



26 October 2021

David Neil Randall
President
Australian Hotels Association - Western Australia Branch

Sent via email: finance@ahawa.asn.au
CC: alastair@ausaudit.com.au

Dear David Neil Randall,

**Australian Hotels Association - Western Australia Branch
Financial Report for the year ended 30 June 2021 – (FR2021/176)**

I acknowledge receipt of the financial report for the year ended 30 June 2021 for the Australian Hotels Association - Western Australia Branch. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 20 October 2021.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Whilst the 2021 report has been filed, the following issues should be addressed in the preparation of the next financial report.

You must rotate your registered auditor

Correspondence was provided to the reporting unit on 8 June 2021, which alerted you that your registered auditor is approaching their statutory limit on how many consecutive financial years they are permitted to audit your financial report. The financial report lodged identifies that Alastair Gordon Abbott was the reporting unit's registered auditor for this financial year. Our records indicate that you have now used your current registered auditor for five consecutive financial years, which is the statutory limit under section 256A.

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

General purpose financial report (GPFR)

References to legislation and the ROC

As per section 273 of the RO Act, orders to inspect the financial records can only be made by the Fair Work Commission (**FWC**). I note that item (e)(vi) in the committee of management statement relating to s.273, however, refers to the ROC, not the FWC.

Please ensure in future year this item in the committee of management statement is updated accordingly.

Nil activities disclosure

Item 21 of the reporting guidelines (**RGs**) states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be

included either in the financial statements, the notes **or** in the officer's declaration statement (**ODS**). The notes and ODS contained nil activity information for all prescribed RG categories except the following:

- Receive donations or grants (RG 13(d)); and
- Receive cash flows from another reporting unit and/or controlled entity (RG 18).

Please ensure in future years that the abovementioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the RGs.

I also note that the ODS also includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the body of the notes:

- agree to receive financial support from another reporting unit to continue as a going concern (note 1m);
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (note 1m);
- have a receivable with another reporting unit (note 5b);
- have a payable with another reporting unit (note 6a); and
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch (note 12).

Please note that nil activities only need to be disclosed **once**.

Inconsistency in disclosure of financial information

The statement of changes in equity discloses a balance of retained earnings of \$554 for the 2021 financial year. The officer's declaration statement includes a nil disclosure in relation to a balance in the general fund. It would appear that retained earnings is the reporting unit's general fund.

In future years, please ensure that items within the financial report are disclosed consistently.

Reporting Requirements

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

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

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at kylie.ngo@roc.gov.au.

Yours sincerely,



Kylie Ngo
Registered Organisations Commission



Australian Hotels Association
WESTERN AUSTRALIA

38 Parliament Place West Perth WA 6005
PO Box 660 West Perth Western Australia 6872
T: 08 9321 7701 F: 08 9321 7730 W: www.ahawa.asn.au

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
For the year ended 30 June 2021**

I, David Neil Randall, being the President of the Australian Hotels Association (Western Australian Branch) certify:

- that the documents lodged herewith are copies of the full report for Australian Hotels Association (Western Australian Branch) for the period ended 30 June 2021 referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to the members of the reporting unit on 3 September 2021 in accordance with s.265 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was presented to a general meeting of members of the reporting unit on 12th October 2021 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.

Neil Randall
President

Perth, WA
13th October 2021



**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**FINANCIAL REPORT
30 JUNE 2021**

AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH

FINANCIAL REPORT
30 JUNE 2021

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DIRECTORS:

ROBERT CAMPBELL RCA, CA, CPA, MSW

VIRAL PATEL RCA, CA, CPA

ALASTAIR ABBOTT RCA, CA, M.FORENSIC ACCOUNTING

CHASSEY DAVIDS RCA, CA, AMILA, BCOM

INDEPENDENT AUDITOR'S REPORT

To the members of Australian Hotels Association (WA Branch)

Opinion

We have audited the financial report of Australian Hotels Association (WA Branch) (the Reporting Unit), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the subsection 255(2A) report, and the committee of management's statement and officer declaration statement.

In our opinion:

- a) the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Hotels Association (WA Branch) as at 30 June 2021, and its financial performance and its cash flows for the year ended on that date in accordance with:
 - a. the Australian Accounting Standards; and
 - b. any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009; and
- b) No revenue was derived by Australian Hotels Association (WA Branch) from undertaking recovery of wages activity during the year ended 30 June 2021; and
- c) The use of the going concern basis of accounting in the preparation of these financial statements by Australian Hotels Association (WA Branch) is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Reporting Unit in accordance with the auditor independence requirements of the *Fair Work (Registered Organisations) Act 2009* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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



Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee of Management for the Financial Report

The Committee of Management are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one



resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

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

Alastair Abbott, CA

Registered Company Auditor number: 486826

Auditor registration number (as registered under the Fair Work (Registered Organisations) Act 2009): AA2017/43

Director

Australian Audit

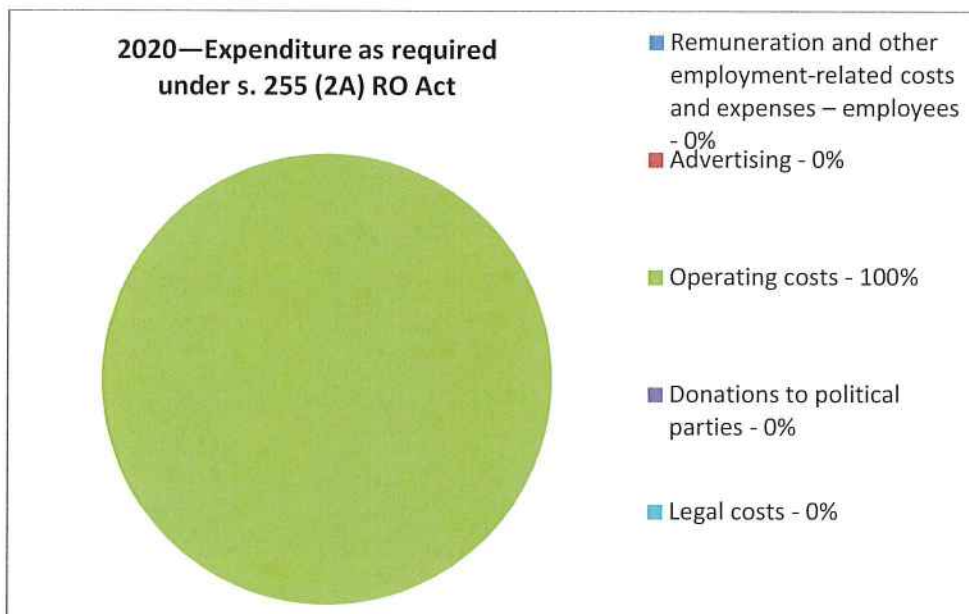
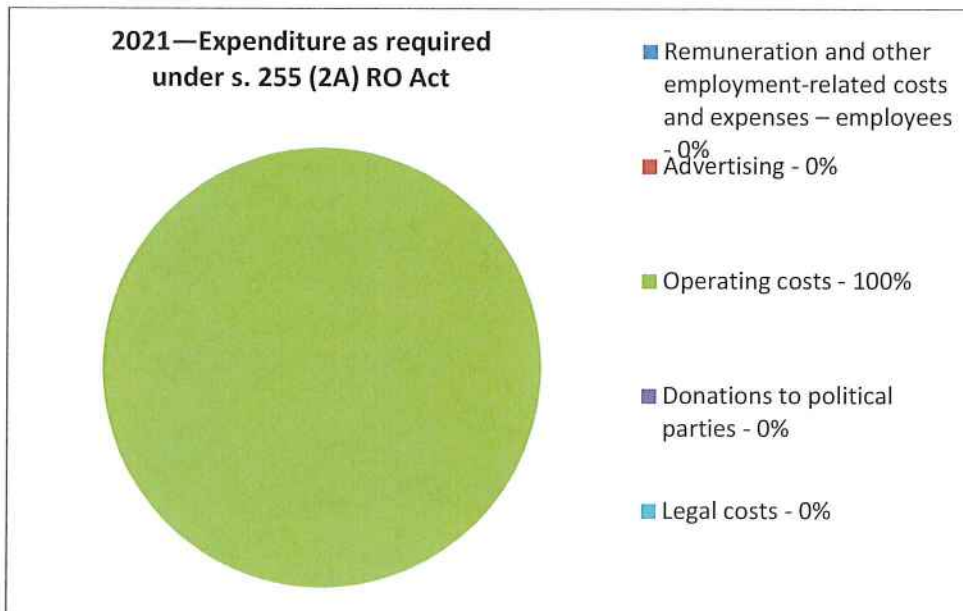
Perth, Western Australia

Dated: *26 August 2021*

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**EXPENDITURE REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 30 JUNE 2021**

The Branch Committee of Management presents this expenditure report as required under subsection 255(2A) of the Fair Work (RO) Act 2009 on the reporting unit for the year ended 30 June 2021.



DN Randall
President

Perth, WA
17th August 2021

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**OPERATING REPORT
30 JUNE 2021**

The Branch Committee of Management presents its Operating Report on the Reporting Unit for the year ended 30 June 2021.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The Branch collects capitation fees from Western Australian Hotels and Hospitality Association Incorporated (Union of Employers) and forwards them to the National Body of the Australian Hotels Association and Tourism Accommodation Australia to ensure Western Australia's involvement and affiliation with the national hotel and hospitality network.

Significant changes in financial affairs

There were no significant changes to the operations or financial affairs of the Reporting Unit during the year.

Right of members to resign

Members may resign from the reporting unit in accordance with Rule 27 of the Rules of the Branch, and section 174 of the Fair Work (Registered Organisations) Act 2009.

Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

Neil Randall, President, is an Alternate Director of HostPlus Pty Ltd which is a company that is a trustee of a superannuation fund.

Number of members

As at 30 June 2021, the number of members recorded in the Register of Members of the Branch was 545.

Number of employees

The reporting unit employed no employees at 30 June 2021.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**OPERATING REPORT
30 JUNE 2021 (continued)**

Names of committee of management members and period positions held during the financial year

The members of the Branch Committee of Management throughout the year were as follows:

| | | |
|----------------------|----------------------------------|---------------------|
| Neil Randall | President | 1/7/20 to 30/6/21 |
| Rob Gough | Senior Vice President | 24/12/20 to 30/6/21 |
| Martin Peirson-Jones | Senior Vice President | 1/7/20 to 30/6/21 |
| David Bornmann | Vice President | 24/12/20 to 30/6/21 |
| Martin Peirson-Jones | Treasurer | 24/12/20 to 30/6/21 |
| Ashok Parekh | Treasurer | 1/7/19 to 24/12/20 |
| Andrew Cairns | Accommodation Division President | 1/7/20 to 30/6/21 |
| St John Hammond | Branch Committee of Management | 1/7/20 to 30/6/21 |
| Robert Ramage | Branch Committee of Management | 1/7/20 to 30/6/21 |
| Ric Torchia | Branch Committee of Management | 1/7/20 to 30/6/21 |
| David Bornmann | Divisional President | 1/7/20 to 30/6/21 |
| Craig Brown | Divisional President | 1/7/20 to 30/6/21 |
| Rob Gough | Divisional President | 1/7/20 to 30/6/21 |
| Ben Rasheed | Divisional President | 1/7/20 to 30/6/21 |
| Michael Scott | Divisional President | 1/7/20 to 30/6/21 |
| Lyndon Waples | Divisional President | 1/7/20 to 30/6/21 |
| Adam Kapinkoff | Branch Committee of Management | 1/7/20 to 30/6/21 |
| Andy Freeman | Divisional President | 1/7/20 to 30/6/21 |
| Peter Neville | Branch Committee of Management | 1/7/20 to 30/6/21 |
| Ben Glatz | Divisional President | 13/4/21 to 30/6/21 |



DN Randall
President

Perth, WA
17th August 2021

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**


**COMMITTEE OF MANAGEMENT STATEMENT
30 JUNE 2021**

On 17th August 2021, the Branch Committee of Management of Australian Hotels Association (Western Australian Branch), passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2021:

The Branch Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other reporting requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the branch committee of management were held in accordance with the rules of the organisation including the rules of the branch; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) no information has been sought by any member of the reporting unit or the Commissioner under section 272 of the RO Act; and
 - (vi) there have been no orders to inspect the financial records made by the Registered Organisations Commission under section 273 of the RO Act.

This declaration is made in accordance with a resolution of the Branch Committee of Management.



DN Randall
President

Perth, WA
17th August 2021

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

| | Notes | 30 June 2021 \$ | 30 June 2020 \$ |
|---|-------|-----------------------|-----------------------|
| REVENUE | | | |
| Membership subscriptions | 3a | 105,449 | 105,449 |
| Other income | 3b | 1,560 | 1,600 |
| | | 107,009 | 107,049 |
| EXPENSES | | | |
| Audit fees | 11 | 1,450 | 1,500 |
| Bank charges | | 110 | 100 |
| Capitation fees and other expense to another reporting unit | 4a | 105,149 | 105,149 |
| Affiliation fees | 4b | 300 | 300 |
| | | 107,009 | 107,049 |
| Surplus / (Deficit) for the year | | - | - |
| Other Comprehensive Income | | - | - |
| Total Comprehensive Income for the year | | - | - |

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

| | Notes | 30 June 2021 \$ | 30 June 2020 \$ |
|----------------------------------|-------|-----------------------|-----------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 5a | 554 | 554 |
| Trade and other receivables | 5b | - | - |
| Accrued income | 5c | <u>1,630</u> | <u>1,630</u> |
| TOTAL CURRENT ASSETS | | <u>2,184</u> | <u>2,184</u> |
| TOTAL ASSETS | | <u>2,184</u> | <u>2,184</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 6a | - | - |
| Accrued expenses | 6b | <u>1,630</u> | <u>1,630</u> |
| TOTAL CURRENT LIABILITIES | | <u>1,630</u> | <u>1,630</u> |
| TOTAL LIABILITIES | | <u>1,630</u> | <u>1,630</u> |
| NET ASSETS | | <u>554</u> | <u>554</u> |
| MEMBERS' FUNDS | | | |
| Retained Earnings | | 554 | 554 |
| Net surplus for period | | <u>-</u> | <u>-</u> |
| TOTAL MEMBERS' FUNDS | | <u>554</u> | <u>554</u> |

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

| | Notes | Retained Earnings \$ | Total \$ |
|---|-------|----------------------------|-------------|
| Balance as at 1 July 2019 | | 554 | 554 |
| Net surplus for the financial year | | - | - |
| Closing balance as at 30 June 2020 | | 554 | 554 |
| Net surplus for the financial year | | - | - |
| Closing balance as at 30 June 2021 | 12 | <u>554</u> | <u>554</u> |

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**

| | Notes | 30 June 2021 \$ | 30 June 2020 \$ |
|---|-------|-----------------------|-----------------------|
| OPERATING ACTIVITIES | | | |
| Cash received | | | |
| Receipts from customers | 7b | 107,009 | 106,989 |
| Cash used | | | |
| Payments to suppliers | 7b | <u>(107,009)</u> | <u>(106,989)</u> |
| Net cash from operating activities | 7a | <u>-</u> | <u>-</u> |
| Net increase/(decrease) in cash held | | - | - |
| Cash and cash equivalents at the beginning of the year | | <u>554</u> | <u>554</u> |
| Cash and cash equivalents at the end of the year | 5a | <u><u>554</u></u> | <u><u>554</u></u> |

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

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**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards and other authoritative pronouncements of the Australian Accounting Standards Board as well as the requirements of the Fair Work (Registered Organisations) Act 2009 as amended.

The financial report is prepared for the Australian Hotels Association, Western Australian Branch, a not-for-profit entity. The organisation is the State Branch of a federally registered union of employers, domiciled in Australia.

The financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money valuations. Cost is based on the fair values of the consideration given in exchange for assets. The functional and presentation currency of AHA(WA) is Australian dollars. All figures presented in the financial statements are rounded to the nearest Australian dollar.

AASB 1053 Application of Tiers of Australian Accounting Standards has been adopted in accordance with the Fair Work (Registered Organisations) Act 2009. In accordance with the Reporting Guidelines, Tier 1 reporting has been applied.

The following is a summary of the material accounting policies adopted by the organisation in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Revenue

The AHA(WA) enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

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

Revenue from contracts with customers

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

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

Membership subscriptions

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

If there is only one distinct membership service promised in the arrangement, the AHA(WA) recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the AHA(WA)'s promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the AHA(WA) allocates the transaction price to each performance

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the AHA(WA) charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good or as the service transfers to the customer (for example, member services or training course), the AHA(WA) recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

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

When a member subsequently purchases additional goods or services from the AHA(WA) at their standalone selling price, the AHA(WA) accounts for those sales as a separate contract with a customer.

Income of the AHA(WA) as a Not-for-Profit Entity

Where consideration is received by the AHA(WA) to enable the entity to further its objectives, the AHA(WA) recognises each of these amounts of consideration as income when the consideration is received (which is when the AHA(WA) obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the AHA(WA)'s recognition of the cash contribution does not give rise to any related liabilities.

(b) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(d) Trade and other receivables

For trade receivables that do not have a significant financing component, the AHA(WA) applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the AHA(WA) does not track changes credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The AHA(WA) has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Trade and other payables

These amounts represent liabilities for goods and services provided to the organisation prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(f) Interest rate risk exposure

The Association's exposure to interest rate risk, which is the risk that financial instruments value will fluctuate as a result of changes in market interest rates, is considered negligible.

(g) Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

(h) Credit risk exposure

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements. The organisation does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the organisation.

(i) Income tax

Australian Hotels Association (WA Branch) is exempt from income tax under section 50.15 of the Income Tax Assessment Act 1997 however still has an obligation for Goods and Services Tax (GST).

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

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

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

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

(j) New Accounting Standards for application in future periods

The reporting unit has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Adoption of New Australian Accounting Standard requirements

No new accounting standards were adopted this year.

(l) Significant accounting judgments and estimates

The branch committee of management has not identified any significant accounting judgements or estimates which are material and would require disclosure in the financial report.

(m) Going concern

The AHA(WA) is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The AHA(WA) has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

2. EVENTS AFTER THE REPORTING PERIOD

Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the reporting unit, the results of those operations, or the state of affairs of the AHA(WA) in subsequent financial periods.

3. REVENUE AND INCOME

3a. Disaggregation of income for furthering activities

A disaggregation of the AHA(WA)'s income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:

| | 2021 \$ | 2020 \$ |
|-------------------------------|----------------|----------------|
| Type of customer | | |
| Members | - | - |
| Other reporting units | - | - |
| State registered organisation | 105,449 | 105,449 |
| | <u>105,449</u> | <u>105,449</u> |

3b. Other income

| | | |
|---|--------------|--------------|
| Reimbursement of audit expense from State registered organisation | 1,560 | 1,600 |
| | <u>1,560</u> | <u>1,600</u> |

4. EXPENSES

4a. Capitation fees and other expense to another reporting unit

| | | |
|--|----------------|----------------|
| General levy – AHA National Body | 49,489 | 49,489 |
| Levies - Tourism Accommodation Australia | 55,660 | 55,660 |
| | <u>105,149</u> | <u>105,149</u> |

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)**

4. EXPENSES (continued)

Tourism Accommodation Australia

The National Body of the Australian Hotels Association charges each state branch a levy to fund the Accommodation Division known as Tourism Accommodation Australia (TAA). TAA is the national identity to publicly represent and lobby specifically for accommodation hotels separately from the AHA's general hospitality members.

4b. Affiliation fees

| | 2021 | 2020 |
|-------------------------------------|-------------|-------------|
| | \$ | \$ |
| Affiliation fee – AHA National Body | 300 | 300 |

5. CURRENT ASSETS

5a. Cash and cash equivalents

| | | |
|--------------|-----|-----|
| Cash at bank | 554 | 554 |
|--------------|-----|-----|

5b. Trade and other receivables

| | | |
|---|---|---|
| Receivables from another reporting unit | - | - |
|---|---|---|

5c. Accrued income

| | | |
|--|-------|-------|
| Reimbursement from State registered organisation | 1,630 | 1,630 |
|--|-------|-------|

6. CURRENT LIABILITIES

6a. Trade and other payables

| | | |
|------------------------------------|---|---|
| Payables to another reporting unit | - | - |
|------------------------------------|---|---|

6b. Accrued expenses

| | | |
|--|-------|-------|
| Reimbursement from State registered organisation | 1,630 | 1,630 |
|--|-------|-------|

7. CASH FLOW

7a. Cash flow reconciliation

Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:

Cash and cash equivalents as per:

| | | |
|---------------------|-----|-----|
| Cash flow statement | 554 | 554 |
| Balance sheet | 554 | 554 |
| Difference | - | - |

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)**

7. CASH FLOW (continued)

Reconciliation of profit/(deficit) to net cash from operating activities

| | 2021 \$ | 2020 \$ |
|--|------------|------------|
| Excess of income over expenditure | - | - |
| Increase/(Decrease) in accrued expenses (Increase)/Decrease in accrued income | - - | 60 (60) |
| | - | - |
| Net cash from operating activities | - | - |

7b. Cash flow information

Cash inflows

Western Australian Hotels & Hospitality
Association Inc (Union of Employers)

| | | |
|--|---------|---------|
| | 107,009 | 107,049 |
|--|---------|---------|

Cash outflows

Australian Hotels Association - National
Body

| | | |
|--|---------|---------|
| | 105,449 | 105,449 |
|--|---------|---------|

8. RELATED PARTY DISCLOSURES

There were no transactions between the officers and the Branch during the reporting period.

The reporting unit does not have a parent entity nor any subsidiary entities. During the reporting period, the AHA(WA) did not have any transactions with any related parties.

9. OFFICER AND RELATED PARTY DISCLOSURES

In accordance with Chapter 9, Part 2A of the Fair Work (Registered Organisations) Act 2009, the following disclosure is made:

Officers who received relevant remuneration during the disclosure period being 1 January to 31 December 2020, because the officer is a member of a board, only because the officer is an officer of the Branch of the Australian Hotels Association:

| Officer's Name | Board Office or Related Party | Remuneration from board position |
|-------------------|----------------------------------|--|
| Neil Randall | HostPlus | \$ 26,280 |

10. RELATIONSHIP WITH STATE REGISTERED ORGANISATION

Members are members of both the AHA(WA) and the Western Australian Hotels & Hospitality Association Incorporated (Union of Employers) ("WAHHA") entities concurrently, but pay membership fees only to WAHHA. WAHHA collects fees on behalf of AHA(WA) and remits these according to the capitation fee formula. AHA(WA) then pays a capitation fee to the National Office of the Australian Hotels Association ("AHA").

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)**

10. RELATIONSHIP WITH STATE REGISTERED ORGANISATION (continued)

AHA(WA) and WAHHA are not related parties for the purposes of the Fair Work (Registered Organisations) Act 2009 as defined by section 9B.

AHA(WA) is dependent on WAHHA only for the administrative collection of the fees from members. If WAHHA ceased collection of fees from members, AHA(WA) could levy and collect these fees in its own right. The security of AHA(WA) on WAHHA is to the extent of the administrative collection of membership fees.

Subscriptions of \$105,449 were received during the year from WAHHA to pay capitation fees to the AHA. The amount of the capitation fee is set by the National Office each year and is calculated based on a proportion of total population.

11. AUDITOR'S REMUNERATION

| | 2021 | 2020 |
|------------|--------------|--------------|
| | \$ | \$ |
| Audit fees | <u>1,450</u> | <u>1,500</u> |

No other services were provided by the auditor of the financial statements.

12. CHANGES IN EQUITY

No separate funds have been established for any purpose by the reporting unit and no funds have been levied from the members during the year.

13. SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

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

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

14. SEGMENT REPORTING

The reporting unit operates predominantly in one business and geographical segment, in its capacity to provide services to members of the Branch throughout Western Australia.

15. CAPITAL AND LEASING COMMITMENTS

At the date of signing this report there are no known outstanding capital or leasing commitments.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)**

16. CONTINGENT LIABILITIES

At the date of signing this report there are no known contingent liabilities that would have a material effect on the presentation of the annual financial statements.

17. ASSOCIATION DETAILS

The Branch operates from 38 Parliament Place, West Perth in the State of Western Australia.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

OFFICER DECLARATION STATEMENT

I, David Neil Randall, being the President of the Australian Hotels Association (Western Australian Branch), declare that the following activities did not occur during the reporting period ended 30 June 2021.

The Australian Hotels Association (Western Australian Branch) did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue from another reporting unit
- receive revenue via compulsory levies
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay wages and salaries to holders of office
- pay superannuation to holders of office
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- pay wages and salaries to employees (other than holders of office)
- pay superannuation to employees (other than holders of office)
- pay leave and other entitlements to employees (other than holders of office)
- pay separation and redundancy to employees (other than holders of office)
- pay other employee expenses to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit
- have a payable with other reporting unit
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have an annual leave provision in respect of holders of office
- have a long service leave provision in respect of holders of office

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have an annual leave provision in respect of employees (other than holders of office)
- have a long service leave provision in respect of employees (other than holders of office)
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- make a payment to a former related party of the reporting unit.



DN Randall
President

Perth, WA
17th August 2021

DIRECTORS:

ROBERT CAMPBELL RCA, CA, CPA, MSW

VIRAL PATEL RCA, CA, CPA

ALASTAIR ABBOTT RCA, CA, M.FORENSIC ACCOUNTING

CHASSEY DAVIDS RCA, CA, AMIA, BCOM

AUDITOR'S INDEPENDENCE DECLARATION

To the Executive Committee of Australian Hotels Association (WA Branch)

In relation to our Audit of the financial report of Australian Hotels Association (WA Branch) for the year ended 30 June 2021, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Australian professional accounting bodies.



Alastair Gordon Abbott, CA

Registered Company Auditor number 486826

Auditor registration number (as registered under the Fair Work (Registered Organisations) Act 2009): AA2017/43

Director

Australian Audit

Perth, Western Australia

Dated: 26 August 2021