528	0.16	6,087	0.26
Computer Expenses	16,017	0.43	10,135	0.26	13,711	0.34	8,620	0.37
Depreciation	33,056	0.89	36,909	0.95	38,764	0.96	14,520	0.62
Electricity, Water, Heating	11,251	0.30	11,904	0.31	13,493	0.33	6,368	0.27
Insurance	10,797	0.29	10,831	0.28	10,849	0.27	8,951	0.38
Interest Paid	63,494	1.71	65,017	1.68	70,326	1.74	42,610	1.82
Leasing Expenses	15,821	0.43	6,204	0.16	12,460	0.31	4,460	0.19
Motor Vehicle Expenses	6,481	0.17	5,216	0.13	5,455	0.13	4,425	0.19
Postage, Freight, Printing	12,094	0.33	14,182	0.37	9,487	0.23	8,214	0.35
Repairs, Maintenance, Service	5,541	0.15	6,712	0.17	6,774	0.17	4,317	0.18
Subs and Registrations	9,397	0.25	12,335	0.32	13,801	0.34	8,808	0.38
Superannuation	37,292	1.00	43,993	1.14	40,313	0.99	24,220	1.04
Telephone	6,674	0.18	7,214	0.19	6,202	0.15	5,087	0.22
Training	2,804	0.08	6,540	0.17	3,940	0.10	2,559	0.11
Abnormal Expenses	9,927	0.27	9,290	0.24	14,871	0.37	1,834	0.08
Payroll Tax	8,699	0.23	7,761	0.20	9,727	0.24	1,820	0.08
Workers' Compensation	4,536	0.12	3,623	0.09	3,463	0.09	2,877	0.12
Other Expenses	65,316	1.76	45,905	1.19	98,378	2.43	38,015	1.63
<b>TOTAL EXPENSES</b>	<b>963,214</b>	<b>25.89</b>	<b>958,343</b>	<b>24.75</b>	<b>1,044,928</b>	<b>25.79</b>	<b>530,937</b>	<b>22.73</b>
<b>TOTAL INCOME</b>	<b>245,335</b>	<b>6.59</b>	<b>372,678</b>	<b>9.63</b>	<b>306,247</b>	<b>7.56</b>	<b>255,054</b>	<b>10.92</b>
Less Proprietors' Salary (1)	129,153	3.47	136,539	3.53	132,506	3.27	110,248	4.72
[ Full-Time-Equivalents ]	1.04		1.10		1.07		0.89	
<b>NET PROFIT/LOSS</b>	<b>116,182</b>	<b>3.12</b>	<b>236,139</b>	<b>6.10</b>	<b>173,741</b>	<b>4.29</b>	<b>144,806</b>	<b>6.20</b>
<b>SALES ANALYSIS</b>								
Prescriptions	2,370,274	64.20	2,786,818	72.81	2,673,959	66.84	1,773,669	76.53
Other Sales	1,321,944	35.80	1,040,453	27.19	1,326,588	33.16	544,051	23.47
<b>INVENTORY ANALYSIS</b>								
Prescription	96,698	2.60	127,616	3.30	134,697	3.32	80,019	3.43
Other	189,539	5.09	237,970	6.15	245,216	6.05	90,214	3.86
STOCK CARRIED (Total)	286,237	7.69	365,587	9.44	379,913	9.38	170,233	7.29
STOCK TURN (On Total Inventory)	8.78		6.95		7.11		9.11	
<b>SALES PER INVENTORY DOLLAR</b>								
Prescription	24.51		21.84		19.85		22.17	
Other	6.97		4.37		5.41		6.03	
<b>STATISTICS</b>								
PHARMACY SIZE (square metres)	182		206		210		125	
PRESCRIPTIONS DISPENSED (Total)	60,227		73,101		71,193		45,875	
PRESCRIPTIONS DISPENSED WEEKLY	1,155		1,402		1,365		880	
TOTAL HOURS OPEN per WEEK	62.8		56.7		62.4		56.3	
AV HRS WORKED BY PROPRIETORS/WEEK	39.7		41.8		40.6		33.8	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>141,010</b>	<b>3.79</b>	<b>164,004</b>	<b>4.24</b>	<b>111,262</b>	<b>2.75</b>	<b>204,031</b>	<b>8.73</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**COMPARISON OF PERFORMANCE – LOCATION & TYPE OF PHARMACY**  
(Based on 12 Months of Trading to 30/06/11)

**Table 8**

	Shopping Centre		Strip or Isolated		Medical Centre		Servicing Nursing Homes (50+ beds)	
	\$	%	\$	%	\$	%	\$	%
<b>SALES, EXPENSES &amp; PROFITABILITY</b>								
<b>SALES</b>	<b>4,185,021</b>		<b>3,490,641</b>		<b>2,439,352</b>		<b>3,817,977</b>	
<b>COST OF GOODS SOLD</b>	<b>2,819,399</b>	<b>67.37</b>	<b>2,391,749</b>	<b>68.52</b>	<b>1,627,458</b>	<b>66.72</b>	<b>2,492,550</b>	<b>65.28</b>
<b>GROSS MARGIN</b>	<b>1,365,623</b>	<b>32.63</b>	<b>1,098,892</b>	<b>31.48</b>	<b>811,894</b>	<b>33.28</b>	<b>1,325,427</b>	<b>34.72</b>
Other Income	63,932		31,612		27,323		23,733	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,429,555</b>		<b>1,130,505</b>		<b>839,217</b>		<b>1,349,160</b>	
<b>TOTAL REVENUE</b>	<b>4,248,954</b>	<b>100.00</b>	<b>3,522,253</b>	<b>100.00</b>	<b>2,466,675</b>	<b>100.00</b>	<b>3,841,710</b>	<b>100.00</b>
<b>EXPENSES</b>								
Salaries and Wages	460,611	10.84	401,655	11.40	301,461	12.22	507,871	13.22
Rent Paid	208,279	4.90	69,747	1.98	79,695	3.23	68,565	1.78
Outgoings - Rental & Rates	5,689	0.13	3,529	0.10	568	0.02	2,630	0.07
Accounting	10,285	0.24	11,675	0.33	10,458	0.42	7,043	0.18
Advertising	44,327	1.04	26,416	0.75	7,807	0.32	41,162	1.07
Bank Charges	7,653	0.18	6,505	0.18	6,054	0.25	6,731	0.18
Computer Expenses	12,585	0.30	13,538	0.38	8,637	0.35	13,105	0.34
Depreciation	37,685	0.89	27,315	0.78	23,435	0.95	33,701	0.88
Electricity, Water, Heating	12,448	0.29	10,282	0.29	6,638	0.27	11,679	0.30
Insurance	11,260	0.26	12,068	0.34	8,926	0.36	10,443	0.27
Interest Paid	85,300	2.01	56,858	1.61	39,724	1.61	35,101	0.91
Leasing Expenses	14,914	0.35	6,864	0.19	5,215	0.21	800	0.02
Motor Vehicle Expenses	4,961	0.12	5,687	0.16	7,963	0.32	3,999	0.10
Postage, Freight, Printing	11,694	0.28	11,722	0.33	7,921	0.32	15,455	0.40
Repairs, Maintenance, Service	8,168	0.19	6,231	0.18	4,146	0.17	7,844	0.20
Subs and Registrations	9,740	0.23	10,337	0.29	9,105	0.37	13,095	0.34
Superannuation	39,874	0.94	39,322	1.12	25,645	1.04	52,668	1.37
Telephone	6,045	0.14	7,087	0.20	4,739	0.19	7,692	0.20
Training	3,703	0.09	4,224	0.12	2,188	0.09	4,820	0.13
Abnormal Expenses	16,673	0.39	10,268	0.29	23,766	0.96	12,355	0.32
Payroll Tax	8,632	0.20	11,060	0.31	2,695	0.11	19,215	0.50
Workers' Compensation	4,406	0.10	3,842	0.11	2,289	0.09	3,483	0.09
Other Expenses	89,894	2.12	60,539	1.72	48,141	1.95	26,606	0.69
<b>TOTAL EXPENSES</b>	<b>1,113,433</b>	<b>26.20</b>	<b>816,322</b>	<b>23.18</b>	<b>637,213</b>	<b>25.83</b>	<b>904,584</b>	<b>23.55</b>
<b>TOTAL INCOME</b>	<b>316,122</b>	<b>7.44</b>	<b>314,182</b>	<b>8.92</b>	<b>202,004</b>	<b>8.19</b>	<b>444,575</b>	<b>11.57</b>
Less Proprietors' Salary (1)	119,088	2.80	117,881	3.35	97,054	3.93	133,106	3.46
[ Full-Time-Equivalents ]	0.96		0.95		0.78		1.07	
<b>NET PROFIT/LOSS</b>	<b>197,034</b>	<b>4.64</b>	<b>196,302</b>	<b>5.57</b>	<b>104,949</b>	<b>4.25</b>	<b>311,469</b>	<b>8.11</b>
<b>SALES ANALYSIS</b>								
Prescriptions	2,628,377	62.80	2,509,129	71.88	2,002,385	82.09	2,817,175	73.79
Other Sales	1,556,644	37.20	981,512	28.12	436,967	17.91	1,000,802	26.21
<b>INVENTORY ANALYSIS</b>								
Prescription	131,261	3.09	111,897	3.18	170,760	6.92	202,387	5.27
Other	238,217	5.61	199,930	5.68	166,935	6.77	239,295	6.23
STOCK CARRIED (Total)	369,478	8.70	311,826	8.85	337,695	13.69	441,682	11.50
STOCK TURN (On Total Inventory)	7.63		7.67		4.82		5.64	
<b>SALES PER INVENTORY DOLLAR</b>								
Prescription	20.02		22.42		11.73		13.92	
Other	6.53		4.91		2.62		4.18	
<b>STATISTICS</b>								
PHARMACY SIZE (square metres)	204		181		106		227	
PRESCRIPTIONS DISPENSED (Total)	67,962		65,666		52,131		78,005	
PRESCRIPTIONS DISPENSED WEEKLY	1,303		1,259		1,000		1,496	
TOTAL HOURS OPEN per WEEK	62.5		57.2		61.1		51.5	
AV HRS WORKED BY PROPRIETORS/WEEK	36.5		36.1		29.7		40.8	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>147,478</b>	<b>3.47</b>	<b>124,985</b>	<b>3.55</b>	<b>144,356</b>	<b>5.85</b>	<b>60,409</b>	<b>1.57</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**NSW PHARMACIES – SUMMARY BY LOCATION AND TYPE**  
(Based on 12 Months of Trading to 30/06/11)

**Table 9**

	State Averages Weighted		Metro		Country		Group		No Group	
	\$	%	\$	%	\$	%	\$	%	\$	%
<b>SALES, EXPENSES &amp; PROFITABILITY</b>										
<b>SALES</b>	<b>3,620,355</b>		<b>3,907,759</b>		<b>4,413,008</b>		<b>5,476,154</b>		<b>2,424,108</b>	
<b>COST OF GOODS SOLD</b>	<b>2,446,754</b>	<b>67.58</b>	<b>2,663,794</b>	<b>68.17</b>	<b>2,973,297</b>	<b>67.38</b>	<b>3,753,962</b>	<b>68.55</b>	<b>1,625,330</b>	<b>67.05</b>
<b>GROSS MARGIN</b>	<b>1,173,601</b>	<b>32.42</b>	<b>1,243,966</b>	<b>31.83</b>	<b>1,439,711</b>	<b>32.62</b>	<b>1,722,192</b>	<b>31.45</b>	<b>798,778</b>	<b>32.95</b>
Other Income	32,687		21,742		46,017		60,510		20,062	
<b>GROSS MARGIN PLUS OTHER INCOMES</b>	<b>1,206,288</b>		<b>1,265,708</b>		<b>1,485,728</b>		<b>1,782,701</b>		<b>818,840</b>	
<b>TOTAL REVENUE</b>	<b>3,653,042</b>	<b>100.00</b>	<b>3,929,501</b>	<b>100.00</b>	<b>4,459,025</b>	<b>100.00</b>	<b>5,536,664</b>	<b>100.00</b>	<b>2,444,170</b>	<b>100.00</b>
<b>EXPENSES</b>										
Salaries and Wages	410,578	11.24	416,653	10.60	532,900	11.95	600,127	10.84	274,175	11.22
Rent Paid	164,087	4.49	211,891	5.39	152,136	3.41	272,137	4.92	65,077	2.66
Outgoings - Rental & Rates	4,380	0.12	3,720	0.09	6,143	0.14	4,043	0.07	805	0.03
Accounting	12,417	0.34	14,842	0.38	12,545	0.28	14,262	0.26	10,247	0.42
Advertising	38,257	1.05	42,247	1.08	49,021	1.10	55,972	1.01	11,819	0.48
Bank Charges	7,462	0.20	8,197	0.21	8,362	0.19	7,254	0.13	6,811	0.28
Computer Expenses	11,201	0.31	13,806	0.35	10,214	0.23	14,117	0.25	8,637	0.35
Depreciation	40,544	1.11	40,073	1.02	47,382	1.06	59,289	1.07	16,450	0.67
Electricity, Water, Heating	10,877	0.30	11,127	0.28	12,752	0.29	15,034	0.27	7,054	0.29
Insurance	11,373	0.31	11,854	0.30	13,411	0.30	15,329	0.28	9,848	0.40
Interest Paid	71,131	1.95	72,373	1.84	78,372	1.76	106,851	1.93	48,842	2.00
Leasing Expenses	12,234	0.33	20,208	0.51	6,829	0.15	25,278	0.46	6,447	0.26
Motor Vehicle Expenses	6,063	0.17	8,829	0.22	4,594	0.10	5,290	0.10	4,734	0.19
Postage, Freight, Printing	12,027	0.33	12,559	0.32	16,477	0.37	16,719	0.30	8,649	0.35
Repairs, Maintenance, Service	5,854	0.16	5,082	0.13	8,957	0.20	9,381	0.17	5,093	0.21
Subs and Registrations	10,305	0.28	8,518	0.22	13,562	0.30	11,556	0.21	9,418	0.39
Superannuation	38,308	1.05	35,817	0.91	53,748	1.21	54,381	0.98	27,148	1.11
Telephone	6,461	0.18	6,569	0.17	7,794	0.17	8,050	0.15	5,374	0.22
Training	3,877	0.11	2,407	0.06	6,976	0.16	5,031	0.09	2,855	0.12
Abnormal Expenses	2,010	0.06	847	0.02	4,286	0.10	4,082	0.07	1,678	0.07
Payroll Tax	6,887	0.19	8,620	0.22	8,067	0.18	12,990	0.23	1,898	0.08
Workers' Compensation	5,038	0.14	6,445	0.16	5,808	0.13	6,337	0.11	3,674	0.15
Other Expenses	70,485	1.93	84,422	2.15	62,155	1.39	132,360	2.39	44,808	1.83
<b>TOTAL EXPENSES</b>	<b>961,716</b>	<b>26.33</b>	<b>1,046,392</b>	<b>26.63</b>	<b>1,122,491</b>	<b>25.17</b>	<b>1,455,310</b>	<b>26.28</b>	<b>581,329</b>	<b>23.78</b>
<b>TOTAL INCOME</b>	<b>244,572</b>	<b>6.70</b>	<b>219,316</b>	<b>5.58</b>	<b>363,237</b>	<b>8.15</b>	<b>327,392</b>	<b>5.91</b>	<b>237,511</b>	<b>9.72</b>
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	115,003 0.93	3.15	110,645 0.89	2.82	126,431 1.02	2.84	117,546 0.95	2.12	100,721 0.81	4.12
<b>NET PROFIT/LOSS</b>	<b>129,569</b>	<b>3.55</b>	<b>108,671</b>	<b>2.77</b>	<b>236,806</b>	<b>5.31</b>	<b>209,846</b>	<b>3.79</b>	<b>136,790</b>	<b>5.60</b>
<b>SALES ANALYSIS</b>										
Prescriptions	2,394,550	66.14	2,332,320	59.68	3,166,156	71.75	3,415,557	62.37	1,876,833	77.42
Other Sales	1,225,804	33.86	1,575,439	40.32	1,246,852	28.25	2,060,597	37.63	547,276	22.58
<b>INVENTORY ANALYSIS</b>										
Prescription	94,731	2.59	93,064	2.37	127,313	2.86	147,226	2.66	91,415	3.74
Other	235,709	6.45	230,843	5.87	284,827	6.39	363,894	6.57	90,845	3.72
<b>STOCK CARRIED (Total)</b>	<b>330,439</b>	<b>9.05</b>	<b>323,906</b>	<b>8.24</b>	<b>412,140</b>	<b>9.24</b>	<b>511,121</b>	<b>9.23</b>	<b>182,260</b>	<b>7.46</b>
<b>STOCK TURN (On Total Inventory)</b>	<b>7.40</b>		<b>8.22</b>		<b>7.21</b>		<b>7.34</b>		<b>8.92</b>	
<b>SALES PER INVENTORY DOLLAR</b>										
Prescription	25.28		25.06		24.87		23.20		20.53	
Other	5.20		6.82		4.38		5.66		6.02	
<b>STATISTICS</b>										
PHARMACY SIZE (square metres)	190		190		228		262		126	
PRESCRIPTIONS DISPENSED (Total)	60,624		58,143		81,180		85,772		47,695	
PRESCRIPTIONS DISPENSED WEEKLY	1,163		1,115		1,557		1,645		915	
TOTAL HOURS OPEN per WEEK	58.6		63.0		57.0		63.9		56.0	
AV HRS WORKED BY PROPRIETORS/WEEK	35.2		33.9		38.7		36.0		30.9	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>147,641</b>	<b>4.04</b>	<b>137,181</b>	<b>3.49</b>	<b>196,164</b>	<b>4.40</b>	<b>222,137</b>	<b>4.01</b>	<b>110,740</b>	<b>4.53</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**VICTORIAN PHARMACIES – SUMMARY BY LOCATION AND TYPE**  
(Based on 12 Months of Trading to 30/06/11)

**Table 10**

	State Averages Weighted		Metro		Country		Group		No Group	
	\$	%	\$	%	\$	%	\$	%	\$	%
<b>SALES, EXPENSES &amp; PROFITABILITY</b>										
<b>SALES</b>	<b>3,100,449</b>		<b>2,963,885</b>		<b>4,245,168</b>		<b>3,972,245</b>		<b>2,281,471</b>	
<b>COST OF GOODS SOLD</b>	<b>2,049,191</b>	<b>66.09</b>	<b>1,991,536</b>	<b>67.19</b>	<b>2,781,218</b>	<b>65.51</b>	<b>2,621,880</b>	<b>66.00</b>	<b>1,526,307</b>	<b>66.90</b>
<b>GROSS MARGIN</b>	<b>1,051,258</b>	<b>33.91</b>	<b>972,349</b>	<b>32.81</b>	<b>1,463,950</b>	<b>34.49</b>	<b>1,350,365</b>	<b>34.00</b>	<b>755,164</b>	<b>33.10</b>
Other Income	21,547		24,563		20,779		28,762		15,796	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,072,805</b>		<b>996,912</b>		<b>1,484,729</b>		<b>1,379,127</b>		<b>770,960</b>	
<b>TOTAL REVENUE</b>	<b>3,121,996</b>	<b>100.00</b>	<b>2,988,448</b>	<b>100.00</b>	<b>4,265,947</b>	<b>100.00</b>	<b>4,001,008</b>	<b>100.00</b>	<b>2,297,267</b>	<b>100.00</b>
<b>EXPENSES</b>										
Salaries and Wages	375,770	12.04	366,282	12.26	519,454	12.18	472,075	11.80	227,487	9.90
Rent Paid	57,556	1.84	79,252	2.65	52,088	1.22	56,529	1.41	57,256	2.49
Outgoings - Rental & Rates	4,448	0.14	5,149	0.17	4,151	0.10	5,023	0.13	2,378	0.10
Accounting	12,207	0.39	13,191	0.44	12,975	0.30	10,099	0.25	10,416	0.45
Advertising	29,008	0.93	23,271	0.78	48,301	1.13	40,065	1.00	3,724	0.16
Bank Charges	7,298	0.23	6,327	0.21	9,383	0.22	7,054	0.18	4,688	0.20
Computer Expenses	10,079	0.32	9,105	0.30	11,936	0.28	13,701	0.34	9,224	0.40
Depreciation	20,980	0.67	19,201	0.64	35,391	0.83	26,551	0.66	13,858	0.60
Electricity, Water, Heating	8,350	0.27	9,132	0.31	10,111	0.24	11,912	0.30	5,047	0.22
Insurance	9,173	0.29	9,164	0.31	9,962	0.23	9,996	0.25	7,168	0.31
Interest Paid	39,615	1.27	51,552	1.73	42,587	1.00	25,901	0.65	46,764	2.04
Leasing Expenses	6,990	0.22	12,061	0.40	1,873	0.04	1,962	0.05	2,076	0.09
Motor Vehicle Expenses	5,146	0.16	1,577	0.05	7,537	0.18	7,321	0.18	2,831	0.12
Postage, Freight, Printing	12,375	0.40	13,708	0.46	14,948	0.35	12,789	0.32	9,267	0.40
Repairs, Maintenance, Service	5,103	0.16	4,127	0.14	7,937	0.19	7,703	0.19	3,742	0.16
Subs and Registrations	10,445	0.33	8,589	0.29	15,988	0.37	14,196	0.35	7,158	0.31
Superannuation	31,426	1.01	32,901	1.10	41,374	0.97	39,182	0.98	19,381	0.84
Telephone	5,006	0.16	5,280	0.18	6,063	0.14	5,467	0.14	4,069	0.18
Training	3,455	0.11	3,330	0.11	5,000	0.12	2,565	0.06	1,544	0.07
Abnormal Expenses	93	0.00	239	0.01	-	0.00	130	0.00	-	0.00
Payroll Tax	5,565	0.18	4,165	0.14	11,137	0.26	9,258	0.23	-	0.00
Workers' Compensation	1,754	0.06	1,601	0.05	2,737	0.06	1,832	0.05	1,122	0.05
Other Expenses	19,203	0.62	13,521	0.45	28,492	0.67	21,050	0.53	20,870	0.91
<b>TOTAL EXPENSES</b>	<b>681,047</b>	<b>21.81</b>	<b>692,723</b>	<b>23.18</b>	<b>899,425</b>	<b>21.08</b>	<b>802,360</b>	<b>20.05</b>	<b>460,068</b>	<b>20.03</b>
<b>TOTAL INCOME</b>	<b>391,758</b>	<b>12.55</b>	<b>304,189</b>	<b>10.18</b>	<b>585,303</b>	<b>13.72</b>	<b>576,767</b>	<b>14.42</b>	<b>310,891</b>	<b>13.53</b>
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	127,454 1.03	4.08	126,105 1.02	4.22	155,961 1.26	3.66	135,765 1.09	3.39	128,760 1.04	5.60
<b>NET PROFIT/LOSS</b>	<b>264,303</b>	<b>8.47</b>	<b>178,084</b>	<b>5.96</b>	<b>429,342</b>	<b>10.06</b>	<b>441,003</b>	<b>11.02</b>	<b>182,132</b>	<b>7.93</b>
<b>SALES ANALYSIS</b>										
Prescriptions	2,337,086	75.38	2,193,903	74.02	3,247,455	76.50	3,058,887	77.01	1,605,824	70.39
Other Sales	763,364	24.62	769,982	25.98	997,712	23.50	913,359	22.99	675,647	29.61
<b>INVENTORY ANALYSIS</b>										
Prescription	100,862	3.23	79,038	2.64	143,986	3.38	130,400	3.26	66,703	2.90
Other	139,728	4.48	133,240	4.46	187,426	4.39	156,559	3.91	99,851	4.35
<b>STOCK CARRIED (Total)</b>	<b>240,589</b>	<b>7.71</b>	<b>212,278</b>	<b>7.10</b>	<b>331,412</b>	<b>7.77</b>	<b>286,959</b>	<b>7.17</b>	<b>166,554</b>	<b>7.25</b>
<b>STOCK TURN (On Total Inventory)</b>	<b>8.52</b>		<b>9.38</b>		<b>8.39</b>		<b>9.14</b>		<b>9.16</b>	
<b>SALES PER INVENTORY DOLLAR</b>										
Prescription	23.17		27.76		22.55		23.46		24.07	
Other	5.46		5.78		5.32		5.83		6.77	
<b>STATISTICS</b>										
PHARMACY SIZE (square metres)	177		164		228		218		120	
PRESCRIPTIONS DISPENSED (Total)	63,303		60,311		86,343		81,987		47,052	
PRESCRIPTIONS DISPENSED WEEKLY	1,214		1,157		1,656		1,572		902	
TOTAL HOURS OPEN per WEEK	55.2		58.5		53.3		52.4		56.7	
AV HRS WORKED BY PROPRIETORS/WEEK	39.0		38.6		47.8		41.6		39.4	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>171,940</b>	<b>5.51</b>	<b>234,860</b>	<b>7.86</b>	<b>9,447</b>	<b>0.22</b>	<b>133,293</b>	<b>3.33</b>	<b>77,269</b>	<b>3.36</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**QUEENSLAND PHARMACIES – SUMMARY BY LOCATION AND TYPE**  
(Based on 12 Months of Trading to 30/06/11)

**Table 11**

	State Averages Weighted		Metro		Country		Group		No Group	
	\$	%	\$	%	\$	%	\$	%	\$	%
<b>SALES, EXPENSES &amp; PROFITABILITY</b>										
<b>SALES</b>	<b>2,432,882</b>		<b>3,120,660</b>		<b>3,359,734</b>		<b>2,775,788</b>		<b>2,408,924</b>	
<b>COST OF GOODS SOLD</b>	<b>1,591,212</b>	<b>65.40</b>	<b>2,059,912</b>	<b>66.01</b>	<b>2,199,153</b>	<b>65.46</b>	<b>1,817,907</b>	<b>65.49</b>	<b>1,608,730</b>	<b>66.78</b>
<b>GROSS MARGIN</b>	<b>841,670</b>	<b>34.60</b>	<b>1,060,748</b>	<b>33.99</b>	<b>1,160,581</b>	<b>34.54</b>	<b>957,881</b>	<b>34.51</b>	<b>800,194</b>	<b>33.22</b>
Other Income	21,824		23,355		35,087		31,479		20,788	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>863,494</b>		<b>1,084,104</b>		<b>1,195,668</b>		<b>989,360</b>		<b>820,982</b>	
<b>TOTAL REVENUE</b>	<b>2,454,706</b>	<b>100.00</b>	<b>3,144,016</b>	<b>100.00</b>	<b>3,394,820</b>	<b>100.00</b>	<b>2,807,267</b>	<b>100.00</b>	<b>2,429,712</b>	<b>100.00</b>
<b>EXPENSES</b>										
Salaries and Wages	290,215	11.82	397,184	12.63	401,405	11.82	308,236	10.98	274,736	11.31
Rent Paid	97,133	3.96	121,421	3.86	106,946	3.15	121,341	4.32	53,176	2.19
Outgoings - Rental & Rates	3,363	0.14	6,922	0.22	6,664	0.20	2,764	0.10	3,183	0.13
Accounting	9,206	0.38	12,339	0.39	12,586	0.37	6,174	0.22	6,339	0.26
Advertising	25,879	1.05	41,523	1.32	39,416	1.16	25,052	0.89	11,313	0.47
Bank Charges	6,068	0.25	12,138	0.39	8,173	0.24	4,609	0.16	5,198	0.21
Computer Expenses	10,154	0.41	17,964	0.57	8,041	0.24	9,957	0.35	8,726	0.36
Depreciation	24,825	1.01	28,156	0.90	29,227	0.86	27,991	1.00	10,648	0.44
Electricity, Water, Heating	10,599	0.43	12,372	0.39	12,331	0.36	12,815	0.46	6,131	0.25
Insurance	6,112	0.25	6,935	0.22	7,527	0.22	6,380	0.23	6,331	0.26
Interest Paid	39,337	1.60	41,298	1.31	54,965	1.62	49,877	1.78	8,898	0.37
Leasing Expenses	9,956	0.41	16,641	0.53	7,104	0.21	7,695	0.27	382	0.02
Motor Vehicle Expenses	4,742	0.19	6,072	0.19	5,583	0.16	5,647	0.20	5,168	0.21
Postage, Freight, Printing	6,509	0.27	12,347	0.39	12,283	0.36	3,282	0.12	7,646	0.31
Repairs, Maintenance, Service	3,290	0.13	4,995	0.16	4,404	0.13	3,856	0.14	2,948	0.12
Subs and Registrations	13,468	0.55	11,373	0.36	10,245	0.30	16,401	0.58	7,804	0.32
Superannuation	26,577	1.08	37,251	1.18	36,510	1.08	26,856	0.96	22,746	0.94
Telephone	5,165	0.21	7,220	0.23	6,732	0.20	4,431	0.16	5,952	0.24
Training	3,781	0.15	3,906	0.12	6,175	0.18	3,384	0.12	2,735	0.11
Abnormal Expenses	1,647	0.07	63	0.00	4,469	0.13	2,514	0.09	5,410	0.22
Payroll Tax	1,267	0.05	740	0.02	3,873	0.11	875	0.03	-	0.00
Workers' Compensation	1,194	0.05	1,572	0.05	1,675	0.05	1,223	0.04	1,629	0.07
Other Expenses	51,795	2.11	20,345	0.65	39,008	1.15	88,142	3.14	45,483	1.87
<b>TOTAL EXPENSES</b>	<b>652,075</b>	<b>26.56</b>	<b>820,776</b>	<b>26.11</b>	<b>823,894</b>	<b>24.27</b>	<b>738,682</b>	<b>26.31</b>	<b>502,582</b>	<b>20.68</b>
<b>TOTAL INCOME</b>	<b>211,419</b>	<b>8.61</b>	<b>263,328</b>	<b>8.38</b>	<b>371,773</b>	<b>10.95</b>	<b>250,678</b>	<b>8.93</b>	<b>318,400</b>	<b>13.10</b>
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	140,659 1.13	5.73	161,539 1.31	5.14	143,508 1.15	4.23	144,482 1.16	5.15	111,732 0.90	4.60
<b>NET PROFIT/LOSS</b>	<b>70,760</b>	<b>2.88</b>	<b>101,789</b>	<b>3.24</b>	<b>228,265</b>	<b>6.72</b>	<b>106,196</b>	<b>3.78</b>	<b>206,668</b>	<b>8.51</b>
<b>SALES ANALYSIS</b>										
Prescriptions	1,758,806	72.29	2,278,893	73.03	2,462,649	73.30	1,989,379	71.67	1,766,025	73.31
Other Sales	674,076	27.71	841,768	26.97	897,085	26.70	786,409	28.33	642,898	26.69
<b>INVENTORY ANALYSIS</b>										
Prescription	68,663	2.80	78,990	2.51	84,874	2.50	72,954	2.60	72,389	2.98
Other	138,268	5.63	148,890	4.74	179,943	5.30	169,848	6.05	84,116	3.46
<b>STOCK CARRIED (Total)</b>	<b>206,932</b>	<b>8.43</b>	<b>227,881</b>	<b>7.25</b>	<b>264,817</b>	<b>7.80</b>	<b>242,802</b>	<b>8.65</b>	<b>156,505</b>	<b>6.44</b>
<b>STOCK TURN (On Total Inventory)</b>	<b>7.69</b>		<b>9.04</b>		<b>8.30</b>		<b>7.49</b>		<b>10.28</b>	
<b>SALES PER INVENTORY DOLLAR</b>										
Prescription	25.61		28.85		29.02		27.27		24.40	
Other	4.88		5.65		4.99		4.63		7.64	
<b>STATISTICS</b>										
PHARMACY SIZE (square metres)	148		162		187		171		107	
PRESCRIPTIONS DISPENSED (Total)	48,311		58,399		66,885		57,624		46,849	
PRESCRIPTIONS DISPENSED WEEKLY	927		1,120		1,283		1,105		898	
TOTAL HOURS OPEN per WEEK	60.0		62.5		58.2		62.8		61.6	
AV HRS WORKED BY PROPRIETORS/WEEK	43.1		49.7		43.8		44.3		34.2	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>242,783</b>	<b>9.89</b>	<b>312,977</b>	<b>9.95</b>	<b>111,806</b>	<b>3.29</b>	<b>2,385</b>	<b>0.08</b>	<b>428,288</b>	<b>17.63</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**SOUTH AUSTRALIA PHARMACIES – SUMMARY BY LOCATION AND TYPE**  
(Based on 12 Months of Trading to 30/06/11)

**Table 12**

	State Averages Weighted		Metro		Country		Group		No Group	
	\$	%	\$	%	\$	%	\$	%	\$	%
<b>SALES, EXPENSES &amp; PROFITABILITY</b>										
<b>SALES</b>	<b>3,589,273</b>		<b>2,828,955</b>		<b>3,581,403</b>		<b>3,713,685</b>		Insufficient sample to publish	
<b>COST OF GOODS SOLD</b>	<b>2,425,095</b>	<b>67.57</b>	<b>1,898,833</b>	<b>67.12</b>	<b>2,423,473</b>	<b>67.67</b>	<b>2,515,581</b>	<b>67.74</b>		
<b>GROSS MARGIN</b>	<b>1,164,178</b>	<b>32.43</b>	<b>930,122</b>	<b>32.88</b>	<b>1,157,930</b>	<b>32.33</b>	<b>1,198,104</b>	<b>32.26</b>		
Other Income	116,325		91,553		95,932		120,393			
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,280,502</b>		<b>1,021,675</b>		<b>1,253,862</b>		<b>1,318,497</b>			
<b>TOTAL REVENUE</b>	<b>3,705,598</b>	<b>100.00</b>	<b>2,920,508</b>	<b>100.00</b>	<b>3,677,335</b>	<b>100.00</b>	<b>3,834,078</b>	<b>100.00</b>		
<b>EXPENSES</b>										
Salaries and Wages	386,881	10.44	287,099	9.83	416,334	11.32	420,832	10.98		
Rent Paid	118,197	3.19	122,689	4.20	78,008	2.12	123,511	3.22		
Outgoings - Rental & Rates	4,411	0.12	4,850	0.17	3,354	0.09	4,122	0.11		
Accounting	8,053	0.22	3,856	0.13	11,775	0.32	8,485	0.22		
Advertising	37,435	1.01	29,626	1.01	34,534	0.94	39,714	1.04		
Bank Charges	12,272	0.33	12,212	0.42	8,430	0.23	12,713	0.33		
Computer Expenses	23,015	0.62	25,299	0.87	16,255	0.44	25,420	0.66		
Depreciation	25,472	0.69	16,315	0.56	28,092	0.76	26,458	0.69		
Electricity, Water, Heating	9,271	0.25	6,129	0.21	11,548	0.31	10,262	0.27		
Insurance	9,837	0.27	7,558	0.26	10,756	0.29	9,896	0.26		
Interest Paid	60,174	1.62	56,981	1.95	59,391	1.62	64,270	1.68		
Leasing Expenses	11,574	0.31	7,184	0.25	11,772	0.32	11,941	0.31		
Motor Vehicle Expenses	4,547	0.12	2,279	0.08	6,005	0.16	3,989	0.10		
Postage, Freight, Printing	6,838	0.18	5,178	0.18	7,826	0.21	7,270	0.19		
Repairs, Maintenance, Service	5,544	0.15	5,628	0.19	3,905	0.11	5,799	0.15		
Subs and Registrations	10,865	0.29	10,229	0.35	10,550	0.29	10,924	0.28		
Superannuation	37,073	1.00	24,758	0.85	42,167	1.15	40,069	1.05		
Telephone	5,692	0.15	4,829	0.17	6,288	0.17	6,289	0.16		
Training	3,987	0.11	2,360	0.08	4,546	0.12	3,781	0.10		
Abnormal Expenses	61,387	1.66	64,313	2.20	30,560	0.83	63,355	1.65		
Payroll Tax	16,502	0.45	9,906	0.34	18,965	0.52	18,313	0.48		
Workers' Compensation	3,966	0.11	2,952	0.10	4,450	0.12	4,125	0.11		
Other Expenses	20,213	0.55	9,173	0.31	41,280	1.12	28,485	0.74		
<b>TOTAL EXPENSES</b>	<b>883,205</b>	<b>23.83</b>	<b>721,404</b>	<b>24.70</b>	<b>866,793</b>	<b>23.57</b>	<b>950,020</b>	<b>24.78</b>		
<b>TOTAL INCOME</b>	<b>397,298</b>	<b>10.72</b>	<b>300,271</b>	<b>10.28</b>	<b>387,069</b>	<b>10.53</b>	<b>368,477</b>	<b>9.61</b>		
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	150,500 1.21	4.06	157,180 1.27	5.38	139,844 1.13	3.80	139,083 1.12	3.63		
<b>NET PROFIT/LOSS</b>	<b>246,798</b>	<b>6.66</b>	<b>143,091</b>	<b>4.90</b>	<b>247,226</b>	<b>6.72</b>	<b>229,394</b>	<b>5.98</b>		
<b>SALES ANALYSIS</b>										
Prescriptions	2,651,905	73.88	2,097,316	74.14	2,697,939	75.33	2,729,388	73.50		
Other Sales	937,368	26.12	731,639	25.86	883,464	24.67	984,297	26.50		
<b>INVENTORY ANALYSIS</b>										
Prescription	184,610	4.98	148,363	5.08	180,630	4.91	194,085	5.06		
Other	114,803	3.10	74,477	2.55	134,828	3.67	120,715	3.15		
<b>STOCK CARRIED (Total)</b>	<b>299,413</b>	<b>8.08</b>	<b>222,840</b>	<b>7.63</b>	<b>315,457</b>	<b>8.58</b>	<b>314,800</b>	<b>8.21</b>		
<b>STOCK TURN (On Total Inventory)</b>	<b>8.10</b>		<b>8.52</b>		<b>7.68</b>		<b>7.99</b>			
<b>SALES PER INVENTORY DOLLAR</b>										
Prescription	14.36		14.14		14.94		14.06			
Other	8.17		9.82		6.55		8.15			
<b>STATISTICS</b>										
PHARMACY SIZE (square metres)	163		148		154		166			
PRESCRIPTIONS DISPENSED (Total)	70,678		55,633		69,789		71,234			
PRESCRIPTIONS DISPENSED WEEKLY	1,355		1,067		1,338		1,366			
TOTAL HOURS OPEN per WEEK	59.2		58.1		56.5		60.3			
AV HRS WORKED BY PROPRIETORS/WEEK	46.1		48.1		42.8		42.6			
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>-39,976</b>	<b>-1.08</b>	<b>135,427</b>	<b>4.64</b>	<b>-161,088</b>	<b>-4.38</b>	<b>-51,801</b>	<b>-1.35</b>		

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**WESTERN AUSTRALIAN PHARMACIES – SUMMARY BY LOCATION AND TYPE**  
(Based on 12 Months of Trading to 30/06/11)

**Table 13**

	State Averages Weighted		Metro		Country		Group		No Group	
	\$	%	\$	%	\$	%	\$	%	\$	%
<b>SALES, EXPENSES &amp; PROFITABILITY</b>										
<b>SALES</b>	<b>2,504,330</b>		<b>2,485,351</b>		<b>2,568,734</b>		<b>2,714,440</b>		<b>1,566,823</b>	
<b>COST OF GOODS SOLD</b>	<b>1,608,255</b>	<b>64.22</b>	<b>1,580,997</b>	<b>63.61</b>	<b>1,671,345</b>	<b>65.06</b>	<b>1,721,078</b>	<b>63.40</b>	<b>1,042,034</b>	<b>66.51</b>
<b>GROSS MARGIN</b>	<b>896,075</b>	<b>35.78</b>	<b>904,354</b>	<b>36.39</b>	<b>897,389</b>	<b>34.94</b>	<b>993,363</b>	<b>36.60</b>	<b>524,789</b>	<b>33.49</b>
Other Income	63,204		20,194		141,557		94,876		6,644	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>959,279</b>		<b>924,548</b>		<b>1,038,946</b>		<b>1,088,238</b>		<b>531,433</b>	
<b>TOTAL REVENUE</b>	<b>2,567,534</b>	<b>100.00</b>	<b>2,505,545</b>	<b>100.00</b>	<b>2,710,291</b>	<b>100.00</b>	<b>2,809,316</b>	<b>100.00</b>	<b>1,573,466</b>	<b>100.00</b>
<b>EXPENSES</b>										
Salaries and Wages	309,752	12.06	265,657	10.60	401,931	14.83	348,546	12.41	163,358	10.38
Rent Paid	87,967	3.43	98,773	3.94	96,926	3.58	123,705	4.40	33,222	2.11
Outgoings - Rental & Rates	6,917	0.27	7,933	0.32	6,003	0.22	7,750	0.28	3,730	0.24
Accounting	8,858	0.34	11,237	0.45	7,620	0.28	10,009	0.36	9,894	0.63
Advertising	29,278	1.14	34,947	1.39	21,836	0.81	34,130	1.21	8,217	0.52
Bank Charges	7,056	0.27	6,891	0.28	7,304	0.27	7,336	0.26	4,042	0.26
Computer Expenses	9,675	0.38	9,330	0.37	9,566	0.35	8,898	0.32	8,514	0.54
Depreciation	24,895	0.97	18,811	0.75	43,072	1.59	32,127	1.14	10,054	0.64
Electricity, Water, Heating	9,678	0.38	10,239	0.41	9,868	0.36	12,199	0.43	3,984	0.25
Insurance	8,915	0.35	8,674	0.35	8,643	0.32	8,015	0.29	8,749	0.56
Interest Paid	56,634	2.21	43,196	1.72	83,218	3.07	48,972	1.74	42,624	2.71
Leasing Expenses	1,613	0.06	1,781	0.07	1,334	0.05	1,872	0.07	0	0.00
Motor Vehicle Expenses	3,823	0.15	3,190	0.13	5,092	0.19	3,302	0.12	3,094	0.20
Postage, Freight, Printing	8,767	0.34	6,557	0.26	10,992	0.41	7,629	0.27	4,142	0.26
Repairs, Maintenance, Service	5,281	0.21	4,394	0.18	7,223	0.27	5,792	0.21	2,316	0.15
Subs and Registrations	9,919	0.39	7,653	0.31	12,040	0.44	9,303	0.33	6,723	0.43
Superannuation	27,060	1.05	23,426	0.93	34,510	1.27	30,479	1.08	14,167	0.90
Telephone	5,583	0.22	4,081	0.16	8,064	0.30	5,154	0.18	3,570	0.23
Training	3,994	0.16	1,113	0.04	7,762	0.29	2,382	0.08	797	0.05
Abnormal Expenses	31,616	1.23	867	0.03	116,336	4.29	65,498	2.33	0	0.00
Payroll Tax	5,878	0.23	4,462	0.18	6,820	0.25	3,789	0.13	10,039	0.64
Workers' Compensation	1,331	0.05	923	0.04	2,065	0.08	1,448	0.05	807	0.05
Other Expenses	34,934	1.36	30,215	1.21	40,069	1.48	43,099	1.53	8,632	0.55
<b>TOTAL EXPENSES</b>	<b>699,422</b>	<b>27.24</b>	<b>604,349</b>	<b>24.12</b>	<b>948,294</b>	<b>34.99</b>	<b>821,433</b>	<b>29.24</b>	<b>350,672</b>	<b>22.29</b>
<b>TOTAL INCOME</b>	<b>259,857</b>	<b>10.12</b>	<b>320,199</b>	<b>12.78</b>	<b>90,652</b>	<b>3.34</b>	<b>266,805</b>	<b>9.50</b>	<b>180,760</b>	<b>11.49</b>
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	119,425 0.96	4.65	138,212 1.11	5.52	67,908 0.55	2.51	105,926 0.85	3.77	113,456 0.91	7.21
<b>NET PROFIT/LOSS</b>	<b>140,431</b>	<b>5.47</b>	<b>181,987</b>	<b>7.26</b>	<b>22,744</b>	<b>0.84</b>	<b>160,880</b>	<b>5.73</b>	<b>67,305</b>	<b>4.28</b>
<b>SALES ANALYSIS</b>										
Prescriptions	1,714,743	68.47	1,838,536	73.97	1,558,681	60.68	1,858,392	68.46	1,289,051	82.27
Other Sales	789,587	31.53	646,815	26.03	1,010,053	39.32	856,048	31.54	277,772	17.73
<b>INVENTORY ANALYSIS</b>										
Prescription	170,470	6.64	70,472	2.81	436,983	16.12	278,080	9.90	56,282	3.58
Other	271,778	10.59	108,351	4.32	710,098	26.20	455,826	16.23	37,709	2.40
<b>STOCK CARRIED (Total)</b>	<b>442,248</b>	<b>17.22</b>	<b>178,823</b>	<b>7.14</b>	<b>1,147,081</b>	<b>42.32</b>	<b>733,906</b>	<b>26.12</b>	<b>93,991</b>	<b>5.97</b>
<b>STOCK TURN (On Total Inventory)</b>	<b>3.64</b>		<b>8.84</b>		<b>1.46</b>		<b>2.35</b>		<b>11.09</b>	
<b>SALES PER INVENTORY DOLLAR</b>										
Prescription	10.06		26.09		3.57		6.68		22.90	
Other	2.91		5.97		1.42		1.88		7.37	
<b>STATISTICS</b>										
PHARMACY SIZE (square metres)	147		154		146		163		101	
PRESCRIPTIONS DISPENSED (Total)	40,845		42,885		39,223		45,414		27,611	
PRESCRIPTIONS DISPENSED WEEKLY	783		822		752		871		530	
TOTAL HOURS OPEN per WEEK	61.3		68.9		51.0		65.8		54.8	
AV HRS WORKED BY PROPRIETORS/WEEK	36.6		42.3		20.8		32.4		34.8	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>95,881</b>	<b>3.73</b>	<b>34,883</b>	<b>1.39</b>	<b>189,975</b>	<b>7.01</b>	<b>32,975</b>	<b>1.17</b>	<b>194,266</b>	<b>12.35</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(3) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**TASMANIAN PHARMACIES – SUMMARY BY LOCATION AND TYPE**  
(Based on 12 Months of Trading to 30/06/11)

**Table 14**

	State Averages Weighted		Metro	Country		Group		No Group		
	\$	%	\$	%	\$	%	\$	%	\$	%
<b>SALES, EXPENSES &amp; PROFITABILITY</b>										
<b>SALES</b>	<b>3,012,742</b>		Insufficient sample to publish		<b>3,146,661</b>		Insufficient sample to publish		Insufficient sample to publish	
<b>COST OF GOODS SOLD</b>	<b>1,953,416</b>	<b>64.84</b>			<b>2,043,045</b>	<b>64.93</b>				
<b>GROSS MARGIN</b>	<b>1,059,326</b>	<b>35.16</b>			<b>3,146,661</b>	<b>33.31</b>				
Other Income	26,737				29,417					
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,086,063</b>				<b>1,133,033</b>					
<b>TOTAL REVENUE</b>	<b>3,039,479</b>	<b>100.00</b>			<b>3,176,078</b>	<b>100.00</b>				
<b>EXPENSES</b>										
Salaries and Wages	420,555	13.84			428,209	13.48				
Rent Paid	84,350	2.78			86,725	2.73				
Outgoings - Rental & Rates	6,429	0.21			6,441	0.20				
Accounting	16,298	0.54			16,525	0.52				
Advertising	56,107	1.85			56,547	1.78				
Bank Charges	11,398	0.37			11,247	0.35				
Computer Expenses	15,773	0.52			14,519	0.46				
Depreciation	22,281	0.73			20,854	0.66				
Electricity, Water, Heating	8,443	0.28			8,609	0.27				
Insurance	16,468	0.54			16,532	0.52				
Interest Paid	73,971	2.43			67,392	2.12				
Leasing Expenses	3,114	0.10			3,027	0.10				
Motor Vehicle Expenses	3,015	0.10			2,711	0.09				
Postage, Freight, Printing	15,484	0.51			16,279	0.51				
Repairs, Maintenance, Service	5,489	0.18			5,750	0.18				
Subs and Registrations	12,176	0.40			12,276	0.39				
Superannuation	36,654	1.21			37,613	1.18				
Telephone	8,497	0.28			8,393	0.26				
Training	9,924	0.33			9,145	0.29				
Abnormal Expenses	436	0.01			528	0.02				
Payroll Tax	11,088	0.36			13,445	0.42				
Workers' Compensation	2,900	0.10			2,972	0.09				
Other Expenses	20,873	0.69			19,414	0.61				
<b>TOTAL EXPENSES</b>	<b>861,725</b>	<b>28.35</b>			<b>865,151</b>	<b>27.24</b>				
<b>TOTAL INCOME</b>	<b>224,338</b>	<b>7.38</b>			<b>267,882</b>	<b>8.43</b>				
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	177,161 1.43	5.83			169,365 1.37	5.33				
<b>NET PROFIT/LOSS</b>	<b>47,177</b>	<b>1.55</b>			<b>98,517</b>	<b>3.10</b>				
<b>SALES ANALYSIS</b>										
Prescriptions	2,237,286	74.26			2,365,636	75.18				
Other Sales	775,456	25.74			781,025	24.82				
<b>INVENTORY ANALYSIS</b>										
Prescription	78,426	2.58			81,505	2.57				
Other	178,481	5.87			177,245	5.58				
STOCK CARRIED (Total)	256,907	8.45			258,750	8.15				
STOCK TURN (On Total Inventory)	7.60				7.90					
<b>SALES PER INVENTORY DOLLAR</b>										
Prescription	28.53				29.02					
Other	4.34				4.41					
<b>STATISTICS</b>										
PHARMACY SIZE (square metres)	201				212					
PRESCRIPTIONS DISPENSED (Total)	56,904				60,490					
PRESCRIPTIONS DISPENSED WEEKLY	1,091				1,160					
TOTAL HOURS OPEN per WEEK	56.0				55.8					
AV HRS WORKED BY PROPRIETORS/WEEK	54.3				51.9					
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>972,150</b>	<b>31.98</b>			<b>1,273,543</b>	<b>40.10</b>				

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**SUMMARY OF MANAGER OPERATED PHARMACIES**  
(Based on 12 Months of Trading to 30/06/11)

**Table 15**

	<b>AUSTRALIA Manager Operated</b>		<b>NEW SOUTH WALES</b>		<b>VICTORIA</b>	
<b>SALES, EXPENSES &amp; PROFITABILITY</b>	\$	%	\$	%	\$	%
<b>SALES</b>	<b>3,704,350</b>		<b>4,481,941</b>		Insufficient sample to publish	
<b>COST OF GOODS SOLD</b>	<b>2,487,096</b>	<b>67.14</b>	<b>3,021,583</b>	<b>67.42</b>		
<b>GROSS MARGIN</b>	<b>1,217,254</b>	<b>32.86</b>	<b>1,460,358</b>	<b>32.58</b>		
Other Income	<b>63,349</b>		45,470			
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,280,603</b>		<b>1,505,828</b>			
<b>TOTAL REVENUE</b>	<b>3,767,699</b>	<b>100.00</b>	<b>4,527,411</b>	<b>100.00</b>		
<b>EXPENSES</b>						
Salaries and Wages	443,394	11.77	503,918	11.13		
Rent Paid	176,258	4.68	238,368	5.26		
Outgoings - Rental & Rates	2,286	0.06	556	0.01		
Accounting	10,864	0.29	12,268	0.27		
Advertising	41,662	1.11	50,373	1.11		
Bank Charges	7,325	0.19	6,435	0.14		
Computer Expenses	13,242	0.35	13,288	0.29		
Depreciation	40,472	1.07	49,980	1.10		
Electricity, Water, Heating	11,538	0.31	12,608	0.28		
Insurance	9,538	0.25	10,873	0.24		
Interest Paid	73,977	1.96	82,851	1.83		
Leasing Expenses	18,470	0.49	26,478	0.58		
Motor Vehicle Expenses	5,310	0.14	4,062	0.09		
Postage, Freight, Printing	11,851	0.31	14,511	0.32		
Repairs, Maintenance, Service	5,294	0.14	4,426	0.10		
Subs and Registrations	7,687	0.20	7,503	0.17		
Superannuation	38,298	1.02	44,025	0.97		
Telephone	6,049	0.16	6,502	0.14		
Training	2,531	0.07	1,830	0.04		
Abnormal Expenses	25,284	0.67	6,029	0.13		
Payroll Tax	15,477	0.41	15,252	0.34		
Workers' Compensation	4,965	0.13	6,916	0.15		
Other Expenses	66,217	1.76	84,479	1.87		
<b>TOTAL EXPENSES</b>	<b>1,036,152</b>	<b>27.50</b>	<b>1,203,239</b>	<b>26.58</b>		
<b>TOTAL INCOME</b>	<b>244,450</b>	<b>6.49</b>	<b>302,589</b>	<b>6.68</b>		
Less Proprietors' Salary (1)	34,866	0.93	42,589	0.94		
[ Full-Time-Equivalents ]	0.28		0.34			
<b>NET PROFIT/LOSS</b>	<b>209,584</b>	<b>5.56</b>	<b>260,001</b>	<b>5.74</b>		
<b>SALES ANALYSIS</b>						
Prescriptions	2,253,124	60.82	2,532,467	56.50		
Other Sales	1,451,226	39.18	1,949,475	43.50		
<b>INVENTORY ANALYSIS</b>						
Prescription	156,756	4.16	111,838	2.47		
Other	290,609	7.71	325,741	7.19		
<b>STOCK CARRIED (Total)</b>	<b>447,365</b>	<b>11.87</b>	<b>437,579</b>	<b>9.67</b>		
<b>STOCK TURN (On Total Inventory)</b>	<b>5.56</b>		<b>6.91</b>			
<b>SALES PER INVENTORY DOLLAR</b>						
Prescription	14.37		22.64			
Other	4.99		5.98			
<b>STATISTICS</b>						
<b>PHARMACY SIZE (square metres)</b>	<b>188</b>		<b>219</b>			
<b>PRESCRIPTIONS DISPENSED (Total)</b>	<b>58,115</b>		<b>65,431</b>			
<b>PRESCRIPTIONS DISPENSED WEEKLY</b>	<b>1,115</b>		<b>1,255</b>			
<b>TOTAL HOURS OPEN per WEEK</b>	<b>61.4</b>		<b>63.8</b>			
<b>AV HRS WORKED BY PROPRIETORS/WEEK</b>	<b>10.7</b>		<b>13.0</b>			
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>207,703</b>	<b>5.51</b>	<b>270,869</b>	<b>5.98</b>		

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**SUMMARY OF MANAGER OPERATED PHARMACIES**  
(Based on 12 Months of Trading to 30/06/11)

**Table 15**

	QUEENSLAND		SOUTH AUSTRALIA		WESTERN AUSTRALIA	
SALES, EXPENSES & PROFITABILITY	\$	%	\$	%	\$	%
<b>SALES</b>	<b>1,864,192</b>		<b>3,387,051</b>		<b>2,389,579</b>	
<b>COST OF GOODS SOLD</b>	<b>1,207,011</b>	<b>64.75</b>	<b>2,389,806</b>	<b>70.56</b>	<b>1,524,074</b>	<b>63.78</b>
<b>GROSS MARGIN</b>	<b>657,181</b>	<b>35.25</b>	<b>997,245</b>	<b>29.44</b>	<b>865,504</b>	<b>36.22</b>
Other Income	37,522		148,097		168,691	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>694,703</b>		<b>1,145,341</b>		<b>1,034,195</b>	
<b>TOTAL REVENUE</b>	<b>1,901,714</b>	<b>100.00</b>	<b>3,535,147</b>	<b>100.00</b>	<b>2,558,270</b>	<b>100.00</b>
<b>EXPENSES</b>						
Salaries and Wages	240,438	12.64	486,635	13.77	381,886	14.93
Rent Paid	41,776	2.20	145,979	4.13	101,158	3.95
Outgoings - Rental & Rates	6,138	0.32	2,346	0.07	4,693	0.18
Accounting	3,893	0.20	5,753	0.16	12,993	0.51
Advertising	18,517	0.97	41,116	1.16	30,020	1.17
Bank Charges	4,342	0.23	18,255	0.52	5,958	0.23
Computer Expenses	7,980	0.42	29,304	0.83	5,656	0.22
Depreciation	22,269	1.17	17,403	0.49	48,549	1.90
Electricity, Water, Heating	8,507	0.45	10,632	0.30	11,339	0.44
Insurance	6,252	0.33	6,113	0.17	6,289	0.25
Interest Paid	66,347	3.49	118,582	3.35	35,153	1.37
Leasing Expenses	7,505	0.39	13,583	0.38	205	0.01
Motor Vehicle Expenses	11,817	0.62	1,492	0.04	3,347	0.13
Postage, Freight, Printing	5,329	0.28	5,547	0.16	6,368	0.25
Repairs, Maintenance, Service	3,522	0.19	7,530	0.21	7,080	0.28
Subs and Registrations	6,025	0.32	11,410	0.32	8,500	0.33
Superannuation	20,999	1.10	39,674	1.12	32,758	1.28
Telephone	4,688	0.25	5,755	0.16	5,694	0.22
Training	5,654	0.30	1,621	0.05	3,307	0.13
Abnormal Expenses	25,583	1.35	62,821	1.78	147,370	5.76
Payroll Tax	1,833	0.10	25,064	0.71	8525.00	0.33
Workers' Compensation	963	0.05	4,336	0.12	2,085	0.08
Other Expenses	33,264	1.75	57,677	1.63	40,575	1.59
<b>TOTAL EXPENSES</b>	<b>542,584</b>	<b>28.53</b>	<b>1,118,627</b>	<b>31.64</b>	<b>909,506</b>	<b>35.55</b>
<b>TOTAL INCOME</b>	<b>152,119</b>	<b>8.00</b>	<b>26,715</b>	<b>0.76</b>	<b>124,690</b>	<b>4.87</b>
Less Proprietors' Salary (1)	41,899	2.20	25,302	0.72	9,794	0.38
[ Full-Time-Equivalents ]	0.34		0.20		0.08	
<b>NET PROFIT/LOSS</b>	<b>110,220</b>	<b>5.80</b>	<b>1,412</b>	<b>0.04</b>	<b>114,895</b>	<b>4.49</b>
<b>SALES ANALYSIS</b>						
Prescriptions	1,497,048	80.31	2,418,671	71.41	1,445,380	60.49
Other Sales	367,144	19.69	968,380	28.59	944,199	39.51
<b>INVENTORY ANALYSIS</b>						
Prescription	67,148	3.53	180,798	5.11	529,030	20.68
Other	74,656	3.93	92,329	2.61	819,926	32.05
STOCK CARRIED (Total)	141,804	7.46	273,127	7.73	1,348,956	52.73
STOCK TURN (On Total Inventory)	8.51		8.75		1.13	
<b>SALES PER INVENTORY DOLLAR</b>						
Prescription	22.29		13.38		2.73	
Other	4.92		10.49		1.15	
<b>STATISTICS</b>						
PHARMACY SIZE (square metres)	95		175		136	
PRESCRIPTIONS DISPENSED (Total)	39,972		60,872		34,880	
PRESCRIPTIONS DISPENSED WEEKLY	767		1,167		669	
TOTAL HOURS OPEN per WEEK	54.3		65.8		60.3	
AV HRS WORKED BY PROPRIETORS/WEEK	12.8		7.8		3.0	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>155,501</b>	<b>8.18</b>	<b>-38,928</b>	<b>-1.10</b>	<b>11,912</b>	<b>0.47</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**SUMMARY OF OWNER OPERATED PHARMACIES**  
(Based on 12 Months of Trading to 30/06/11)

**Table 16**

	AUSTRALIA Owner Operated		NEW SOUTH WALES		VICTORIA	
SALES, EXPENSES & PROFITABILITY	\$	%	\$	%	\$	%
<b>SALES</b>	<b>3,370,581</b>		<b>4,153,145</b>		<b>3,481,298</b>	
<b>COST OF GOODS SOLD</b>	<b>2,272,990</b>	<b>67.44</b>	<b>2,884,867</b>	<b>69.46</b>	<b>2,308,881</b>	<b>66.32</b>
<b>GROSS MARGIN</b>	<b>1,097,591</b>	<b>32.56</b>	<b>1,268,278</b>	<b>30.54</b>	<b>1,172,417</b>	<b>33.68</b>
Other Income	33,967		39,986		20,330	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,131,557</b>		<b>1,308,263</b>		<b>1,192,747</b>	
<b>TOTAL REVENUE</b>	<b>3,404,547</b>	<b>100.00</b>	<b>4,193,130</b>	<b>100.00</b>	<b>3,501,628</b>	<b>100.00</b>
<b>EXPENSES</b>						
Salaries and Wages	369,232	10.85	457,297	10.91	381,582	10.90
Rent Paid	117,815	3.46	140,457	3.35	61,942	1.77
Outgoings - Rental & Rates	3,910	0.11	4,875	0.12	3,653	0.10
Accounting	9,427	0.28	12,560	0.30	9,668	0.28
Advertising	25,505	0.75	26,784	0.64	27,660	0.79
Bank Charges	6,089	0.18	7,476	0.18	5,626	0.16
Computer Expenses	11,674	0.34	12,959	0.31	11,732	0.34
Depreciation	28,029	0.82	34,909	0.83	22,022	0.63
Electricity, Water, Heating	11,034	0.32	11,148	0.27	9,029	0.26
Insurance	10,383	0.30	14,878	0.35	8,905	0.25
Interest Paid	59,604	1.75	82,278	1.96	36,741	1.05
Leasing Expenses	7,406	0.22	10,661	0.25	1,887	0.05
Motor Vehicle Expenses	5,065	0.15	5,563	0.13	4,283	0.12
Postage, Freight, Printing	8,250	0.24	12,627	0.30	11,692	0.33
Repairs, Maintenance, Service	6,146	0.18	9,479	0.23	6,195	0.18
Subs and Registrations	13,373	0.39	12,093	0.29	12,337	0.35
Superannuation	34,121	1.00	44,726	1.07	32,527	0.93
Telephone	5,770	0.17	7,526	0.18	4,925	0.14
Training	3,742	0.11	4,969	0.12	2,189	0.06
Abnormal Expenses	6,449	0.19	10,085	0.24	91	0.00
Payroll Tax	4,728	0.14	8,426	0.20	4,654	0.13
Workers' Compensation	2,783	0.08	4,923	0.12	1,628	0.05
Other Expenses	81,873	2.40	112,216	2.68	19,503	0.56
<b>TOTAL EXPENSES</b>	<b>832,281</b>	<b>24.45</b>	<b>1,048,745</b>	<b>25.01</b>	<b>680,474</b>	<b>19.43</b>
<b>TOTAL INCOME</b>	<b>299,277</b>	<b>8.79</b>	<b>259,519</b>	<b>6.19</b>	<b>512,273</b>	<b>14.63</b>
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	150,333 1.21	4.42	138,946 1.12	3.31	155,274 1.25	4.43
<b>NET PROFIT/LOSS</b>	<b>148,944</b>	<b>4.37</b>	<b>120,573</b>	<b>2.88</b>	<b>356,999</b>	<b>10.20</b>
<b>SALES ANALYSIS</b>						
Prescriptions	2,407,277	71.42	2,898,989	69.80	2,602,266	74.75
Other Sales	963,303	28.58	1,254,155	30.20	879,033	25.25
<b>INVENTORY ANALYSIS</b>						
Prescription	106,359	3.12	122,069	2.91	94,301	2.69
Other	167,215	4.91	212,432	5.07	144,544	4.13
STOCK CARRIED (Total)	273,574	8.04	334,501	7.98	238,844	6.82
STOCK TURN (On Total Inventory)	8.31		8.62		9.67	
<b>SALES PER INVENTORY DOLLAR</b>						
Prescription	22.63		23.75		27.60	
Other	5.76		5.90		6.08	
<b>STATISTICS</b>						
PHARMACY SIZE (square metres)	180		197		183	
PRESCRIPTIONS DISPENSED (Total)	64,029		72,631		71,835	
PRESCRIPTIONS DISPENSED WEEKLY	1,228		1,393		1,378	
TOTAL HOURS OPEN per WEEK	60.3		58.9		54.1	
AV HRS WORKED BY PROPRIETORS/WEEK	46.0		42.6		47.6	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>131,669</b>	<b>3.87</b>	<b>99,582</b>	<b>2.37</b>	<b>53,027</b>	<b>1.51</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**SUMMARY OF OWNER OPERATED PHARMACIES**  
(Based on 12 Months of Trading to 30/06/11)

**Table 16**

	QUEENSLAND		SOUTH AUSTRALIA		WESTERN AUSTRALIA		TASMANIA	
SALES, EXPENSES & PROFITABILITY	\$	%	\$	%	\$	%	\$	%
<b>SALES</b>	<b>2,811,027</b>		<b>3,082,544</b>		<b>2,348,771</b>			
<b>COST OF GOODS SOLD</b>	<b>1,846,378</b>	<b>65.68</b>	<b>2,030,383</b>	<b>65.87</b>	<b>1,506,838</b>	<b>64.15</b>	Insufficient sample to publish	
<b>GROSS MARGIN</b>	<b>964,649</b>	<b>34.32</b>	<b>1,052,162</b>	<b>34.13</b>	<b>841,934</b>	<b>35.85</b>		
Other Income	29,042		69,342		22,855			
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>993,692</b>		<b>1,121,503</b>		<b>864,788</b>			
<b>TOTAL REVENUE</b>	<b>2,840,070</b>	<b>100.00</b>	<b>3,151,886</b>	<b>100.00</b>	<b>2,371,626</b>	<b>100.00</b>		
<b>EXPENSES</b>								
Salaries and Wages	312,379	11.00	284,573	9.03	251,423	10.60		
Rent Paid	119,353	4.20	82,551	2.62	93,511	3.94		
Outgoings - Rental & Rates	2,477	0.09	4,966	0.16	7,321	0.31		
Accounting	6,401	0.23	8,292	0.26	8,631	0.36		
Advertising	23,577	0.83	27,791	0.88	24,439	1.03		
Bank Charges	4,654	0.16	7,005	0.22	6,484	0.27		
Computer Expenses	9,945	0.35	17,490	0.55	10,168	0.43		
Depreciation	26,081	0.92	23,683	0.75	15,018	0.63		
Electricity, Water, Heating	12,286	0.43	7,741	0.25	8,931	0.38		
Insurance	6,375	0.22	10,333	0.33	9,108	0.38		
Interest Paid	48,134	1.69	31,209	0.99	52,293	2.20		
Leasing Expenses	6,764	0.24	7,399	0.23	1,781	0.08		
Motor Vehicle Expenses	5,005	0.18	5,113	0.16	3,190	0.13		
Postage, Freight, Printing	3,648	0.13	6,779	0.22	6,640	0.28		
Repairs, Maintenance, Service	3,793	0.13	3,634	0.12	3,675	0.15		
Subs and Registrations	16,088	0.57	9,919	0.31	8,513	0.36		
Superannuation	27,026	0.95	29,735	0.94	22,216	0.94		
Telephone	4,623	0.16	5,390	0.17	4,210	0.18		
Training	3,085	0.11	4,146	0.13	1,267	0.05		
Abnormal Expenses	800	0.03	42,474	1.35	0	0.00		
Payroll Tax	662	0.02	9,209	0.29	4,462	0.19		
Workers' Compensation	1,283	0.05	3,336	0.11	880	0.04		
Other Expenses	87,325	3.07	9,020	0.29	28,902	1.22		
<b>TOTAL EXPENSES</b>	<b>731,733</b>	<b>25.76</b>	<b>641,786</b>	<b>20.36</b>	<b>573,063</b>	<b>24.16</b>		
<b>TOTAL INCOME</b>	<b>261,958</b>	<b>9.22</b>	<b>479,717</b>	<b>15.22</b>	<b>291,726</b>	<b>12.30</b>		
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	149,744 1.21	5.27	204,235 1.65	6.48	151,997 1.23	6.41		
<b>NET PROFIT/LOSS</b>	<b>112,214</b>	<b>3.95</b>	<b>275,483</b>	<b>8.74</b>	<b>139,728</b>	<b>5.89</b>		
<b>SALES ANALYSIS</b>								
Prescriptions	2,000,639	71.17	2,354,906	76.39	1,788,913	76.16		
Other Sales	810,388	28.83	727,638	23.61	559,858	23.84		
<b>INVENTORY ANALYSIS</b>								
Prescription	78,762	2.77	157,520	5.00	68,204	2.88		
Other	161,910	5.70	104,715	3.32	107,940	4.55		
STOCK CARRIED (Total)	240,672	8.47	262,235	8.32	176,144	7.43		
STOCK TURN (On Total Inventory)	7.67		7.74		8.55			
<b>SALES PER INVENTORY DOLLAR</b>								
Prescription	25.40		14.95		26.23			
Other	5.01		6.95		5.19			
<b>STATISTICS</b>								
PHARMACY SIZE (square metres)	170		141		147			
PRESCRIPTIONS DISPENSED (Total)	57,576		62,742		42,184			
PRESCRIPTIONS DISPENSED WEEKLY	1,104		1,203		809			
TOTAL HOURS OPEN per WEEK	63.9		53.7		63.3			
AV HRS WORKED BY PROPRIETORS/WEEK	45.9		62.6		46.6			
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>163,418</b>	<b>5.75</b>	<b>15,242</b>	<b>0.48</b>	<b>114,022</b>	<b>4.81</b>		

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**AVERAGE NUMBER OF EMPLOYEES PER RESPONDENT AND AVERAGE HOURS WORKED**  
(Based on 12 months trading to 30/6/11)

**Table 17**

**STATE AVERAGES**

<b>EMPLOYEES</b>	<b>NSW</b>	<b>VIC</b>	<b>QLD</b>	<b>SA</b>	<b>WA</b>	<b>TAS</b>	<b>AUST</b>
<b>PROPRIETORS :</b>							
Full Time	0.7	0.7	0.9	1.0	0.6	1.0	0.8
Part Time & Casual	0.6	0.6	0.6	0.5	0.7	0.6	0.6
Hours worked per week	35.2	39.0	43.4	39.9	43.3	54.3	39.9
<b>MANAGERS :</b>							
Full Time	0.2	0.3	0.2	0.3	0.2	0.6	0.2
Part Time & Casual	0.0	0.2	0.3	0.0	0.1	0.2	0.1
Hours worked per week	8.9	16.3	15.9	14.7	9.5	30.1	12.8
<b>PHARMACISTS IN CHARGE :</b>							
Full Time	0.6	0.3	0.2	0.0	0.5	1.0	0.4
Part Time & Casual	0.8	1.0	0.4	0.8	0.5	0.2	0.6
Hours worked per week	34.2	24.5	18.0	17.3	30.9	45.4	25.3
<b>OTHER QUALIFIED :</b>							
Full Time	0.2	0.4	0.3	0.2	0.4	0.0	0.3
Part Time & Casual	0.4	0.8	0.3	0.0	2.0	0.2	0.6
Hours worked per week	13.1	24.2	15.6	7.9	40.8	6.2	18.8
<b>PHARMACY ASSISTANTS :</b>							
Full Time	0.8	0.6	0.7	1.2	0.4	1.0	0.8
Part Time & Casual	1.4	2.2	0.7	0.1	0.5	0.6	0.9
Hours worked per week	57.4	63.1	44.6	47.7	24.1	48.7	49.9
<b>SALES &amp; OTHER STAFF :</b>							
Full Time	2.0	1.4	1.7	2.6	1.1	3.4	1.8
Part Time & Casual	6.0	5.2	4.7	2.9	4.4	1.6	4.8
Hours worked per week	159.6	99.1	132.9	151.5	115.2	155.3	135.9
<b>TOTAL STAFF :</b>							
Full Time	4.4	3.7	4.1	5.3	3.3	7.0	4.3
Part Time & Casual	9.2	9.9	7.0	4.3	8.2	3.5	7.6
Hours worked per week	308.4	266.4	270.3	279.0	263.7	340.0	282.6

**AVERAGE NUMBER OF EMPLOYEES PER RESPONDENT AND AVERAGE HOURS WORKED**  
(Based on 12 months trading to 30/6/11)

**Table 18**

**BY TURNOVER CATEGORY (\$)**

<b>EMPLOYEES</b>	<b>UP TO 1.0M</b>	<b>1.0M -1.5M</b>	<b>1.5M -2.0M</b>	<b>2.0M -2.5M</b>	<b>2.5M -3.0M</b>	<b>3.0M -4.0M</b>	<b>4.0M -5.0M</b>	<b>OVER 5.0M</b>
<b>PROPRIETORS :</b>								
Full Time	0.8	0.7	0.8	1.1	0.8	0.8	1.0	0.8
Part Time & Casual	0.1	0.4	0.4	0.6	0.7	0.7	0.8	0.8
Hours worked per week	34.1	36.3	33.6	41.3	40.1	41.3	52.0	47.6
<b>MANAGERS :</b>								
Full Time	0.0	0.1	0.2	0.4	0.1	0.5	0.1	0.6
Part Time & Casual	0.3	0.0	0.2	0.0	0.1	0.1	0.5	0.0
Hours worked per week	5.0	5.2	9.5	17.0	6.4	22.8	22.6	22.9
<b>PHARMACISTS IN CHARGE :</b>								
Full Time	0.0	0.1	0.2	0.3	0.7	0.3	0.8	0.7
Part Time & Casual	0.0	0.8	0.9	0.7	0.8	0.6	0.2	0.9
Hours worked per week	0.0	14.3	29.3	21.9	41.0	25.1	32.6	44.5
<b>OTHER QUALIFIED :</b>								
Full Time	0.5	0.0	0.1	0.1	0.3	0.3	0.5	0.9
Part Time & Casual	0.0	0.0	0.4	0.3	0.6	0.9	1.1	1.1
Hours worked per week	19.0	0.0	7.6	10.4	14.8	31.2	34.4	45.0
<b>PHARMACY ASSISTANTS :</b>								
Full Time	0.0	0.2	0.7	0.5	0.6	1.2	1.2	1.9
Part Time & Casual	0.0	0.0	0.3	0.8	0.7	2.0	2.0	1.8
Hours worked per week	0.0	10.0	33.1	35.3	42.4	89.0	80.1	108.9
<b>SALES &amp; OTHER STAFF :</b>								
Full Time	0.3	0.8	0.9	1.8	1.6	2.0	3.0	5.4
Part Time & Casual	1.3	3.0	3.6	2.7	4.3	4.8	7.4	15.3
Hours worked per week	29.5	36.4	88.8	106.6	127.0	165.4	243.1	440.1
<b>TOTAL STAFF :</b>								
Full Time	1.6	1.9	2.9	4.1	4.2	5.1	6.6	10.3
Part Time & Casual	1.6	4.2	5.8	5.1	7.2	9.1	12.0	20.0
Hours worked per week	87.6	102.3	201.8	232.4	271.6	374.8	464.8	709.1

**AUSTRALIAN PHARMACIES – WEEKLY PRESCRIPTION VOLUME**  
(Based on 12 Months of Trading to 30/06/11)

**Table 19**

	Up to 400		401 - 600		601 - 800		801 - 1000	
<b>SALES, EXPENSES &amp; PROFITABILITY</b>	\$	%	\$	%	\$	%	\$	%
<b>SALES</b>	<b>947,664</b>		<b>1,413,652</b>		<b>2,030,518</b>		<b>2,647,950</b>	
<b>COST OF GOODS SOLD</b>	<b>623,738</b>	<b>65.82</b>	<b>937,849</b>	<b>66.34</b>	<b>1,323,025</b>	<b>65.16</b>	<b>1,750,668</b>	<b>66.11</b>
<b>GROSS MARGIN</b>	<b>323,926</b>	<b>34.18</b>	<b>475,803</b>	<b>33.66</b>	<b>707,493</b>	<b>34.84</b>	<b>897,282</b>	<b>33.89</b>
Other Income	24,597		16,807		21,543		18,616	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>348,523</b>		<b>492,611</b>		<b>729,036</b>		<b>915,898</b>	
<b>TOTAL REVENUE</b>	<b>972,261</b>	<b>100.00</b>	<b>1,430,459</b>	<b>100.00</b>	<b>2,052,061</b>	<b>100.00</b>	<b>2,666,566</b>	<b>100.00</b>
<b>EXPENSES</b>								
Salaries and Wages	137,001	14.09	152,290	10.65	242,414	11.81	325,126	12.19
Rent Paid	41,904	4.31	65,703	4.59	83,422	4.07	104,333	3.91
Outgoings - Rental & Rates	1,044	0.11	881	0.06	4,499	0.22	6,727	0.25
Accounting	7,293	0.75	7,113	0.50	8,160	0.40	11,110	0.42
Advertising	9,662	0.99	11,771	0.82	19,468	0.95	30,561	1.15
Bank Charges	2,405	0.25	3,616	0.25	6,112	0.30	7,137	0.27
Computer Expenses	8,865	0.91	7,788	0.54	8,366	0.41	15,304	0.57
Depreciation	18,279	1.88	16,784	1.17	18,826	0.92	33,926	1.27
Electricity, Water, Heating	5,390	0.55	5,573	0.39	7,551	0.37	10,940	0.41
Insurance	5,134	0.53	5,872	0.41	7,997	0.39	8,939	0.34
Interest Paid	16,704	1.72	26,609	1.86	55,550	2.71	61,065	2.29
Leasing Expenses	11,807	1.21	5,497	0.38	4,473	0.22	11,605	0.44
Motor Vehicle Expenses	3,495	0.36	3,678	0.26	2,895	0.14	3,830	0.14
Postage, Freight, Printing	2,568	0.26	3,485	0.24	6,327	0.31	7,885	0.30
Repairs, Maintenance, Service	1,571	0.16	1,923	0.13	2,756	0.13	4,735	0.18
Subs and Registrations	7,409	0.76	9,903	0.69	8,767	0.43	11,463	0.43
Superannuation	11,395	1.17	15,668	1.10	22,140	1.08	27,380	1.03
Telephone	2,772	0.29	3,399	0.24	5,146	0.25	5,501	0.21
Training	1,996	0.21	1,470	0.10	2,764	0.13	3,530	0.13
Abnormal Expenses	189	0.02	52	0.00	10,842	0.53	3,805	0.14
Payroll Tax	2,036	0.21	2,473	0.17	2,344	0.11	1,497	0.06
Workers' Compensation	1,047	0.11	1,068	0.07	1,659	0.08	2,367	0.09
Other Expenses	24,407	2.51	49,415	3.45	31,763	1.55	54,431	2.04
<b>TOTAL EXPENSES</b>	<b>324,373</b>	<b>33.36</b>	<b>402,031</b>	<b>28.11</b>	<b>564,241</b>	<b>27.50</b>	<b>753,196</b>	<b>28.25</b>
<b>TOTAL INCOME</b>	<b>24,150</b>	<b>2.48</b>	<b>90,580</b>	<b>6.33</b>	<b>164,795</b>	<b>8.03</b>	<b>162,702</b>	<b>6.10</b>
Less Proprietors' Salary (1)	99,836	10.27	110,291	7.71	107,379	5.23	143,849	5.39
[ Full-Time-Equivalents ]	0.80		0.89		0.87		1.16	
<b>NET PROFIT/LOSS</b>	<b>-75,686</b>	<b>-7.78</b>	<b>-19,711</b>	<b>-1.38</b>	<b>57,416</b>	<b>2.80</b>	<b>18,853</b>	<b>0.71</b>
<b>SALES ANALYSIS</b>								
Prescriptions	523,798	55.27	1,004,945	71.09	1,402,887	69.09	1,845,404	69.69
Other Sales	423,866	44.73	408,707	28.91	627,631	30.91	802,546	30.31
<b>INVENTORY ANALYSIS</b>								
Prescription	29,175	3.00	60,297	4.22	80,570	3.93	105,430	3.95
Other	80,714	8.30	94,198	6.59	157,398	7.67	228,556	8.57
<b>STOCK CARRIED (Total)</b>	<b>109,889</b>	<b>11.30</b>	<b>154,494</b>	<b>10.80</b>	<b>237,967</b>	<b>11.60</b>	<b>333,986</b>	<b>12.52</b>
<b>STOCK TURN (On Total Inventory)</b>	<b>5.68</b>		<b>6.07</b>		<b>5.56</b>		<b>5.24</b>	
<b>SALES PER INVENTORY DOLLAR</b>								
Prescription	17.95		16.67		17.41		17.50	
Other	5.25		4.34		3.99		3.51	
<b>STATISTICS</b>								
PHARMACY SIZE (square metres)	109		108		118		150	
PRESCRIPTIONS DISPENSED (Total)	13,572		26,196		36,410		46,785	
PRESCRIPTIONS DISPENSED WEEKLY	260		502		698		897	
TOTAL HOURS OPEN per WEEK	53.6		54.2		55.1		60.7	
AV HRS WORKED BY PROPRIETORS/WEEK	30.6		33.8		33.0		44.1	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>39,601</b>	<b>4.07</b>	<b>177,629</b>	<b>12.42</b>	<b>185,192</b>	<b>9.02</b>	<b>63,197</b>	<b>2.37</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**AUSTRALIAN PHARMACIES – WEEKLY PRESCRIPTION VOLUME**  
(Based on 12 Months of Trading to 30/06/11)

**Table 19**

	1,001 – 1,200		1,201 – 1,400		1,401 – 2,000		Over 2,000	
<b>SALES, EXPENSES &amp; PROFITABILITY</b>	\$	%	\$	%	\$	%	\$	%
<b>SALES</b>	<b>2,931,030</b>		<b>4,196,385</b>		<b>4,433,663</b>		<b>7,289,288</b>	
<b>COST OF GOODS SOLD</b>	<b>1,930,345</b>	<b>65.86</b>	<b>2,789,459</b>	<b>66.47</b>	<b>2,915,504</b>	<b>65.76</b>	<b>4,966,398</b>	<b>68.13</b>
<b>GROSS MARGIN</b>	<b>1,000,686</b>	<b>34.14</b>	<b>1,406,927</b>	<b>33.53</b>	<b>1,518,159</b>	<b>34.24</b>	<b>2,322,889</b>	<b>31.87</b>
Other Income	30,530		28,384		23,769		103,912	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,031,216</b>		<b>1,435,311</b>		<b>1,541,928</b>		<b>2,426,801</b>	
<b>TOTAL REVENUE</b>	<b>2,961,561</b>	<b>100.00</b>	<b>4,224,769</b>	<b>100.00</b>	<b>4,457,432</b>	<b>100.00</b>	<b>7,393,200</b>	<b>100.00</b>
<b>EXPENSES</b>								
Salaries and Wages	332,284	11.22	503,567	11.92	531,022	11.91	813,577	11.00
Rent Paid	118,850	4.01	222,353	5.26	146,607	3.29	258,206	3.49
Outgoings - Rental & Rates	5,541	0.19	3,955	0.09	5,206	0.12	7,613	0.10
Accounting	10,059	0.34	13,742	0.33	17,437	0.39	15,159	0.21
Advertising	35,658	1.20	49,194	1.16	46,615	1.05	77,238	1.04
Bank Charges	7,504	0.25	8,218	0.19	11,448	0.26	13,116	0.18
Computer Expenses	8,531	0.29	10,231	0.24	17,049	0.38	14,349	0.19
Depreciation	37,048	1.25	29,959	0.71	37,652	0.84	66,207	0.90
Electricity, Water, Heating	11,742	0.40	13,900	0.33	14,047	0.32	18,893	0.26
Insurance	7,398	0.25	11,126	0.26	12,801	0.29	14,227	0.19
Interest Paid	44,048	1.49	92,054	2.18	48,016	1.08	114,883	1.55
Leasing Expenses	4,398	0.15	12,646	0.30	10,563	0.24	21,133	0.29
Motor Vehicle Expenses	6,132	0.21	7,222	0.17	10,131	0.23	4,823	0.07
Postage, Freight, Printing	9,117	0.31	12,728	0.30	18,133	0.41	20,571	0.28
Repairs, Maintenance, Service	3,981	0.13	4,816	0.11	10,454	0.23	9,365	0.13
Subs and Registrations	12,743	0.43	13,385	0.32	15,283	0.34	17,261	0.23
Superannuation	29,090	0.98	42,345	1.00	51,654	1.16	75,337	1.02
Telephone	6,516	0.22	7,630	0.18	7,512	0.17	9,705	0.13
Training	3,510	0.12	5,391	0.13	6,406	0.14	8,323	0.11
Abnormal Expenses	10,882	0.37	5,908	0.14	281	0.01	13,226	0.18
Payroll Tax	3,585	0.12	5,730	0.14	6,645	0.15	18,723	0.25
Workers' Compensation	2,054	0.07	5,094	0.12	4,690	0.11	7,173	0.10
Other Expenses	50,276	1.70	85,531	2.02	59,350	1.33	98,802	1.34
<b>TOTAL EXPENSES</b>	<b>760,945</b>	<b>25.69</b>	<b>1,166,723</b>	<b>27.62</b>	<b>1,089,002</b>	<b>24.43</b>	<b>1,717,909</b>	<b>23.24</b>
<b>TOTAL INCOME</b>	<b>270,271</b>	<b>9.13</b>	<b>268,588</b>	<b>6.36</b>	<b>452,926</b>	<b>10.16</b>	<b>708,893</b>	<b>9.59</b>
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	141,041 1.15	4.76	138,700 1.12	3.28	158,913 1.28	3.57	160,599 1.29	2.17
<b>NET PROFIT/LOSS</b>	<b>129,230</b>	<b>4.36</b>	<b>129,888</b>	<b>3.07</b>	<b>294,013</b>	<b>6.60</b>	<b>548,293</b>	<b>7.42</b>
<b>SALES ANALYSIS</b>								
Prescriptions	2,103,279	71.76	2,539,258	60.51	3,256,014	73.44	5,304,286	72.77
Other Sales	827,752	28.24	1,657,127	39.49	1,177,649	26.56	1,985,001	27.23
<b>INVENTORY ANALYSIS</b>								
Prescription	86,978	2.94	111,157	2.63	129,647	2.91	202,652	2.74
Other	170,533	5.76	291,305	6.90	198,837	4.46	310,630	4.20
STOCK CARRIED (Total)	257,511	8.70	402,462	9.53	328,485	7.37	513,283	6.94
STOCK TURN (On Total Inventory)	7.50		6.93		8.88		9.68	
<b>SALES PER INVENTORY DOLLAR</b>								
Prescription	24.18		22.84		25.11		26.17	
Other	4.85		5.69		5.92		6.39	
<b>STATISTICS</b>								
PHARMACY SIZE (square metres)	175		229		224		327	
PRESCRIPTIONS DISPENSED (Total)	57,199		67,413		86,846		137,037	
PRESCRIPTIONS DISPENSED WEEKLY	1,097		1,293		1,666		2,628	
TOTAL HOURS OPEN per WEEK	61.8		61.0		62.5		67.5	
AV HRS WORKED BY PROPRIETORS/WEEK	43.5		42.5		48.7		49.2	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>426,784</b>	<b>14.41</b>	<b>172,425</b>	<b>4.08</b>	<b>38,954</b>	<b>0.87</b>	<b>182,818</b>	<b>2.47</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**AUSTRALIAN PHARMACIES – PERCENTAGE PRESCRIPTION/TOTAL SALES**  
(Based on 12 Months of Trading to 30/06/11)

**Table 20**

	Less Than 50%		51 - 60%		61 - 70%		71 - 80%		Over 80%	
<b>SALES, EXPENSES &amp; PROFITABILITY</b>	\$	%	\$	%	\$	%	\$	%	\$	%
<b>SALES</b>	<b>4,991,978</b>		<b>4,025,717</b>		<b>4,494,014</b>		<b>3,697,081</b>		<b>2,542,356</b>	
<b>COST OF GOODS SOLD</b>	<b>3,475,353</b>	<b>69.62</b>	<b>2,681,577</b>	<b>66.61</b>	<b>3,047,174</b>	<b>67.81</b>	<b>2,435,094</b>	<b>65.87</b>	<b>1,700,138</b>	<b>66.87</b>
<b>GROSS MARGIN</b>	<b>1,516,625</b>	<b>30.38</b>	<b>1,344,140</b>	<b>33.39</b>	<b>1,446,839</b>	<b>32.19</b>	<b>1,261,987</b>	<b>34.13</b>	<b>842,218</b>	<b>33.13</b>
Other Income	35,668		82,074		56,623		28,890		23,302	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>1,552,293</b>		<b>1,426,214</b>		<b>1,503,462</b>		<b>1,290,877</b>		<b>865,520</b>	
<b>TOTAL REVENUE</b>	<b>5,027,646</b>	<b>100.00</b>	<b>4,107,791</b>	<b>100.00</b>	<b>4,550,636</b>	<b>100.00</b>	<b>3,725,971</b>	<b>100.00</b>	<b>2,565,658</b>	<b>100.00</b>
<b>EXPENSES</b>										
Salaries and Wages	582,748	11.59	518,590	12.62	521,944	11.47	429,924	11.54	286,235	11.16
Rent Paid	292,245	5.81	213,516	5.20	187,576	4.12	126,359	3.39	65,604	2.56
Outgoings - Rental & Rates	17,257	0.34	4,788	0.12	6,884	0.15	4,066	0.11	2,412	0.09
Accounting	10,276	0.20	16,957	0.41	14,194	0.31	12,286	0.33	9,262	0.36
Advertising	71,979	1.43	48,198	1.17	56,722	1.25	37,687	1.01	16,800	0.65
Bank Charges	7,817	0.16	12,918	0.31	9,234	0.20	8,831	0.24	5,363	0.21
Computer Expenses	24,112	0.48	10,205	0.25	13,476	0.30	11,774	0.32	9,755	0.38
Depreciation	76,430	1.52	36,885	0.90	37,296	0.82	32,804	0.88	22,734	0.89
Electricity, Water, Heating	18,858	0.38	16,003	0.39	14,179	0.31	11,872	0.32	7,303	0.28
Insurance	13,580	0.27	12,961	0.32	11,128	0.24	9,941	0.27	7,853	0.31
Interest Paid	85,305	1.70	152,405	3.71	62,074	1.36	55,388	1.49	40,360	1.57
Leasing Expenses	18,384	0.37	7,224	0.18	23,341	0.51	6,799	0.18	8,021	0.31
Motor Vehicle Expenses	3,502	0.07	12,562	0.31	4,762	0.10	5,511	0.15	4,334	0.17
Postage, Freight, Printing	14,081	0.28	12,013	0.29	12,098	0.27	13,059	0.35	7,484	0.29
Repairs, Maintenance, Service	6,108	0.12	6,204	0.15	6,751	0.15	7,177	0.19	3,172	0.12
Subs and Registrations	9,270	0.18	9,260	0.23	13,920	0.31	14,431	0.39	11,283	0.44
Superannuation	52,890	1.05	44,959	1.09	47,195	1.04	40,417	1.08	26,234	1.02
Telephone	7,227	0.14	8,899	0.22	6,962	0.15	6,999	0.19	4,764	0.19
Training	4,134	0.08	7,150	0.17	4,184	0.09	5,341	0.14	2,884	0.11
Abnormal Expenses	21,812	0.43	20,090	0.49	15,741	0.35	1,694	0.05	5,352	0.21
Payroll Tax	21,624	0.43	3,229	0.08	10,481	0.23	5,936	0.16	3,429	0.13
Workers' Compensation	6,995	0.14	3,225	0.08	5,591	0.12	3,271	0.09	2,185	0.09
Other Expenses	132,802	2.64	101,261	2.47	77,892	1.71	52,797	1.42	40,750	1.59
<b>TOTAL EXPENSES</b>	<b>1,499,434</b>	<b>29.82</b>	<b>1,279,501</b>	<b>31.15</b>	<b>1,163,627</b>	<b>25.57</b>	<b>904,364</b>	<b>24.27</b>	<b>593,575</b>	<b>23.14</b>
<b>TOTAL INCOME</b>	<b>52,859</b>	<b>1.05</b>	<b>146,713</b>	<b>3.57</b>	<b>339,835</b>	<b>7.47</b>	<b>386,513</b>	<b>10.37</b>	<b>271,945</b>	<b>10.60</b>
Less Proprietors' Salary (1) [ Full-Time-Equivalents ]	100,818 0.81	2.01	124,881 1.01	3.04	141,336 1.14	3.11	150,401 1.21	4.04	128,517 1.04	5.01
<b>NET PROFIT/LOSS</b>	<b>-47,959</b>	<b>-0.95</b>	<b>21,832</b>	<b>0.53</b>	<b>198,499</b>	<b>4.36</b>	<b>236,112</b>	<b>6.34</b>	<b>143,428</b>	<b>5.59</b>
<b>SALES ANALYSIS</b>										
Prescriptions	1,920,536	38.47	2,236,611	55.56	2,970,452	66.10	2,784,563	75.32	2,158,101	84.89
Other Sales	3,071,442	61.53	1,789,106	44.44	1,523,561	33.90	912,519	24.68	384,255	15.11
<b>INVENTORY ANALYSIS</b>										
Prescription	84,199	1.67	126,654	3.08	144,057	3.17	110,066	2.95	98,617	3.84
Other	420,446	8.36	345,129	8.40	209,544	4.60	174,904	4.69	138,374	5.39
STOCK CARRIED (Total)	504,645	10.04	471,783	11.49	353,601	7.77	284,969	7.65	236,991	9.24
STOCK TURN (On Total Inventory)	6.89		5.68		8.62		8.55		7.17	
<b>SALES PER INVENTORY DOLLAR</b>										
Prescription	22.81		17.66		20.62		25.30		21.88	
Other	7.31		5.18		7.27		5.22		2.78	
<b>STATISTICS</b>										
PHARMACY SIZE (square metres)	269		259		222		196		130	
PRESCRIPTIONS DISPENSED (Total)	54,513		61,253		76,996		72,384		55,676	
PRESCRIPTIONS DISPENSED WEEKLY	1,045		1,175		1,477		1,388		1,068	
TOTAL HOURS OPEN per WEEK	62.7		61.2		67.4		60.5		56.0	
AV HRS WORKED BY PROPRIETORS/WEEK	30.9		38.3		43.3		46.1		39.4	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>159,954</b>	<b>3.18</b>	<b>4,125</b>	<b>0.10</b>	<b>181,336</b>	<b>3.98</b>	<b>176,472</b>	<b>4.74</b>	<b>158,727</b>	<b>6.19</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**AUSTRALIAN PHARMACIES – WEEKLY HOURS OPEN**  
(Based on 12 Months of Trading to 30/06/11)

**Table 21**

	Less Than 50		51 - 60		61 - 70		Over 70	
<b>SALES, EXPENSES &amp; PROFITABILITY</b>	\$	%	\$	%	\$	%	\$	%
<b>SALES</b>	<b>2,116,808</b>		<b>2,811,023</b>		<b>4,026,107</b>		<b>5,875,414</b>	
<b>COST OF GOODS SOLD</b>	<b>1,403,141</b>	<b>66.29</b>	<b>1,850,505</b>	<b>65.83</b>	<b>2,663,258</b>	<b>66.15</b>	<b>4,103,088</b>	<b>69.83</b>
<b>GROSS MARGIN</b>	<b>713,667</b>	<b>33.71</b>	<b>960,518</b>	<b>34.17</b>	<b>1,362,849</b>	<b>33.85</b>	<b>1,772,326</b>	<b>30.17</b>
Other Income	26,777		27,606		47,478		62,138	
<b>GROSS MARGIN PLUS OTHER INCOME</b>	<b>740,444</b>		<b>988,125</b>		<b>1,410,328</b>		<b>1,834,464</b>	
<b>TOTAL REVENUE</b>	<b>2,143,586</b>	<b>100.00</b>	<b>2,838,629</b>	<b>100.00</b>	<b>4,073,585</b>	<b>100.00</b>	<b>5,937,552</b>	<b>100.00</b>
<b>EXPENSES</b>								
Salaries and Wages	250,047	11.66	334,176	11.77	465,200	11.42	637,511	10.74
Rent Paid	41,338	1.93	102,145	3.60	190,170	4.67	212,974	3.59
Outgoings - Rental & Rates	1,872	0.09	5,384	0.19	6,145	0.15	7,709	0.13
Accounting	7,813	0.36	11,726	0.41	12,440	0.31	13,204	0.22
Advertising	13,913	0.65	29,719	1.05	46,396	1.14	58,022	0.98
Bank Charges	4,017	0.19	7,244	0.26	10,645	0.26	9,195	0.15
Computer Expenses	9,407	0.44	11,241	0.40	11,988	0.29	19,514	0.33
Depreciation	12,973	0.61	27,812	0.98	49,393	1.21	46,334	0.78
Electricity, Water, Heating	6,389	0.30	9,628	0.34	13,940	0.34	17,772	0.30
Insurance	8,578	0.40	8,729	0.31	9,959	0.24	13,947	0.23
Interest Paid	35,025	1.63	45,607	1.61	74,714	1.83	95,420	1.61
Leasing Expenses	2,388	0.11	8,587	0.30	10,955	0.27	22,482	0.38
Motor Vehicle Expenses	3,725	0.17	5,566	0.20	5,730	0.14	5,515	0.09
Postage, Freight, Printing	7,321	0.34	10,504	0.37	13,755	0.34	13,175	0.22
Repairs, Maintenance, Service	3,342	0.16	5,412	0.19	5,420	0.13	10,036	0.17
Subs and Registrations	9,310	0.43	10,815	0.38	14,637	0.36	12,754	0.21
Superannuation	21,906	1.02	31,581	1.11	42,122	1.03	57,521	0.97
Telephone	4,304	0.20	6,218	0.22	7,152	0.18	8,040	0.14
Training	2,425	0.11	4,529	0.16	5,508	0.14	2,916	0.05
Abnormal Expenses	2,776	0.13	9,495	0.33	2,459	0.06	22,921	0.39
Payroll Tax	5,322	0.25	2,944	0.10	6,791	0.17	19,958	0.34
Workers' Compensation	1,922	0.09	2,740	0.10	3,972	0.10	5,483	0.09
Other Expenses	24,967	1.16	44,929	1.58	82,413	2.02	125,353	2.11
<b>TOTAL EXPENSES</b>	<b>481,078</b>	<b>22.44</b>	<b>736,729</b>	<b>25.95</b>	<b>1,091,902</b>	<b>26.80</b>	<b>1,437,757</b>	<b>24.21</b>
<b>TOTAL INCOME</b>	<b>259,366</b>	<b>12.10</b>	<b>251,396</b>	<b>8.86</b>	<b>318,425</b>	<b>7.82</b>	<b>396,707</b>	<b>6.68</b>
Less Proprietors' Salary (1)	101,560	4.74	140,163	4.94	152,900	3.75	137,042	2.31
[ Full-Time-Equivalents ]	0.82		1.13		1.24		1.10	
<b>NET PROFIT/LOSS</b>	<b>157,806</b>	<b>7.36</b>	<b>111,233</b>	<b>3.92</b>	<b>165,525</b>	<b>4.06</b>	<b>259,665</b>	<b>4.37</b>
<b>SALES ANALYSIS</b>								
Prescriptions	1,633,070	77.15	2,031,881	72.28	2,816,504	69.96	3,693,728	62.87
Other Sales	483,739	22.85	779,142	27.72	1,209,603	30.04	2,181,686	37.13
<b>INVENTORY ANALYSIS</b>								
Prescription	89,748	4.19	93,307	3.29	110,165	2.70	162,559	2.74
Other	119,386	5.57	180,576	6.36	219,478	5.39	277,181	4.67
<b>STOCK CARRIED (Total)</b>	<b>209,134</b>	<b>9.76</b>	<b>273,883</b>	<b>9.65</b>	<b>329,643</b>	<b>8.09</b>	<b>439,740</b>	<b>7.41</b>
<b>STOCK TURN (On Total Inventory)</b>	<b>6.71</b>		<b>6.76</b>		<b>8.08</b>		<b>9.33</b>	
<b>SALES PER INVENTORY DOLLAR</b>								
Prescription	18.20		21.78		25.57		22.72	
Other	4.05		4.31		5.51		7.87	
<b>STATISTICS</b>								
<b>PHARMACY SIZE (square metres)</b>	<b>136</b>		<b>148</b>		<b>227</b>		<b>272</b>	
<b>PRESCRIPTIONS DISPENSED (Total)</b>	<b>43,415</b>		<b>53,459</b>		<b>74,335</b>		<b>95,304</b>	
<b>PRESCRIPTIONS DISPENSED WEEKLY</b>	<b>833</b>		<b>1,025</b>		<b>1,426</b>		<b>1,828</b>	
<b>TOTAL HOURS OPEN per WEEK</b>	<b>46.9</b>		<b>55.6</b>		<b>64.6</b>		<b>83.3</b>	
<b>AV HRS WORKED BY PROPRIETORS/WEEK</b>	<b>31.1</b>		<b>43.0</b>		<b>47.1</b>		<b>42.0</b>	
<b>FUNDS RETAINED IN BUSINESS (2)</b>	<b>164,426</b>	<b>7.67</b>	<b>136,426</b>	<b>4.81</b>	<b>163,113</b>	<b>4.00</b>	<b>135,970</b>	<b>2.29</b>

(1) Notional Proprietors Salary is based on actual manager's wages and includes on-costs such as a provision for annual leave, long service leave etc.

(2) Funds Retained in Business is calculated as the difference between Total Income and Drawings by Proprietors.

**AUSTRALIAN PHARMACIES – BALANCE SHEET 2010-11  
BY TURNOVER GROUP**

**Table 23**

	<b>Under \$1,000,000</b>		<b>\$1.0M - \$1.5M</b>		<b>\$1.5M - \$2.0M</b>		<b>\$2.0M - \$2.5M</b>	
	<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>
<b>Assets</b>	358,155	50.15	426,057	34.02	560,772	31.46	493,164	21.78
<b>Liabilities</b>	546,263	76.49	684,869	54.68	888,723	49.86	890,092	39.32
<b>Net Worth</b>	-188,108	-26.34	-258,812	-20.67	-327,951	-18.40	-396,928	-17.53
<b>Total Revenue</b>	714,171	100.00	1,252,406	100.00	1,782,365	100.00	2,263,861	100.00
<b>Trading Profit</b>	16,458	2.30	78,412	6.26	197,719	11.09	159,657	7.05

	<b>\$2.5M - \$3.0M</b>		<b>\$3.0M - \$4.0M</b>		<b>\$4.0M - \$5.0M</b>		<b>OVER \$5.0M</b>	
	<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>
<b>Assets</b>	815,895	29.82	1,009,915	28.20	1,052,808	22.94	1,823,623	23.39
<b>Liabilities</b>	1,138,880	41.62	1,218,453	34.03	1,320,163	28.77	2,645,949	33.93
<b>Net Worth</b>	-322,985	-11.80	-208,538	-5.82	-267,355	-5.83	-822,327	-10.55
<b>Total Revenue</b>	2,736,460	100.00	3,580,748	100.00	4,588,913	100.00	7,797,851	100.00
<b>Trading Profit</b>	256,792	9.38	296,057	8.27	407,223	8.87	592,284	7.60

TABLE 24

## BENEFIT PRESCRIPTION STATISTICS, STATES AND TERRITORIES - 2010/2011

Benefit prescriptions	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUSTRALIA
	(\$'000)								
<b>COMMONWEALTH GOVERNMENT</b>									
<b>PAYMENTS ON BENEFIT PRESCRIPTIONS</b>									
General Co-Payment	462,741	336,512	278,411	102,427	161,218	32,497	9,463	29,513	1,412,781
Concessional Co-Payment	1,603,009	1,138,357	865,526	387,942	388,587	131,321	15,269	49,673	4,579,685
Safety Net	471,971	334,273	258,419	113,562	101,271	37,951	2,095	11,140	1,330,683
TOTAL (a)	2,537,721	1,809,142	1,402,356	603,931	651,076	201,769	26,827	90,326	7,323,149
<b>PATIENT CONTRIBUTION</b>									
<b>ON BENEFIT PRESCRIPTIONS</b>									
General Co-Payment	230,477	172,151	141,362	50,510	77,655	15,622	4,615	15,576	707,968
Concessional Co-Payment	243,472	183,642	136,724	61,541	59,923	20,702	2,406	7,407	715,815
TOTAL (a)	473,949	355,793	278,086	112,051	137,578	36,324	7,021	22,983	1,423,783
<b>TOTAL BENEFIT</b>									
<b>PRESCRIPTION COST</b>									
DISSECTION OF COSTS (b)									
Cost of Ingredients and containers	2,373,580	1,687,871	1,319,877	558,336	629,613	185,362	27,537	92,352	6,874,527
Suppliers' remuneration	638,090	477,065	360,565	157,646	159,041	52,731	6,311	20,957	1,872,405
Total	3,011,670	2,164,935	1,680,442	715,982	788,654	238,093	33,848	113,309	8,746,932
<b>BENEFIT PRESCRIPTIONS ('000)</b>									
General Co-Payment	6,847	5,114	4,199	1,500	2,308	464	137	463	21,032
Concessional Co-Payment	44,356	33,453	24,901	11,203	10,921	3,767	439	1,349	130,391
Safety Net	12,798	9,283	7,065	3,109	2,723	1,058	57	290	36,382
Total (a)	64,001	47,850	36,165	15,812	15,952	5,289	633	2,102	187,805
<b>AVERAGE TOTAL COST PER PRESCRIPTION</b>									
General Co-Payment	101.24	99.46	99.97	101.96	103.50	103.70	102.76	97.38	100.83
Concessional Co-Payment	41.63	39.52	40.25	40.12	41.07	40.36	40.26	42.31	40.61
Safety Net	36.88	36.01	36.58	36.53	37.19	35.87	36.75	38.41	36.58
Total	47.06	45.24	46.47	45.28	49.44	45.02	53.47	53.91	46.57

(a) As per Department of Health and Ageing statistics on payments to approved persons.

(b) Estimate only. Actual dissection of costs by State was not prepared for 2007/08

Source: Commonwealth Department of Health and Ageing.

TABLE 25

COST OF PHARMACEUTICAL BENEFITS, 2004-05 TO 2010-11  
(\$'000)

Year ending 30 June:	2005	2006	2007	2008	2009	2010	2011
<b>COMMONWEALTH GOVERNMENT</b>							
<b>PAYMENTS ON BENEFIT PRESCRIPTIONS (a)</b>							
General	850,691	850,095	890,276	1,039,451	1,220,279	1,339,182	1,412,781
Safety Net	222,668	216,247	174,128	173,500	217,487	199,599	211,945
Concessional (b)	3,077,034	3,145,480	3,333,876	3,561,294	3,909,584	4,220,391	4,367,740
Concessional Safety Net	1,145,497	1,172,502	1,067,478	1,137,925	1,216,050	1,259,719	1,330,683
<b>TOTAL COMMONWEALTH PAYMENTS</b>	<b>5,295,890</b>	<b>5,384,324</b>	<b>5,465,758</b>	<b>5,912,170</b>	<b>6,563,401</b>	<b>7,018,892</b>	<b>7,323,149</b>
<b>PATIENT CONTRIBUTIONS</b>							
General Benefit Prescriptions	572,963	606,898	596,483	607,183	663,449	701,961	707,968
Concessional Benefit Prescriptions	467,674	516,372	554,837	582,287	645,307	682,203	715,815
<b>TOTAL PATIENT CONTRIBUTIONS</b>	<b>1,040,637</b>	<b>1,123,270</b>	<b>1,151,320</b>	<b>1,189,470</b>	<b>1,308,756</b>	<b>1,384,164</b>	<b>1,423,783</b>
<b>Total cost of benefit prescriptions (including patients' contributions)</b>	<b>6,336,527</b>	<b>6,507,594</b>	<b>6,617,078</b>	<b>7,101,640</b>	<b>7,872,157</b>	<b>8,403,056</b>	<b>8,746,932</b>
Commonwealth Government payments through miscellaneous services	660,000	764,700	850,900	975,500	1,081,400	1,232,700	1,403,700
Total cost of pharmaceutical benefits	6,996,527	7,272,294	7,467,978	8,077,140	8,953,557	9,635,756	10,150,632
Total Commonwealth Government payments	5,955,890	6,149,024	6,316,658	6,887,670	7,644,801	8,251,592	8,726,849

(a) Sourced from PBS claims processing at Medicare Australia and Department of Health and Ageing

(b) Prescriptions supplied to persons eligible to receive Concessional pharmaceutical benefits.

TABLE 26

## PHARMACEUTICAL BENEFITS YEAR ENDED 30 JUNE 2011

ANALYSIS OF PAYMENTS MADE TO APPROVED CHEMISTS, DOCTORS AND PRIVATE  
HOSPITALS FOR PRESCRIPTION BENEFITS (INCLUDING PATIENTS' CONTRIBUTIONS)

State	Ingredient and container cost	Suppliers' Remuneration	Total Cost
	(\$'000)	(\$'000)	(\$'000)
NSW	2,373,580	638,090	3,011,670
VIC	1,687,871	477,065	2,164,935
QLD	1,319,877	360,565	1,680,442
SA	558,336	157,646	715,982
WA	629,613	159,041	788,654
TAS	185,362	52,731	238,093
NT	27,537	6,311	33,848
ACT	92,352	20,957	113,309
<b>TOTAL</b>	<b>6,874,527</b>	<b>1,872,406</b>	<b>8,746,933</b>

NOTE: (1) Estimated dissection between ingredient costs and remuneration by State.

(2) Includes mark-up on wholesale price and professional fees but does not include trading terms allowed to pharmacists by wholesalers and other suppliers.

(3) All figures relate only to prescriptions which have been subsidised by the Government through the Pharmaceutical Benefits Scheme. Non PBS prescriptions are not included.

TABLE 27

## REPATRIATION PHARMACEUTICAL BENEFITS

Year	Cost \$	Number of prescriptions	Average cost per prescription \$
1971/72	19,046,307	6,629,477	2.87
1972/73	20,016,887	6,518,103	3.07
1973/74	21,121,909	6,357,947	3.32
1974/75	22,761,634	6,538,902	3.48
1975/76	29,991,915	7,089,899	4.23
1976/77	31,253,962	7,786,899	4.01
1977/78	33,427,821	7,662,328	4.36
1978/79	35,553,066	7,484,528	4.75
1979/80	38,984,952	8,116,373	4.80
1980/81	44,921,391	8,997,730	4.99
1981/82	54,851,219	9,661,876	5.68
1982/83	61,029,969	9,816,044	6.22
1983/84	66,087,396	10,585,324	6.24
1984/85	77,089,793	11,248,654	6.85
1985/86	86,507,716	11,515,486	7.51
1986/87	94,829,444	11,153,714	8.50
1987/88	85,725,923	9,008,826	9.52
1988/89	80,879,482	7,914,298	10.22
1989/90	83,684,977	7,593,329	11.02
1990/91	86,043,778	7,224,499	11.91
1991/92	92,947,647	6,654,306	13.97
1992/93	92,202,894	5,876,127	15.69
1993/94	98,671,107	5,686,939	17.35
1994/95	104,193,758	5,449,513	19.12
1995/96	122,888,989	6,515,884	18.86
1996/97	197,146,559	9,208,882	21.41
1997/98	204,715,632	9,928,485	20.62
1998/99	229,869,461	10,690,911	21.50
1999/00	272,323,263	12,045,595	22.61
2000/01	325,142,363	13,099,032	24.82
2001/02	371,279,280	14,243,945	26.07
2002/03	425,885,375	15,362,564	27.72
2003/04	456,299,564	15,627,475	29.20
2004/05	465,740,225	15,734,655	29.60
2005/06	455,134,031	15,167,849	30.01
2006/07	439,302,269	14,822,828	29.64
2007/08	445,626,200	14,256,149	31.26
2008/09	462,688,289	14,336,093	32.27
2009/10	470,377,027	13,863,867	33.93
2010/11	457,316,829	13,276,685	34.45
2011/12	443,953,122	12,960,573	34.25

SOURCE: Commonwealth Department of Health and Ageing.

TABLE 28

**PHARMACEUTICAL BENEFITS  
PRESCRIPTIONS AND DERIVED STATISTICS FOR THE YEAR ENDED 30 JUNE 2011**

State	Number of Prescriptions				Average Cost Per Prescription			
	Total	For General Patients	For Concessional Patients	For Safety Net Patients	Total \$	For General Patients \$	For Concessional Patients \$	For Safety Net Patients \$
<b>NSW</b>	64,000,934	6,847,463	44,355,530	12,797,941	46.14	101.24	41.63	36.88
<b>VIC</b>	47,849,754	5,114,411	33,451,951	9,283,392	44.60	99.46	39.52	36.01
<b>QLD</b>	36,165,420	4,199,144	24,901,629	7,064,647	45.96	99.97	40.25	36.58
<b>SA</b>	15,812,049	1,500,111	11,203,225	3,108,713	44.52	101.96	40.12	36.53
<b>WA</b>	15,952,028	2,307,534	10,921,845	2,722,649	47.97	103.50	41.07	37.19
<b>TAS</b>	5,288,556	463,938	3,767,009	1,057,609	44.10	103.70	40.36	35.87
<b>NT</b>	633,319	137,124	438,994	57,201	51.16	102.76	40.26	36.75
<b>ACT</b>	2,102,480	105,128	1,707,518	289,834	53.81	97.38	42.31	38.41
<b>TOTAL</b>	187,804,540	20,674,853	130,747,701	36,381,986	45.77	100.83	40.61	36.58

Note: Concessional figures include Pensioner prescriptions which attract the co-payment.

TABLE 29

**STRUCTURE OF PHARMACISTS' REMUNERATION  
PHARMACEUTICAL BENEFITS SCHEME**

From	To	RP ITEMS		EP ITEMS
		Professional Fee \$	Markup on Wholesale Price %	Professional Fee \$
1 January 1972	30 April 1972	0.39	33 1/3	0.64
1 May 1972	30 September 1972	0.42	33 1/3	0.64
1 October 1972	30 November 1972	0.44	33 1/3	0.64
1 December 1972	31 December 1972	0.45	33 1/3	0.64
1 January 1973	30 June 1973	0.50	33 1/3	0.72
1 July 1973	31 December 1973	0.61	33 1/3	0.83
1 January 1974	30 June 1974	0.68	33 1/3	0.90
1 July 1974	30 June 1975	0.84	33 1/3	1.06
1 July 1975	30 June 1976	0.90	33 1/3	1.12
1 July 1976	31 December 1976	1.02	33 1/3	1.24
1 January 1977	30 June 1977	1.07	33 1/3	1.29
1 July 1977	31 July 1978	1.21	33 1/3	1.43
1 August 1978	30 April 1980	1.35	25	1.95
1 May 1980	30 June 1980	1.31	*	1.91
1 July 1980	30 November 1980	1.31	1.39	1.91
1 December 1980	31 December 1980	1.26	1.34	1.89
1 January 1981	30 June 1981	1.26	1.44	1.89
1 July 1981	31 December 1981	1.51	25	2.14
1 January 1982	30 June 1982	1.66	25	2.29
1 July 1982	31 December 1983	1.73	25	2.54
1 January 1984	30 June 1984	1.98	25	2.89
1 July 1984	30 June 1985	2.13	25	3.09
1 July 1985	31 December 1985	2.30	25	3.33
1 January 1986	30 June 1986	2.35	25	3.40
1 July 1986	31 August 1986	2.40	25	3.47
1 September 1986	31 May 1987	2.46	25	3.56
1 June 1987	30 June 1988	2.50	25	3.62
1 July 1988	31 July 1988	2.59	25	3.76
1 August 1988	31 January 1989	2.64	25	3.83
1 February 1989	31 December 1989	2.59	25	3.76
1 January 1990	30 June 1990	2.54	25	3.68
1 July 1990	31 December 1990	2.57	25	3.72
1 January 1991	31 July 1992	3.43	10 **	4.96
1 August 1992	31 December 1992	3.57	10 **	5.16
1 January 1993	30 June 1993	3.69	10 **	5.34
1 July 1993	31 December 1993	3.75	10 **	5.43
1 January 1994	30 June 1994	3.83	10 **	5.55
1 July 1994	31 December 1994	3.98	10 **	5.77
1 January 1995	30 June 1995	4.06	10 **	5.89
1 July 1995	30 June 1996	4.27	10 **	6.10
1 July 1996	30 June 1997	4.29	10 **	6.13
1 July 1997	30 June 1998	4.34	10 **	6.20
1 July 1998	30 June 1999	4.34	10 **	6.20
1 July 1999	30 June 2000	4.39	10 **	6.27

TABLE 29 (continued)

From	To	RP ITEMS		EP ITEMS
		Professional Fee \$	Markup on Wholesale Price %	Professional Fee \$
1 July 2000	30 January 2001	4.40	10 ***	6.28
1 February 2001	30 June 2001	4.50	10 ***	6.38
1 July 2001	30 September 2001	4.53	10 ***	6.44
1 October 2001	30 January 2002	4.68	10 ***	6.59
1 February 2002	30 June 2002	4.58	10 ***	6.49
1 July 2002	30 June 2003	4.62	10 ***	6.56
1 July 2003	30 June 2004	4.66	10 ***	6.63
1 July 2004	30 June 2005	4.70	10 ***	6.70
1 July 2005	30 November 2005	4.75	10 ***	6.78
1 December 2005	30 June 2006	4.94	10 ***	6.97
1 July 2006	30 June 2007	5.15	10 ~	7.19
1 July 2007	31 July 2007	5.32	10 ~	7.36
1 August 2007	30 June 2008	5.44	10 ~	7.48
1 July 2008	31 July 2008	5.81	10 ~	7.85
1 August 2008	30 June 2009	5.99	~~	8.03
1 July 2009	30 June 2012	6.42	~~	8.46
1 July 2012		6.52	~~	8.56

\* Revised Fees as determined by the Pharmaceutical Benefits Remuneration Tribunal

\*\* 10% Mark-up applies to items with approved price to pharmacists of less than \$180.00  
 \$18.00 Mark-up applies to items with approved price to pharmacists of between \$180.00 and \$360.00  
 5% Mark-up applies to items with approved price to pharmacists of more than \$360.00

\*\*\* 10% Mark-up applies to items with approved price to pharmacists of less than \$180.00  
 \$18.00 Mark-up applies to items with approved price to pharmacists of between \$180.00 and \$450.00  
 4% Mark-up applies to items with approved price to pharmacists of more than \$450.00

~ As above, except for items with approved price to pharmacists of more than \$1000, to which a \$40 markup applies

~~ 15% Mark-up applied to items with approved price to pharmacists of less than \$30.00  
 \$4.50 Mark-up applies to items with approved price to pharmacists of between \$30.00 and \$45.00  
 10% Mark-up applies to items with approved price to pharmacists of between \$45.00 and \$180.00  
 \$18 Mark-up applies to items with approved price to pharmacists of between \$180.00 and \$450.00  
 4% Mark-up applies to items with approved price to pharmacists of between \$450.00 and \$1750.00  
 \$70 Mark-up applies to items with approved price to pharmacists of more than \$1750.00

Source: Commonwealth Department of Health and Ageing

TABLE 30

## CHANGES IN THE LEVEL OF PATIENT CONTRIBUTION

Date of Change	Amount general	Percentage of average cost of a "general" benefit	Amount concessional	Percentage of average cost of a "concessional" benefit
March 1960	\$0.50	22 %		
November 1971	\$1.00	40 %		
September 1975	\$1.50	51 %		
March 1976	\$2.00	59 %		
July 1978	\$2.50	60 %		
September 1979	\$2.75	60 %		
December 1981	\$3.20	62 %		
January 1983	\$4.00	69 %	\$2.00	34 %
July 1985	\$5.00	73 %	\$2.00	32 %
July 1986	\$5.00	64 %	\$2.00	29 %
November 1986	MAX \$10.00	54 %	\$2.50	27 %
July 1988	MAX \$11.00	51 %	\$2.50	27 %
July 1989	MAX \$11.00	53 %	\$2.50	25 %
July 1990	MAX \$11.00	49 %	\$2.50	23 %
November 1990	MAX \$15.00	55 %	\$2.50	21 %
August 1991	MAX \$15.70	57 %	\$2.50	21 %
October 1991	MAX \$15.70	57 %	\$2.60	22 %
August 1992	MAX \$15.90	45 %	\$2.60	20 %
August 1993	MAX \$16.00	47 %	\$2.60	18 %
August 1994	MAX \$16.20	45 %	\$2.60	16 %
August 1995	MAX \$16.80	45 %	\$2.60	15 %
August 1996	MAX \$17.40	43 %	\$2.70	14 %
January 1997	MAX \$20.00	44 %	\$3.20	16 %
January 1999	MAX \$20.30	40 %	\$3.20	14 %
January 2000	MAX \$20.60	40 %	\$3.30	14 %
January 2001	MAX \$21.90	42 %	\$3.50	14 %
January 2002	MAX \$22.40	42 %	\$3.60	14 %
January 2003	MAX \$23.10	40 %	\$3.70	13 %
January 2004	MAX \$23.70	39 %	\$3.80	12 %
January 2005	MAX \$28.60	48 %	\$4.60	14 %
January 2006	MAX \$29.50	46 %	\$4.70	14 %
January 2007	MAX \$30.70	45 %	\$4.90	14 %
January 2008	MAX \$31.30	46 %	\$5.00	14 %
January 2009	MAX \$32.90	34 %	\$5.30	13 %
January 2010	MAX \$33.30	37 %	\$5.40	14 %
January 2011	MAX \$34.20	35 %	\$5.60	15 %
January 2012	MAX \$35.40	35 %	\$5.80	14 %

TABLE 31

## P B S REMUNERATION PER PRESCRIPTION

Year	Average Price per prescription \$	Mark-up* \$	Average professional fee \$	Average other fees*** \$	Total remuneration * \$	Remuneration as % of Ave. Price	Annual Volume of prescriptions ('000)
1970/71	2.21	0.48	0.34		0.82	37.10	71,487
1971/72	2.46	0.51	0.38		0.89	36.18	72,442
1972/73	2.64	0.56	0.47		1.01	38.26	74,676
1973/74	2.78	0.53	0.65		1.18	42.45	87,288
1974/75	2.99	0.54	0.83		1.37	45.82	97,674
1975/76	3.28	0.60	0.88		1.48	45.12	101,117
1976/77	3.71	0.66	1.04		1.70	45.82	89,705
1977/78	3.93	0.66	1.22		1.88	47.84	93,167
1978/79	4.16	0.59 **	1.35		1.94	46.63	92,963
1979/80	4.38	0.62	1.36		1.98	45.21	89,075
1980/81	4.53 4.65 @	0.66	1.30 1.42 @		1.96 2.08 @	43.27	94,397
1981/82	5.08	0.68	1.62		2.30	45.28	103,574
1982/83	5.61	0.77	1.77		2.54	45.28	105,540
1983/84	5.96	0.79	1.90		2.69	45.13	108,385
1984/85	6.32	0.80	2.14		2.94	46.52	120,829
1985/86	7.01	0.94	2.33		3.27	46.65	119,842
1986/87	8.79 @@	1.26	2.48		3.74	42.55	102,762
1987/88	10.37 @@	1.57	2.53		4.10	39.54	100,901
1988/89	11.51 @@	1.78	2.64		4.42	38.40	100,586
1989/90	12.54 @@	1.99	2.57		4.56	36.40	104,979
1990/91	13.82 @@	1.84	2.84		4.68	33.86	96,300
1991/92	15.46 @@	1.10 **	3.43		4.53	29.30	94,121
1992/93	16.78 @@	1.20	3.60		4.79	28.55	105,953
1993/94	18.18 @@	1.31	3.85		5.16	28.38	115,041
1994/95	19.71 @@	1.43	4.06		5.49	27.85	118,046
1995/96	21.49 @@	1.57	4.27		5.84	27.18	124,205
1996/97	23.19 @@	1.72	4.29		6.01	25.92	123,434
1997/98	24.88 @@	1.87	4.34		6.21	24.96	124,483
1998/99	26.38 @@	1.95	4.34		6.29	23.84	128,348
1999/00	27.82 @@	2.07	4.39		6.46	23.23	137,585
2000/01	30.86 @@	2.34	4.44		6.78	21.96	147,571
2001/02	32.32 @@	2.46	4.53		6.99	21.62	154,530
2002/03	34.28 @@	2.62	4.62		7.24	21.13	158,548
2003/04	35.84 @@	2.68	4.66		7.34	20.48	165,435
2004/05	37.30 @@	2.79	4.70		7.49	20.08	169,877
2005/06	38.75 @@	2.88	4.86		7.74	19.97	167,927
2006/07	39.35 @@	2.86	5.22		8.08	20.53	168,536
2007/08	41.54 @@	2.95	5.50		8.45	20.34	171,296
2008/09	43.37 @@	3.42 **	5.97	0.85	10.24	23.61	181,836
2009/10	45.84 @@	3.60	6.42	1.04	11.06	24.13	183,911
2010/11	46.61 @@	3.61	6.42	0.68	10.71	22.97	188,144
2011/12	46.42 @@	3.56	6.42	0.71	10.69	23.03	194,898

\* Excludes wholesalers' surcharges, discounts and rebates

\*\* Percentage mark-up changed.

\*\*\* PBS Online incentive (August 2008 to June 2010) and Premium-free Dispensing Incentive (August 2008 onwards)

@ Adjusted for retrospective payments.

@@ Not adjusted for General category items under the maximum patient contribution

TABLE 32

HIGHEST GOVERNMENT COST PBS DRUGS BY GENERIC NAME  
(Year ended 30 June 2012)

Ranking	Drug Name	Prescriptions	% of Total Scripts	Government Cost (\$)	% of Total Cost
1	ATORVASTATIN	10,938,553	5.30	621,030,800	8.05
2	ROSUVASTATIN	6,912,417	3.35	371,110,916	4.81
3	RANIBIZUMAB	172,161	0.08	366,081,990	4.75
4	ADALIMUMAB	112,867	0.05	201,031,551	2.61
5	ESOMEPRAZOLE MAGNESIUM TRIHYDRATE	6,013,785	2.91	179,224,210	2.32
6	FLUTICASONE PROPIONATE with SALMETEROL XINAFOATE	3,114,731	1.51	176,606,947	2.29
7	OLANZAPINE	964,998	0.47	162,272,160	2.10
8	CLOPIDOGREL	2,647,632	1.28	146,318,050	1.90
9	ETANERCEPT	73,468	0.04	129,198,282	1.68
10	TIOTROPIUM BROMIDE MONOHYDRATE	1,831,049	0.89	127,711,652	1.66
11	SIMVASTATIN	3,880,673	1.88	117,262,452	1.52
12	QUETIAPINE	814,002	0.39	116,172,135	1.51
13	INSULIN GLARGINE	263,722	0.13	108,524,590	1.41
14	IMATINIB	25,479	0.01	101,435,666	1.32
15	PANTOPRAZOLE SODIUM SESQUIHYDRATE	3,762,728	1.82	95,162,264	1.23
16	VENLAFAXINE HYDROCHLORIDE	2,544,430	1.23	94,336,059	1.22
17	OXYCODONE HYDROCHLORIDE	2,610,736	1.27	86,825,599	1.13
18	EZETIMIBE with SIMVASTATIN	806,531	0.39	81,336,011	1.05
19	AMLODIPINE BESYLATE with ATORVASTATIN CALCIUM	1,162,161	0.56	79,147,433	1.03
20	RISPERIDONE	661,830	0.32	79,021,739	1.02
21	BUDESONIDE with EFORMOTEROL FUMARATE DIHYDRATE	1,535,724	0.74	78,292,933	1.02
22	RABEPRAZOLE SODIUM	2,365,468	1.15	64,463,523	0.84
23	EZETIMIBE	1,069,963	0.52	63,084,778	0.82
24	IRBESARTAN	3,076,455	1.49	62,758,809	0.81
25	OMEPRAZOLE	2,432,404	1.18	62,512,091	0.81
26	IRBESARTAN with HYDROCHLOROTHIAZIDE	2,446,820	1.19	61,965,735	0.80
27	VALACICLOVIR	426,502	0.21	60,875,453	0.79
28	PARACETAMOL	5,321,335	2.58	58,559,259	0.76
29	GOSERELIN ACETATE	67,635	0.03	58,398,627	0.76
30	FENTANYL	619,645	0.30	54,031,641	0.70
31	BUPRENORPHINE	1,189,736	0.58	53,761,566	0.70
32	PERINDOPRIL	3,926,093	1.90	53,560,558	0.69
33	LATANOPROST	1,514,199	0.73	50,754,478	0.66
34	CANDESARTAN CILEXETIL	2,219,002	1.08	49,653,002	0.64
35	MESALAZINE	206,034	0.10	48,643,716	0.63
36	VARENICLINE	376,790	0.18	45,692,113	0.59
37	INSULIN ASPART	190,247	0.09	44,795,236	0.58
38	LEUPRORELIN ACETATE	35,489	0.02	43,228,470	0.56
39	ENOXAPARIN SODIUM	398,094	0.19	40,002,226	0.52
40	INSULIN ASPART-INSULIN ASPART PROTAMINE SUSPENSION	158,276	0.08	39,638,868	0.51
41	INTERFERON BETA-1a	37,970	0.02	39,363,772	0.51
42	FAMCICLOVIR	173,982	0.08	38,587,180	0.50
43	DONEPEZIL HYDROCHLORIDE	257,307	0.12	38,564,997	0.50
44	DESVENLAFAXINE SUCCINATE	1,222,487	0.59	37,726,045	0.49
45	METFORMIN HYDROCHLORIDE	3,422,130	1.66	37,656,914	0.49
46	DULOXETINE HYDROCHLORIDE	1,039,685	0.50	37,450,404	0.49
47	TELMISARTAN	1,816,678	0.88	36,393,499	0.47
48	BISOPROLOL FUMARATE	698,541	0.34	35,124,200	0.46
49	CLOPIDOGREL with ASPIRIN	553,742	0.27	34,711,242	0.45
50	SERTRALINE	1,795,706	0.87	34,475,923	0.45
		<b>89,908,092</b>	<b>43.57</b>	<b>4,904,537,762</b>	<b>63.60</b>

TABLE 33

MOST FREQUENTLY PRESCRIBED PBS DRUGS BY GENERIC NAME  
(Year ended 30 June 2012)

Ranking	Drug Name	Prescriptions	% of Total Scripts	Government Cost (\$)	% of Total Cost
1	ATORVASTATIN	10,843,208	5.30	621,030,800	8.05
2	ROSUVASTATIN	6,070,583	3.35	371,110,916	4.81
3	ESOMEPRAZOLE MAGNESIUM TRIHYDRATE	5,762,652	2.91	179,224,210	2.32
4	PARACETAMOL	4,720,051	2.58	58,559,259	0.76
5	PERINDOPRIL	4,210,670	1.90	53,560,558	0.69
6	SIMVASTATIN	3,936,567	1.88	117,262,452	1.52
7	PANTOPRAZOLE SODIUM SESQUIHYDRATE	3,468,825	1.82	95,162,264	1.23
8	METFORMIN HYDROCHLORIDE	3,273,369	1.66	37,656,914	0.49
9	FLUTICASONE PROPIONATE with SALMETEROL XINAFOATE	3,050,906	1.51	176,606,947	2.29
10	IRBESARTAN	3,027,528	1.49	62,758,809	0.81
11	ATENOLOL	3,006,820	1.45	15,652,783	0.20
12	SALBUTAMOL SULFATE	2,826,928	1.38	31,505,749	0.41
13	CEPHALEXIN	2,749,202	1.32	15,882,138	0.21
14	WARFARIN SODIUM	2,705,532	1.29	23,301,197	0.30
15	CLOPIDOGREL	2,646,718	1.28	146,318,050	1.90
16	OXYCODONE HYDROCHLORIDE	2,578,836	1.27	86,825,599	1.13
17	VENLAFAXINE HYDROCHLORIDE	2,545,970	1.23	94,336,059	1.22
18	AMOXYCILLIN	2,537,256	1.22	13,670,166	0.18
19	RAMIPRIL	2,535,581	1.20	32,644,021	0.42
20	IRBESARTAN with HYDROCHLOROTHIAZIDE	2,513,281	1.19	61,965,735	0.80
21	OMEPRAZOLE	2,481,099	1.18	62,512,091	0.81
22	RABEPRAZOLE SODIUM	2,385,006	1.15	64,463,523	0.84
23	CODEINE PHOSPHATE with PARACETAMOL	2,323,902	1.14	15,702,733	0.20
24	AMLODIPINE	2,276,251	1.10	31,737,423	0.41
25	CANDESARTAN CILEXETIL	2,154,456	1.08	49,653,002	0.64
26	AMOXYCILLIN with CLAVULANIC ACID	1,889,848	0.97	17,999,369	0.23
27	TEMAZEPAM	1,863,615	0.89	6,452,145	0.08
28	TIOTROPIUM BROMIDE MONOHYDRATE	1,773,017	0.89	127,711,652	1.66
29	TELMISARTAN	1,736,742	0.88	36,393,499	0.47
30	SERTRALINE	1,715,084	0.87	34,475,923	0.45
31	TRAMADOL HYDROCHLORIDE	1,682,522	0.86	23,228,289	0.30
32	LERCANIDIPINE HYDROCHLORIDE	1,681,359	0.86	22,997,590	0.30
33	DIAZEPAM	1,656,881	0.81	5,528,497	0.07
34	MELOXICAM	1,642,352	0.78	27,418,002	0.36
35	BUDESONIDE with EFORMOTEROL FUMARATE DIHYDRATE	1,504,065	0.74	78,292,933	1.02
36	LATANOPROST	1,461,975	0.73	50,754,478	0.66
37	METOPROLOL TARTRATE	1,437,023	0.73	9,783,445	0.13
38	GLICLAZIDE	1,434,344	0.72	15,157,823	0.20
39	FRUSEMIDE	1,425,440	0.71	7,376,834	0.10
40	ESCITALOPRAM	1,244,837	0.66	24,764,977	0.32
41	MIRTAZAPINE	1,225,569	0.62	31,974,561	0.41
42	AMITRIPTYLINE HYDROCHLORIDE	1,224,712	0.61	5,679,643	0.07
43	DESVENLAFAXINE SUCCINATE	1,177,881	0.59	37,726,045	0.49
44	BUPRENORPHINE	1,175,119	0.58	53,761,566	0.70
45	PERINDOPRIL with INDAPAMIDE HEMIHYDRATE	1,166,815	0.57	27,420,032	0.36
46	ASPIRIN	1,152,347	0.57	5,447,026	0.07
47	AMLODIPINE BESYLATE with ATORVASTATIN CALCIUM	1,120,499	0.56	79,147,433	1.03
48	CITALOPRAM HYDROBROMIDE	1,098,084	0.54	21,103,108	0.27
49	CELECOXIB	1,072,360	0.54	31,177,000	0.40
50	ROXITHROMYCIN	1,062,815	0.53	7,499,986	0.10
		<b>122,256,502</b>	<b>59.25</b>	<b>3,308,375,251</b>	<b>42.90</b>

TABLE 34

## POPULATION TO PHARMACY RATIOS IN AUSTRALIA

YEAR (30 JUNE)	POPULATION *	NUMBER OF PHARMACIES	POPULATION : PHARMACY RATIO
1970	12,663,469	5,876	2,155
1975	13,893,000	5,566	2,496
1980	14,695,400	5,417	2,713
1985	15,788,300	5,484	2,879
1986	16,018,400	5,549	2,887
1987	16,263,300	5,559	2,926
1988	16,532,200	5,609	2,947
1989	16,814,400	5,612	2,996
1990	17,065,100	5,625	3,034
1991	17,284,000	5,351	3,230
1992	17,489,100	5,091	3,435
1993	17,656,400	5,018	3,519
1994	17,847,400	4,980	3,584
1995	18,063,300	4,949	3,650
1996	18,310,714	4,953	3,697
1997	18,532,247	4,954	3,741
1998	18,730,359	4,952	3,782
1999	18,871,800	4,942	3,819
2000	19,080,200	4,925	3,874
2001	19,334,200	4,925	3,926
2002	19,657,400	4,926	3,991
2003	19,757,900	4,907	4,026
2004	20,009,000	4,910	4,075
2005	20,281,400	4,921	4,121
2006	20,551,500	4,951	4,151
2007	20,948,900	4,992	4,196
2008	21,282,600	5,005	4,252
2009	21,779,100	5,046	4,316
2010	22,271,900	5,088	4,377
2011	22,475,100	5,167	4,350
2012	22,485,340	5,240	4,291

TABLE 35

## TRENDS IN POPULATION TO PHARMACY RATIOS

30 JUNE 2011				30 JUNE 2012			
STATE OR TERRITORY	POPULATION ('000)	NUMBER OF PHARMACIES	POPULATION/PHARMACY	POPULATION ('000)	NUMBER OF PHARMACIES	POPULATION/PHARMACY	% Change in Population to Pharmacy Ratios
<b>NSW</b>	7,272.2	1,738	4,184	7,247.6	1,762	4,113	-1.7
<b>VIC</b>	5,585.6	1,204	4,639	5,574.4	1,226	4,547	-2.0
<b>QLD</b>	4,548.7	1,052	4,324	4,513.0	1,048	4,306	-0.4
<b>SA</b>	1,650.4	418	3,948	1,645.0	423	3,889	-1.5
<b>WA</b>	2,317.1	521	4,447	2,387.2	540	4,421	-0.6
<b>TAS</b>	509.3	139	3,664	511.7	141	3,629	-1.0
<b>NT</b>	229.9	31	7,416	232.3	32	7,259	-2.1
<b>ACT</b>	361.9	64	5,655	370.7	68	5,451	-3.6
<b>AUSTRALIA</b>	22,475.1	5,167	4,350	22,485.3	5,240	4,291	-1.3

TABLE 36

PHARMACIES DISPENSING PHARMACEUTICAL BENEFITS  
STATES AND TERRITORIES 1996 TO 2012

(Number at 30 June)

STATE OR TERRITORY	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>NSW</b>	1,731	1,729	1,727	1,724	1,723	1,722	1,727	1,709	1,699	1,702	1,705	1,708	1,722	1,731	1,731	1,738	1,762
<b>VIC</b>	1,200	1,190	1,181	1,169	1,159	1,161	1,159	1,160	1,160	1,165	1,166	1,170	1,161	1,170	1,184	1,204	1,226
<b>QLD</b>	942	952	959	959	954	951	948	944	953	952	963	987	987	1,011	1,017	1,052	1,048
<b>SA</b>	386	385	383	386	386	387	385	386	389	391	399	400	407	404	414	418	423
<b>WA</b>	467	470	474	477	478	479	480	484	489	492	502	509	508	508	516	521	540
<b>TAS</b>	143	144	143	140	140	140	140	139	135	134	131	133	132	131	133	139	141
<b>NT</b>	26	27	27	28	28	28	30	28	28	27	27	26	27	29	30	31	32
<b>ACT</b>	58	57	58	59	57	57	57	57	57	58	58	59	61	62	63	64	68
<b>AUSTRALIA</b>	4,953	4,954	4,952	4,942	4,925	4,925	4,926	4,907	4,910	4,921	4,951	4,992	5,005	5,046	5,088	5,167	5,240

Source: Medicare Australia

TABLE 37

## PRICING AND EARNING INDICES

YEAR	CONSUMER PRICE INDEX (a)				AVERAGE (b) WEEKLY EARNINGS	
	ALL GROUPS		PHARMACEUTICALS		\$ AMOUNT	% CHANGE
	INDEX	% CHANGE	INDEX	% CHANGE		
1980-81	100.0		100.0		281.40	
JUNE 82	114.5	14.5	116.7	16.7	316.00	12.3
JUNE 83	127.3	11.2	137.3	17.7	347.30	9.9
JUNE 84	132.3	3.9	146.6	6.7	383.80	10.5
JUNE 85	141.1	6.7	154.0	5.1	397.20	3.5
JUNE 86	153.0	8.4	177.0	14.9	425.50	7.1
JUNE 87	167.2	9.3	202.4	14.4	450.90	6.0
JUNE 88	179.0	7.1	221.4	9.4	481.70	6.8
JUNE 89	192.6	7.6	233.5	5.4	519.10	7.8
JUNE 90	207.4	7.7	246.4	5.6	555.80	7.1
JUNE 91	214.4	3.4	261.0	5.9	569.90	2.5
JUNE 92	217.0	1.2	267.7	2.6	597.40	4.8
JUNE 93	221.1	1.9	274.2	2.4	612.50	2.5
JUNE 94	224.9	1.7	279.8	2.0	625.10	2.1
JUNE 95	235.0	4.5	287.9	2.9	652.70	4.4
JUNE 96	242.3	3.1	297.2	3.2	671.50	2.9
JUNE 97	243.1	0.3	311.5	4.8	687.10	2.3
JUNE 98	244.7	0.7	313.8	0.7	714.50	4.0
JUNE 99	247.3	1.1	311.8	-0.7	735.10	2.6
JUNE 00	255.3	3.2	314.5	0.9	760.00	3.4
JUNE 01	270.6	6.0	327.7	4.2	789.40	3.9
JUNE 02	278.3	2.8	331.2	1.1	826.10	4.6
JUNE 03	285.8	2.7	341.1	3.0	872.10	5.6
JUNE 04	292.8	2.5	349.2	2.4	891.20	2.2
JUNE 05	300.1	2.5	367.1	5.1	942.70	5.8
JUNE 06	312.0	4.0	378.9	3.2	985.10	4.5
JUNE 07	318.5	2.1	384.4	1.5	1038.40	5.4
JUNE 08	332.9	4.5	389.5	1.3	1072.30	3.3
JUNE 09	337.7	1.5	400.9	2.9	1109.80	3.5
JUNE 10	348.4	3.2	389.8	-2.8	1183.40	6.6
JUNE 11	360.6	3.5	392.0	0.6	1241.80	4.9
JUNE 12	364.8	1.2	394.4	0.6	1273.80	2.6

(a) Weighted average of eight capital cities. (1980-81 = 100.0)

(b) All Males.