

Annual Report 2025/26



Comments from our CEO and Chair

CEO's comment

Everything Community Pharmacy England does is focused on securing a stronger future for the sector, guided by our expert team and Committee Members who understand first hand the realities of having a pharmacy. In 2025/26, we continued to work intensively to reduce the pressures that you're facing.

Through constructive relationships with the new Government, we secured more than £1 billion in additional funding across 2024/25 and 2025/26, and prioritised uplifts to the Single Activity Fee (SAF) and margin as core resources for your businesses. We addressed medicines supply challenges through significant margin write-offs, thousands of price concessions, and wider support measures. And we safeguarded the key principles of an effective community pharmacy network by protecting patient choice and securing measures that support a fair and level playing field.

Watch [Janet's full comments](#) here:



We also championed community pharmacy's growing role in patient care, placing the sector at the heart of Government ambitions for the NHS, including the 10 Year Health Plan. We demonstrated pharmacy's value through our economic work, while highlighting your pressures in the media, as well as to Parliament and critical policy opinion makers.

Across the year we ushered in new service opportunities for childhood flu vaccinations, emergency contraception, and the addition of antidepressants to the New Medicine Service (NMS). Meanwhile hardworking and resilient pharmacy teams delivered more than one billion prescription items and millions of NHS clinical service consultations, while Pharmacy First continued to demonstrate the benefits of accessible, clinical advice on every high street.

Of course there is still significant work to do, so we will continue to be steadfast in pushing for investment, reform and recognition, while keeping the voices of pharmacy owners at the heart of what we do. Thanks for your dedication and for contributing to our work, whether through inputting to our surveys, raising issues or supporting your representatives on the Committee.

**Janet Morrison OBE,
Chief Executive**

Chair's comment

My first year as Chair of Community Pharmacy England has reinforced two convictions: the critical role community pharmacy plays in supporting the nation's health and the importance of ensuring the sector has the support it needs to remain sustainable and thrive.

Although I have been a passionate supporter of community pharmacy for many years – particularly when I worked as a Director of Public Health – my time with Community Pharmacy England has given me an even greater appreciation of the complexity of the Contractual Framework and the discrepancies in support with other parts of the primary healthcare system. I want to use my role to further highlight the experience and skill which community pharmacists contribute to frontline services.

A key lesson from my first year has been the importance and true value of hearing directly from Committee Members, pharmacy owners and LPCs. Through visits, engagement events, surveys and polling, I have seen how that engagement and feedback help inform the Committee's discussions, priorities

and engagement with Government. As Independent Chair, I am committed to ensuring that evidence and sector views continue to inform decision-making and representation.

Strong representation matters. A multitude of voices and perspectives across community pharmacy will ensure a breadth of experience and views are heard, and shared solutions and suggestions can be put forward knowing there is strong sectoral support behind them.

Looking ahead, it's undeniable that there are significant pressures facing community pharmacy alongside a trajectory of much greater opportunity. Realising that potential will require practical support to deliver safe, sustainable and high-quality services. The Committee's priorities therefore remain focused on securing a strong, supported and sustainable sector and continuing to work tirelessly on behalf of community pharmacy.

**Professor Dame Jenny Harries DBE DL,
Chair**

Watch [Jenny's full comments](#) here:



Contents

The year in review 6

Impact 9

Strategy 15

Support 19

Annual accounts 27

Outlook 29

The year in review

A timeline of key moments in 2025/26

2025

April

MPs briefed on landmark funding settlement

Following the £3.073 billion funding settlement, MPs hear about what the funding uplift means in the context of the independent economic analysis at our Parliamentary event.

May

Charity backs lung health role for pharmacy

Backed by public polling, and working jointly with the Taskforce for Lung Health, we launch a plan to expand community pharmacy respiratory services, ease NHS winter pressures, and improve patient access to lung care.



June

Medicines supply issues 'distressing new normal', Pressures Survey confirms

Our Medicines Supply Report finds that medicines shortages remain a major challenge, with 95% of pharmacy teams reporting that patients are being inconvenienced and 73% warning of risks to patient health.

Simpler way of changing core hours comes into effect

A new application route giving pharmacy owners more scope to amend their core opening hours, secured under the 2025/26 Community Pharmacy Contractual Framework (CPCF) settlement, is introduced.

July

Government publishes highly anticipated 10 Year Plan for Health

Outlining an expanded role for community pharmacy in managing long-term conditions and delivering vaccinations. This is broadly aligned to Community Pharmacy England's aspirations and followed months of work influencing the plan's development.



Regional Roadshow Season

At nine regional workshops, we listen to pharmacy owners' views and experiences to help inform the future direction of the CPCF.

August

September

45% of pharmacy owners dipping into personal savings

Our Funding and Profitability Report highlights the financial pressures facing pharmacy owners, with many using personal savings or remortgaging their homes to subsidise their pharmacies, attracting widespread national media coverage.

Community Pharmacy England appoints new Chair

Bringing a wealth of expertise from working in public health across all levels of Government, Professor Dame Jenny Harries DBE DL, former Deputy Chief Medical Officer for England, becomes non-executive Chair of the Committee.

October

Pharmacy services expand to support more patients

Strategic service expansions begin, with antidepressants added to NMS, provision of emergency contraception through the Pharmacy Contraception Service, and a trial of flu vaccinations for two- and three-year-olds.

November

New representatives join Community Pharmacy England Committee

Three new members join the Committee to ensure all categories of pharmacy owners are appropriately represented, alongside work to further strengthen governance.



LPC Conference considers the future

Local pharmacy leaders come together to discuss NHS reform, the future of the CPCF and independent prescribing, before joining NHS leaders, charities, think tanks and patient representatives at a stakeholder reception to launch *A Prescription for Success*.



December

Polling reveals abuse of pharmacy teams has become a regular occurrence

In a winter poll, more than half of pharmacies report verbal abuse towards staff in the previous six months, with 75% experiencing it at least weekly. A further 6% reported physical assaults, prompting our call for stronger protections for pharmacy teams and zero tolerance of abuse and violence.

2026

January

We push Ministers for a recovery roadmap ahead of critical negotiations

Ahead of CPCF negotiations, our Chief Executive Janet Morrison warns Government that pharmacies were entering 2026 “in real economic peril” and calls for an urgent recovery plan.

February

Negotiations begin on the 2026/27 Contractual Framework

Community Pharmacy England enters negotiations on the 2026/27 CPCF, covering core funding, service development and wider contractual arrangements. The negotiations went on to secure a 10% funding uplift, announced in May 2026.



Tackling activities that contravene patient choice

We share progress in our workstream with NHS England, the British Medical Association, and IT suppliers, to tackle inappropriate Electronic Prescription Service (EPS) nomination practices and service direction, reinforcing patient choice.

March

Price concessions numbers top 200

A record 201 price concessions are granted in March, highlighting growing volatility in the medicines supply chain. Our detailed negotiations secure improved prices, whilst we continue to argue for fair medicines pricing to support pharmacy owners.

Impact

Delivering change for community pharmacy

During 2025/26, Community Pharmacy England continued to work intensively to reduce the significant financial and operational pressures that pharmacy owners across the sector were facing.

Our focus was on evidencing the challenges facing the sector, making the case for positive change and investment, and securing outcomes that support sustainability and the future.

Securing CPCF investment

Community Pharmacy England secured a landmark CPCF settlement for 2024/25 and 2025/26, taking annual CPCF funding to £3.073 billion. The settlement implemented in 2025/26 represented the largest funding uplift for any part of the NHS at the time, with total funding increasing by more than 30% compared with 2023/24.

Following negotiations towards the end of the 2025/26 financial year, a further funding uplift of 10% was secured and announced in May 2026, alongside a commitment to reform. This settlement represented one of the largest funding uplifts across the NHS and demonstrated Government recognition of the need to improve the financial position of community pharmacy, despite not being enough to close the funding gap. The agreement included channelling funding through the Single Activity Fee, a significant margin write-off, the gradual introduction of Independent Prescribing and, most importantly, a shared programme of reform with Government and NHS England.

In the past two years...



Funding

- Added £1 billion+ to core funding through CPCF negotiations
- Secured c. £300 million of margin write-offs
- In 2025/26, put £153 million back in pharmacy owners' pockets via price concession applications



Development

- Secured multiple service opportunities: emergency contraception, independent prescribing, and childhood flu and Meningitis B vaccinations
- Influenced and spearheaded policy conversations on the 10 Year Health Plan
- Tackled inappropriate EPS nomination practices and service direction to protect pharmacies and patient choice

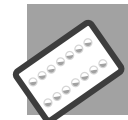


Recognition

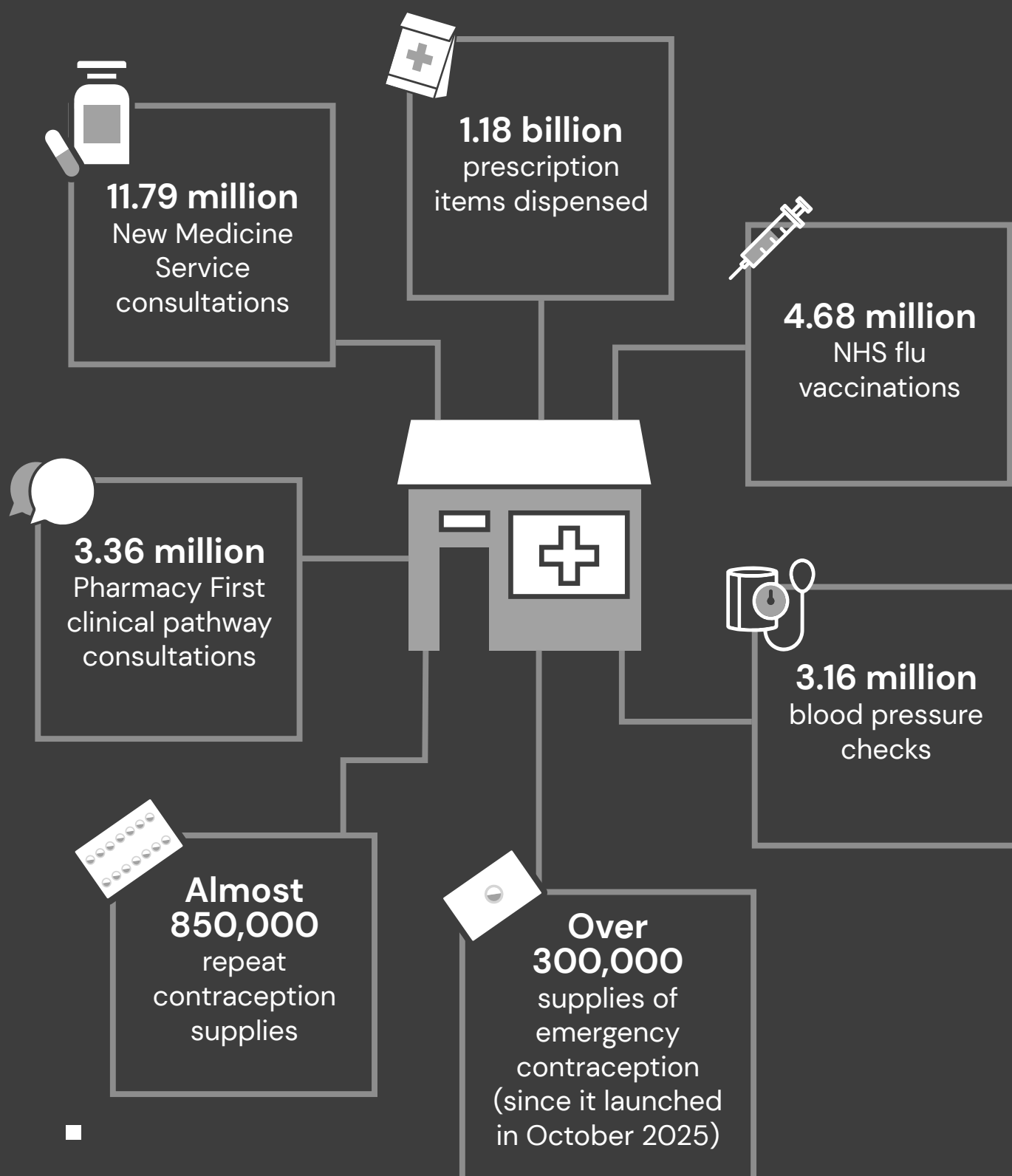
- Achieved recognition and quantification of funding challenges via the independent economic review we called for and shaped
- All key party general election manifestos mentioned community pharmacy
- Quantified the value of investing in pharmacies with our detailed economic analysis work
- Clear Government commitment to reform and sustainability in 2026/27 CPCF

Growing pharmacy services

Throughout 2025/26, we continued to work hard to develop and improve national pharmacy services, working with NHS England and others to shape service specifications, operational arrangements and implementation. This included two long-sought service expansions: the introduction of emergency contraception in the Pharmacy Contraception Service and the addition of antidepressants to NMS. We also supported the piloting of a Childhood Flu Vaccination Service for those aged 2 to 3 years, which has subsequently been extended into 2026/27.



What pharmacies delivered in 2025/26



Importantly, Community Pharmacy England successfully negotiated the introduction of an intermediate band for Pharmacy First payments to more appropriately reward activity levels, and implemented a more streamlined claims process for the Discharge Medicines Service. Alongside a number of service fee increases for 2025/26, we also refined the Pharmacy First clinical pathways and secured clarification that NMS cannot be subcontracted to third-party providers, helping protect the integrity of the service. And work to press for greater flexibility in how pharmacists can be deployed continued, supporting workforce resilience as well as service delivery.

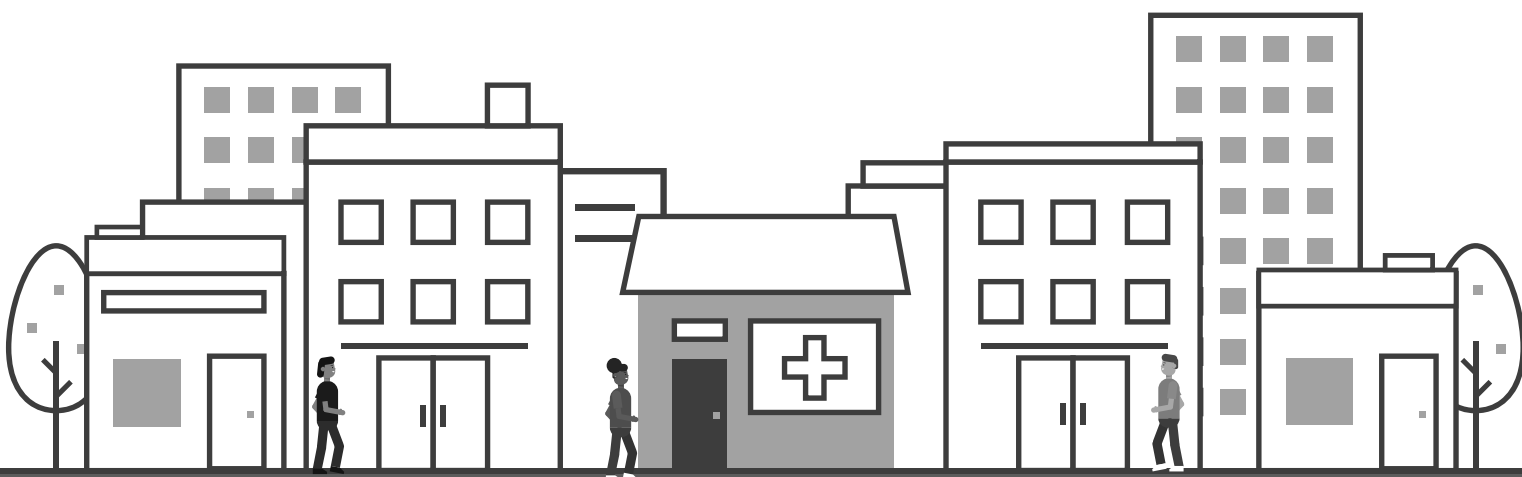


Further developments were agreed ahead of the 2026/27 Adult Flu and COVID-19 Vaccination Services, including increased fees, changes to the service delivery model and the introduction of a joint service specification.

Protecting patient choice

Working with NHS England, the British Medical Association and IT suppliers, we took steps to tackle inappropriate EPS nomination practices and service direction, reinforcing patient choice by revising NHS nomination guidance and protocols. We also developed a patient-facing website which could be used by GP practices to provide information and encourage use of the NHS pharmacy and service finder tools.

This work led to the inclusion of a pledge to protect patient choice of pharmacy in the 2026/27 GP Contract and a strengthening of EPS nomination standards by NHS England.



An enormous amount of Community Pharmacy England's resource went into monitoring the medicines market, the pricing and categorisation of products supplied on NHS prescription, and the reimbursement of pharmacies. This critical ongoing process of review, challenge and negotiation saved pharmacy teams millions of pounds in 2025/26 through concessions, category reclassifications and other price adjustments.

We also continued our important prescription auditing and margins survey work, providing assurance on reimbursement and supporting wider funding analysis. Systems were adapted to incorporate monitoring delivery of vaccination, contraception and blood pressure services, and to reflect pricing changes.

The delivery of medicines margin has been a source of contention for community pharmacy for some time. Our efforts to compel the Government to address this, alongside tackling an increasingly volatile medicines supply chain, began to have an effect. During negotiations for the 2026/27 settlement, £200 million was added to the margin allowance and, in response to our representations, Government also wrote off margin over-delivery earned up to the end of March 2026 – saving pharmacy owners up to £239 million more in recovery.

Margin, Drug Tariff, pricing and reimbursement

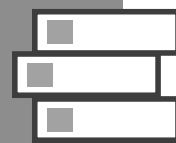
1,442 price concessions increasing reimbursement prices by **£153 million**. A record **201** improved prices granted in March 2026.

98 products granted Discount Not Deducted (DND) status, generating **£2.28** million in savings.

61 products reclassified as special containers, improving patient safety and reducing dispensing losses.

80 products affected by reimbursement price adjustments, generating around **£1 million** in savings.

£150 million in service advance payments to improve cashflow for several clinical services.



Raising pharmacy's profile

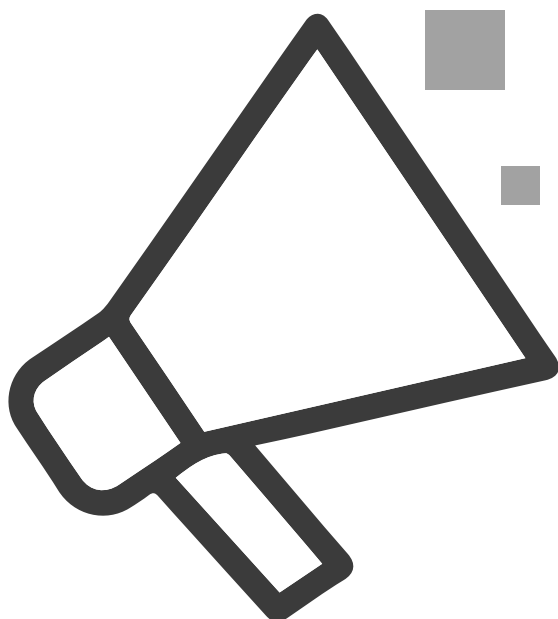
A key part of our work in 2025/26 was ensuring community pharmacy had a strong voice in national health policy discussions.



We spearheaded policy conversations on the Government's 10 Year Health Plan at all three major party conferences, including through our panel event with then Pharmacy Minister Stephen Kinnock MP. The discussions fed into a published report, helping position community pharmacy at the centre of debates about neighbourhood health services. Direct engagement tactics, including through LPCs and in our Parliamentary events – such as a joint event with other primary care representatives – further cemented pharmacy's capabilities and needs to decision-makers and those who influence them.

We also commissioned and promoted A Prescription for Success, a plan to make community pharmacy a cornerstone of neighbourhood health, and used this to support engagement with policymakers and stakeholders across the health system.

Policy and regulation were shaped by our responses to key national consultations, and Community Pharmacy England representatives gave evidence to several Parliamentary inquiries. From cashflow constraints and proposed charges for controlled drug disposal through to an expanding role in national vaccination programmes, we made sure community pharmacy wasn't forgotten.



Strategy

Helping shape a stronger future for community pharmacy

Community Pharmacy England's strategy throughout 2025/26 was focused on one overarching objective: working towards a sustainable future for the community pharmacy sector. We want to see a clinically focused, accessible and financially sustainable network of pharmacies supporting patients, local communities and the wider NHS.

At a time of significant change across the NHS and wider health system we worked closely with Government, NHS England and policy influencers to ensure that community pharmacy remained central to discussions about the future of primary care and plans to bring care closer to home. Our work combined wide political stakeholder engagement and building strong Ministerial relationships, with in-depth economic analysis as well as direct negotiation to build recognition of the value of community pharmacy and the urgent need for reform and investment.

Evidence-based advocacy, financial analysis and stakeholder engagement were used to further increase CPCF funding and cement community pharmacy's role in the NHS.



Building the case for investment

Throughout the year, we engaged with key Government processes which could influence the outlook for pharmacy, including discussions on the 10 Year Health Plan and responding to critical consultations such as that on pharmacist flexibilities. We consistently demonstrated how community pharmacy can help address challenges across the health system and deliver on Government objectives by improving access to care, if only it has the appropriate support and enablers to do so.

We built on the positive vision for the future, showing how investment in community pharmacy could support wider NHS objectives and deliver even greater value for patients at a neighbourhood level. And we shared the economic benefits of investing in community pharmacy far and wide: through our Parliamentary events, in national media work, and at the wide range of policy events that we took part in.

Highlighting the risks

A critical element of our strategy was developing and presenting robust evidence on the financial realities facing community pharmacy, warning Government what was at stake if it did not deliver on its promise of a sustainable future for the sector.

Our policy, economic and finance teams undertook extensive analysis of operating costs, funding pressures, medicines supply challenges and wider market conditions. We also commissioned economic projects, expanded our research capacity and brought primary care bodies together to support calls for a secure financial future.

Our Economic Projects

Independent experts PA Consulting led on 3 strategic projects.



Modelling the implications
of varying funding scenarios



Exploring potential
reforms to the margin system



Considering
alternative funding models

Thank you to everyone who took part in our annual Pharmacy Pressures Survey and regular sector polling, providing crucial insights from pharmacy owners and reinforcing the case for urgent action to stabilise the sector.

Influencing for a better tomorrow

While securing a better CPCF settlement for 2025/26 was our key short-term strategic goal, throughout the year we continued to look further ahead, ensuring that community pharmacy is well positioned for future policy developments and contractual discussions.

We continued to influence the Government's 10 Year Health Plan for England, and the final version reflected several priorities long championed by Community Pharmacy England, including a larger role for pharmacies in prevention, vaccination delivery, long-term condition management and neighbourhood health services. Following the publication of the plan we hosted discussions with policy groups in both Westminster and around the country to further build the case for investment in pharmacies to support its implementation.

We also strengthened our relationships with decision-makers, maintained a strong presence in national policy debates such as medicines supply and vaccination programmes, and continued to champion the sector's role in the moves towards prevention and localism. We held Government to its commitment to a sustainable future for community pharmacy through Parliamentary and policy work. And our Committee discussions and stakeholder engagement focused on preparing for the future and ensuring that the sector's priorities – such as the need for a roadmap to recovery – remained firmly on the national agenda.

Listening

Community Pharmacy England's work is driven by the voices of community pharmacy owners. As well as the chance to input via regular polling and digital events, we held nine regional, in-person Future of Pharmacy workshops across England in July, giving pharmacy owners the opportunity to share their experiences, concerns and ideas for the future. The workshops – which 99% of attendees would recommend to others – formed an important part of our preparations for the next round of CPCF negotiations and helped inform our strategic priorities.

Advocating for the sector in 2025/26

Over **2,900** pharmacy owners and **900** pharmacy team members across England, responded to our 2026 Pharmacy Pressures Survey

Over **240** pharmacy owners attended our nine in-person Future of Pharmacy workshops

Over **200** Parliamentary mentions and MP meetings

Over **120** engagements with external stakeholders through public affairs activity

Over **50** MPs attended our Parliamentary events

Over **150** national media requests and interactions and over 65 national media mentions



By combining evidence, influence, negotiation and strategic leadership, Community Pharmacy England has worked to improve the immediate outlook for pharmacies while helping shape a more sustainable future for the sector. Although significant challenges remain, the progress made during 2025/26 has strengthened the foundations for continued investment, reform and growth in community pharmacy.

Support

Delivering change for community pharmacy

Our support for pharmacy owners and Local Pharmaceutical Committees (LPCs) continued to expand in 2025/26.

Supporting pharmacy owners

Alongside our work on CPCF implementation, we continued to help pharmacy owners navigate changes affecting their businesses, including the funding, service and regulatory developments that affect day-to-day pharmacy operations.

Engagement in numbers



Informed
2.9 million
visitors to
our website



Reached
445,700
social media
feeds through
our posts



3,460+ were
informed by our
webinars, and our
Funding &
Reimbursement
Shorts were
viewed **10,000+**
times



Responded to
5,550+ calls and
emails from
pharmacy
owners and
LPCs



150+ newsletters
(including news
alerts) kept
pharmacy owners
and teams
up-to-date



350+ CPCF
related briefings,
news stories,
checklists and
reminders
supported the
sector

Information and guidance related to dispensing and supply

We negotiated important changes to the Drug Tariff which informs pharmacy payments and provided crucial support with implementation of new arrangements.



Updates: Regularly shared information on pricing updates and other amendments to the Drug Tariff, and on stock shortages.



Funding & Reimbursement Shorts: Produced eight new videos, providing helpful information on topics including prescription switching, referred-back and disallowed items, out-of-pocket expenses and more.



Guidance: Developed new resources to explain the extension of the 'FS' endorsement, the new Category H and how to reconcile payments using the monthly Prescription Item Report. We were regularly told that our efforts were valued as a useful source of information.



Supporting NHS service delivery

We helped pharmacy owners and their teams prepare for new and expanded NHS services by providing regular updates, guidance and resources regarding the changes:

- **New Medicine Service:** Ensured the service specification was appropriate when depression was added as an eligible area for the service and published materials to support its implementation.
- **Childhood Flu Vaccination Service:** Supported the introduction of a one-season trial for children aged two to three, including work on the service specification and Patient Group Direction (PGD). We also published resources and hosted a webinar with NHS England that attracted more than 750 attendees, helping them prepare to deliver the service.
- **Pharmacy Contraception Service (PCS):** Supported the addition of emergency contraception and the introduction of provision by pharmacy technicians. We worked with NHS England on the service specification and PGDs, as well as publishing materials to help pharmacy teams implement the changes.
- **Seasonal Vaccination Service:** Worked with NHS England to deliver a webinar to help prepare for the introduction of the new combined COVID-19 and Adult Flu Vaccination Service.
- **Pharmacy Quality Scheme (PQS):** Published materials to help pharmacies meet the requirements of the 2025/26 scheme.





Guiding on regulatory and contractual topics

We supported pharmacy owners through regulatory and contractual changes, helping to ease some day-to-day processes by providing practical guidance and helping them understand what the changes meant for their businesses.

- **Hub and spoke:** Supported the introduction of new arrangements allowing core dispensing activities to be shared between different retail pharmacy businesses, while helping shape safeguards around implementation.
- **Distance Selling Pharmacies (DSPs):** Explained changes restricting the provision of directed services face-to-face from DSP premises while preserving permitted remote and off-site provision.
- **Sexual Safety Charter:** Provided practical information on NHS England's Sexual Safety Charter and clarified its status within pharmacy contractual requirements.
- **Temporary suspension notifications:** Supported the move to use the Manage Your Service (MYS) portal as the single route for notifying Integrated Care Boards (ICBs) of temporary suspensions (closures), helping simplify the process.

Improving pharmacy digital capabilities

During 2025/26, we worked with NHS IT teams and system suppliers to improve digital systems, reduce manual processes and ensure pharmacy's needs were reflected in wider NHS digital development.



Digital services: Supported NHS App prescription notifications, prescription tracking, EPS developments and the rollout of EPS to prison prescribers.



Interconnected systems: Supported the NHS Booking and Referral Standard (BaRS), GP Connect and development of the Single Patient Record, while helping secure continued investment in pharmacy IT.



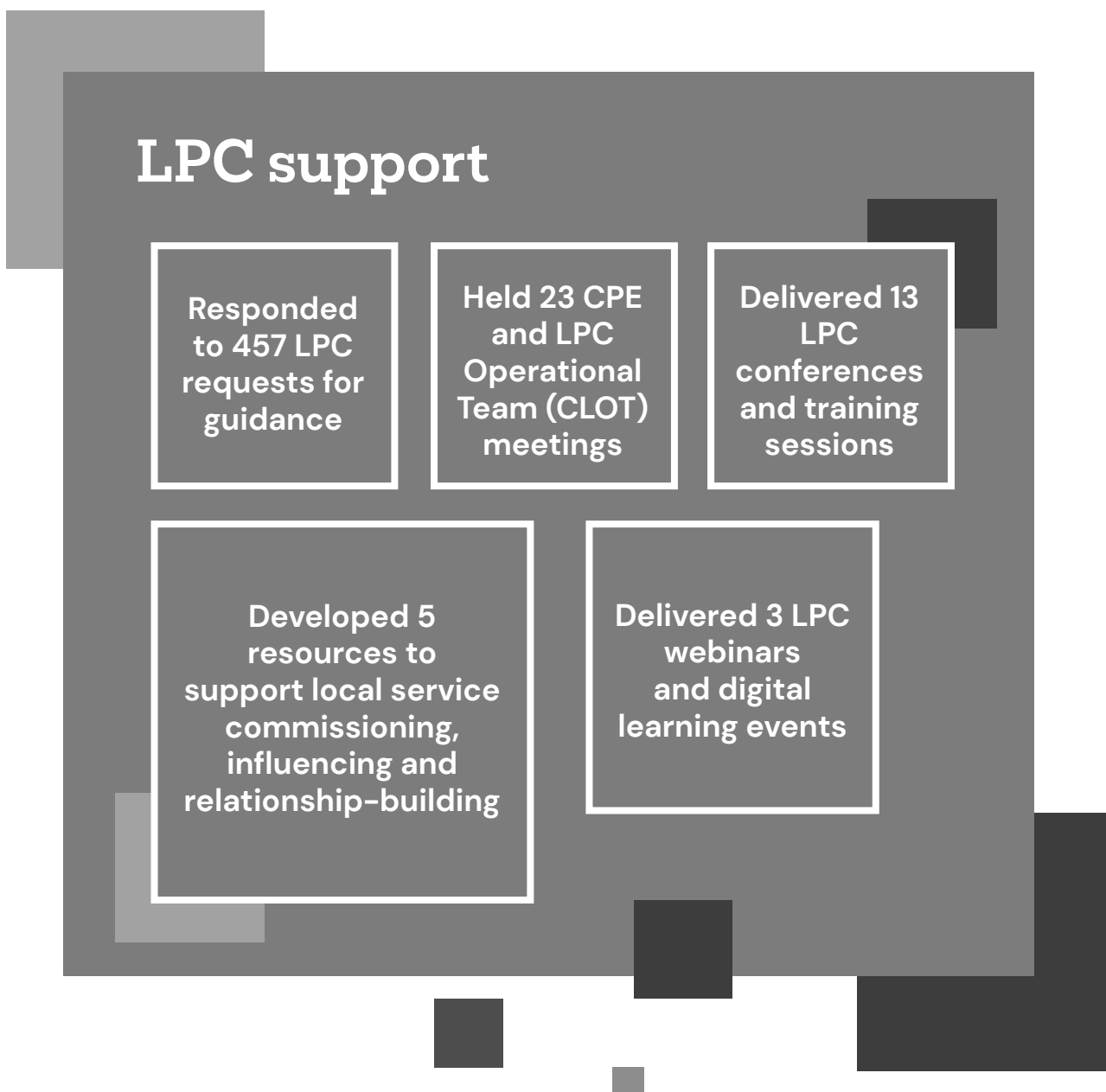
Guidance and sector leadership: Published guidance on digital issues including Scan to Shelf, the national phone line switchover and data security, while continuing to lead the Community Pharmacy IT Group and support pharmacy representation within NHS digital developments.



Supporting LPCs

During 2025/26, we strengthened our support for LPCs through enhanced engagement, leadership development, governance support and financial planning initiatives. These activities helped strengthen the resilience of the network, ensuring local leaders are better supported to advocate for pharmacy owners.

A key milestone was the appointment of an LPC Support and Engagement Manager, following the Review Steering Group's recommendations for further centralised support for the network. The creation of this dedicated role has enabled a more structured and proactive approach to supporting LPC leaders and committees across England.



Broadening our engagement

A major focus during the year was direct engagement with LPCs. As well as attending committee and leadership meetings across several regions, we met with all Chief Officers and Chairs to better understand local challenges, identify development needs, and strengthen relationships across the network. These conversations helped shape a new LPC learning and development programme for implementation from April 2026.

We also continued to create opportunities to engage directly with policymakers and Parliamentarians. This included the [Forum of LPC Chairs](#) and a [Parliamentary reception](#), which brought LPCs together with MPs to discuss the future of community pharmacy, providing an important platform for highlining local experiences and ensuring the voice of pharmacy owners was heard in Westminster.

Providing meetings, resources and training

We delivered a wide range of training and development opportunities, which boosted leadership development, strengthened governance capabilities, and provided opportunities for peer learning and collaboration. Sessions included the Conference of LPC Representatives, the Forum of LPC Chairs, finance and treasurer briefings, inductions for new Chief Officers, media training workshops, and wellbeing programmes.

In addition, targeted assistance was provided to LPCs considering organisational change, including support for merger discussions and boundary alignment proposals designed to reflect ICB footprints better. As a result, the network continued its transition towards larger, more sustainable organisations, reducing to 49 LPCs by 1st April 2026 and strengthening alignment with local NHS and local government structures where possible.

The year also saw the development of new practical resources created with specialist external support, including health and safety policies tailored for committees with and without dedicated premises.

Supporting neighbourhood health

We strengthened the role of LPCs in neighbourhood health by developing a [new neighbourhood health webpage](#), a range of resources, and establishing a Community of Practice. The community provides a regular forum for sharing local opportunities, challenges and risks and connecting LPCs with pharmacy leads working in neighbourhood teams.

Monthly learning webinars were also introduced, providing a practical space to share local service knowledge and best practice. Topics covered included opioid substitution therapy, lipid point-of-care testing, Pharmacy First, HIV pre-exposure prophylaxis (PrEP), long-acting reversible contraception and the clinical services dashboard.

Improving financial planning

During 2025/26, we redesigned the LPC levy-setting and financial planning cycle. Following consultation, we introduced an earlier process for sharing indicative levy allocations. For the first time, LPCs received indicative levy figures for 2026/27 more than ten weeks earlier than under previous arrangements, providing greater certainty and enabling improved budget planning. Enhanced guidance, budgeting tools and dedicated finance training further supported treasurers, officers and committee members, strengthening financial governance and helping LPCs plan more effectively for the future.

Keeping health and wellbeing in mind

We strengthened our partnership with the independent charity Pharmacist Support, resulting in [a joint programme of work for 2026](#) that includes shared resources and workshops. As part of this collaboration, a stress management and resilience workshop was delivered for the sector, and further support initiatives were developed in response to emerging workforce wellbeing challenges. Further joint support will continue throughout 2026.

Balance Sheet

as at 31 March 2026

	£	2026 £	£	2025 £
Fixed assets				
Tangible assets		3,576,095		3,634,167
Investments		2		2
		3,576,097		3,634,169
Current assets				
Debtors	155,572		254,442	
Cash at bank and in hand	1,403,910		1,654,559	
	1,559,482		1,909,001	
Current liabilities				
Creditors: Amounts falling due within one year	(1,818,770)		(708,360)	
Net current assets		(259,288)		1,200,641
Total assets less current liabilities		3,316,809		4,834,810
Creditors: Amounts falling due after one year		-		(1,451,426)
Net assets		3,316,809		3,383,384
General fund				
Balance at 1 April 2025		3,383,384		3,080,947
Surplus for the year		(66,575)		302,437
Balance at 31 March 2026		3,316,809		3,383,384

Cash Flow Statement

Year ended 31 March 2026

	2026 £	2025 £
Cash flows from operating activities		
(Deficit)/Surplus for year before tax	(61,675)	308,668
Deprecation	158,260	140,226
Loss on disposal of fixed assets	-	1,335
<i>Changes in:</i>		
Trade and other debtors	98,870	(175,622)
Trade and other creditors	(198,500)	206,571
Cash generated from operations	(3,045)	481,178
Tax paid	(6,231)	(4,603)
Net cash from operating activities	(9,276)	476,575
Cash flows from investing activities		
Purchase of fixed assets	(100,188)	(61,544)
Net cash used in investing activities	(100,188)	(61,544)
Cash flows from financing activities		
Repayment of bank loans	(141,185)	(74,816)
Net cash from financing activities	(141,185)	(74,816)
Net increase in Cash and Cash Equivalents	(250,649)	340,215
Cash and Cash Equivalents at Beginning of Year	1,654,559	1,314,344
Cash and Cash Equivalents at End of Year	1,403,910	1,654,559

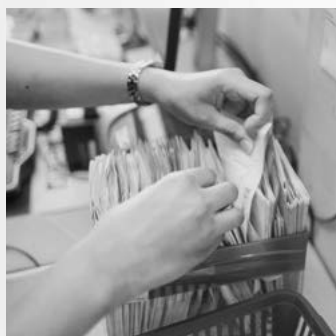
Outlook

Helping shape a stronger future for community pharmacy

As we look ahead, there are reasons for cautious optimism about the future of community pharmacy. Over the past two years, the Government has demonstrated a greater recognition of the essential role that pharmacies play within the NHS and local communities. This has been reflected in two above-average funding settlements, a commitment to improving the long-term sustainability of the sector and the launch of a joint programme of contractual reforms. While these developments do not solve all the challenges facing the sector, they provide a stronger foundation from which progress can be made.

There is also increasing recognition that many of the Government's wider healthcare ambitions cannot be achieved without a strong community pharmacy network. Whether through supporting prevention and early intervention, providing convenient access to healthcare advice and services, helping to reduce pressures elsewhere in the NHS, or enabling the expansion of independent prescribing, community pharmacies are central to the delivery of modern healthcare. The publication and implementation of the 10 Year Health Plan present significant opportunities for the sector, and Ministers will be keen to demonstrate progress against their ambitions.

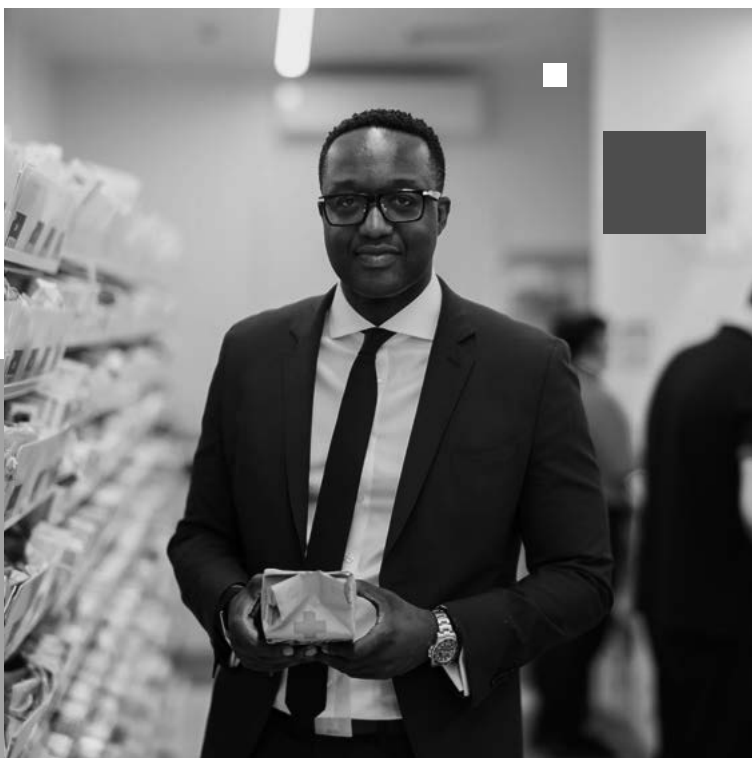
At the same time, we remain focused on the reality facing many pharmacy businesses. Years of financial pressure have left the sector under significant strain, with closures, workforce challenges and increasing operational pressures continuing to affect pharmacies across England. Through our Pressures Survey and ongoing engagement with pharmacy owners, we continue to hear consistent messages about the difficulties many businesses face. While recent progress is welcome, the sector is still some distance away from the level of resilience and sustainability that patients, pharmacy owners and their teams, along with the wider NHS require.



We are also operating in a period of considerable uncertainty. The arrival of a new Prime Minister this summer creates both opportunities and unknowns. Decisions about public spending, the balance between health and social care priorities, devolution and a tough fiscal outlook will all have implications for community pharmacy. The forthcoming Autumn Budget and wider spending decisions will help shape the context in which future negotiations take place.

Alongside this, the contractual reforms programme itself brings both expectation and challenge. Reform means different things to different people. For some it represents opportunities to expand clinical services and professional roles; for others it is about creating a more sustainable and efficient funding model. Our role will be to ensure that reforms deliver practical benefits for pharmacy owners, pharmacy teams and patients, whilst creating a stronger foundation for the future.

Against this backdrop, we will continue to focus on securing meaningful improvements wherever opportunities arise. This includes seeking fair and sustainable funding arrangements, ensuring that new regulations support rather than hinder pharmacy practice, developing new services that bring new funding, such as vaccination developments and helping to shape future contractual and funding models. We will continue to work ever closer with LPCs, pharmacy owners and everyone in the sector, strengthening collaboration and ensuring that the voice of community pharmacy remains at the centre of policy and decision-making.



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