



4 January 2022

Paul Jubb
Branch President
Australian Hotels Association - Tasmanian Hospitality Association
Sent via email: enquiries@tha.asn.au
CC: jdoyle@wlf.com.au

Dear Paul Jubb,

**Australian Hotels Association - Tasmanian Hospitality Association
Financial Report for the year ended 30 June 2021 – (FR2021/179)**

I acknowledge receipt of the financial report for the year ended 30 June 2021 for the Australian Hotels Association - Tasmanian Hospitality Association. The documents were lodged with the Registered Organisations Commission (the ROC) on 8 December 2021.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2022 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comment to assist you when you next prepare a financial report.

You must rotate your registered auditor

Correspondence was provided to the reporting unit on 11 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 Joanne Doyle 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 Joanne Doyle is not assigned to audit the financial report of the reporting unit for at least the following two financial years. Further information on the rotation of registered auditor requirement can be found via [this link](#).

Reporting Requirements

The 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 0841 or by email at Mihiri.jayawardane@roc.gov.au.

Yours sincerely,



Mihiri Jayawardane
Registered Organisations Commission

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
FOR THE PERIOD ENDED 30 JUNE 2021

I, Paul Jubb, being the Branch President of the Australian Hotels Association Tasmanian Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Hotels Association Tasmanian Branch for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 9 / 11 / 2021; and
- that the full report was presented to a general meeting of members of the Association on 7 / 12 / 2021 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



Paul Jubb
Branch President

7.12.21
Dated:

**Auditor's Independence Declaration to the Branch Executive of
Australian Hotels Association Tasmanian Branch**

In relation to our audit of the financial report of the Australian Hotels Association Tasmanian Branch for the financial year ended 30 June 2021, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements as set out in the *Fair Work (Registered Organisations) Act 2009*; and any applicable code of professional conduct.



JOANNE DOYLE

Partner

Wise Lord & Ferguson

Fellow of Institute of Chartered Accountants Australia & New Zealand CAANZ

Registered Company Auditor: 217468

Registered Organisation Auditor no. AA2017/121

Holder of Public Practice Certificate

1/160 Collins Street

HOBART TAS 7000

Date: 4 November 2021

INDEPENDENT AUDITOR'S REPORT

Members of the Australian Hotels Association Tasmanian Branch

Report on the Audit of the Financial Report

Opinion

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

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Hotels Association Tasmanian 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* (the RO Act).

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the reporting unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (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 I 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 I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The committee of management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management 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 is responsible for assessing the reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting unit's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the reporting unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the reporting unit audit. We remain solely responsible for our audit opinion.

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

I declare that I am an auditor registered under the RO Act.



JOANNE DOYLE

Partner

Wise Lord & Ferguson

Fellow of Institute of Chartered Accountants Australia & New Zealand CAANZ

Registered Company Auditor: 217468

Registered Organisation Auditor no. AA2017/121

Holder of Public Practice Certificate

1/160 Collins Street

HOBART TAS 7000

Date: 4 November 2021



Australian Hotels
Association Tasmanian
Branch
Financial Statements
30 June 2021

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

OPERATING REPORT

FOR THE PERIOD ENDED 30 JUNE 2021

The Committee of Management presents its report on the Australian Hotels Association Tasmanian Branch for the financial year ended 30 June 2021.

Principal Activities

The principal activities of the Association during the financial year were:

- Provision of industrial support to members including advice on legal and legislative matters, contractual obligations and representation of state members, administration of Federal awards, the variation of awards following major test cases;
- Representation of members on industry issues, e.g. licensing law and penalty rate reviews;
- Media and communications to members and to the broader community via media releases in support of campaigns, targeted publications including national magazines;
- Provision of information for members providing up to date material relevant to hotels; and
- Organisation of events to members such as Awards for Excellence, Charity Fund Raising etc. in order to recognise their achievements and contribution to the community.

It is noted that during the financial year the activities of the Association were suitably carried out. No significant change in the nature of these activities occurred during the year.

The profit from ordinary activities amounted to \$300,433 for the year ended 30 June 2021 (2020: profit \$113,566).

Financial Affairs

No significant changes were noted to the financial affairs of the Association during the year.

Right to Resign

Resignation from membership and termination of eligibility for membership is regulated by Rule 17 of the Federal Rules.

A member may resign from membership of the Association by written notice addressed to and delivered to the Secretary of the Branch to which the member is attached.

Superannuation Trustees/Directors

There are no members of the Committee of Management that are trustees or directors of a superannuation entity or an exempt public sector superannuation scheme.

Number of Members

The Association had 711 members at the end of the reporting period (2020: 527).

Number of Employees

The Association employed 17 staff, expressed as 14.00 FTE, as at 30 June 2021 (2020: 18 employees, expressed as 14.00 FTE).

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

OPERATING REPORT

FOR THE PERIOD ENDED 30 JUNE 2021

Payments to Employers

The Association did not make any payments during the financial year to employers as consideration for the employers making payroll deductions of membership subscriptions.

Names of Committee of Management Members and Period Positions Held During the Financial Year

Names and positions of the Committee of Management for the financial year 1 July 2020 to 30 June 2021 were

Branch President

JUBB, Paul

Committee of Management

KELLY, Martin (Vice President)

FUGLSANG, Philip (Treasurer)

BURT, Margaret (Councillor, North)

DABNER, John (Councillor, North West & North)

BERECHEE, Jocelyn (Councillor, South)

BEST, Michael (Councillor, North West & North)

BROWN, Darren (Councillor, South) (Resigned 21 July 2020)

CADLE, Mark (Councillor, North West & North)

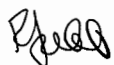
CARPENTER, Ben (Councillor, North West)

FRARACCIO, Angelo (Councillor, South)

RICHARDS, Shelley (Councillor, South)

WILLIAMS, Alan (Councillor, North) (Appointed 20 April 2021)

The councillors of the Committee of Management who held office during the financial year received no remuneration.



Paul Jubb
Branch President

Dated: 4/11/21

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

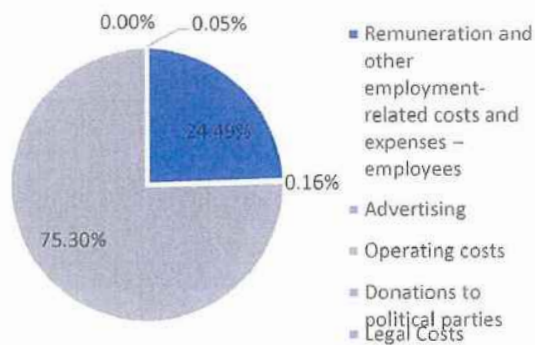
SUBSECTION 255(2A) REPORT

FOR THE PERIOD ENDED 30 JUNE 2021

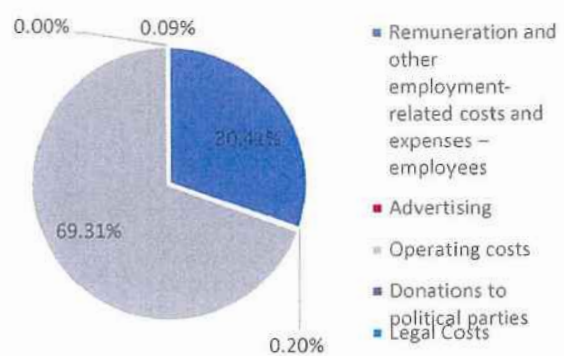
The Branch Executive presents the expenditure report as required under subsection 255(2A) of the Australian Hotels Association Tasmanian Branch for the financial year ended 30 June 2021.

	2021 \$	2020 \$
Categories of Expenditures		
Remuneration and other employment-related costs and expenses – employees	859,570	860,118
Advertising	5,590	5,523
Operating costs	2,642,652	1,960,432
Donations to political parties	-	-
Legal Costs	1,747	2,565
	3,509,559	2,828,638

2021 - Expenditure as required under s. 255(2A) RO Act



2020 - Expenditure as required under s. 255(2A) RO Act



Paul Jubb

Paul Jubb
Branch President


Dated: 4/11/21

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
OFFICER DECLARATION STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2021

I, Paul Jubb, being the Branch President of the Australian Hotels Association Tasmanian Branch, declare that the following activities did not occur during the reporting period ending 30 June 2021.

The reporting unit did not:

- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit



Paul Jubb
Branch President

Dated: (11/2)


AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
BRANCH EXECUTIVE DECLARATION
FOR THE PERIOD ENDED 30 JUNE 2021

On the 4 / 11 / 2021 the Branch Executive of the Association passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2021:

The Branch Executive of the Association declares that in its opinion:

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (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 Association for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Association will be able to pay its debt as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the Association have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the Association have been kept and maintained in accordance with the RO Act; and
 - (iv) as far as is practical and reasonable, the financial records of the Association have been kept in a consistent manner to other national hotel association branches; and
 - (v) where information has been sought in any request by a member of the Association or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to the recovery of wages activity, no activity of this nature has been undertaken.

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



Paul Jubb
Branch President

Dated: 4/11/21

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2021

	Notes	2021 \$	2020 \$
REVENUE	3	<u>3,858,876</u>	<u>3,036,145</u>
EXPENSES			
Employee expenses	4(a)	859,570	860,118
Capitation fees and other expenses paid to another reporting unit	4(b)	21,994	24,008
Affiliation fees	4(c)	300	300
Administration expenses	4(d)	2,607,390	1,964,955
Grants or donations	4(e)	5,500	6,802
Depreciation and amortisation	4(f)	61,942	63,831
Legal costs	4(g)	1,747	2,565
Other expenses	4(h)	-	-
TOTAL EXPENSES		<u>3,558,443</u>	<u>2,922,579</u>
SURPLUS FOR THE YEAR		<u>300,433</u>	<u>113,566</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>300,433</u>	<u>113,566</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Notes	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5(a)	1,904,262	986,507
Trade and other receivables	5(b)	282,871	486,317
Inventory	5(c)	1,339	837
TOTAL CURRENT ASSETS		<u>2,188,472</u>	<u>1,473,661</u>
NON-CURRENT ASSETS			
Plant and equipment	6(a)	18,146	22,198
Right-of-use assets	6(b)	32,205	90,095
Loan to Tasmanian Hospitality Property Association		793,092	793,092
TOTAL NON-CURRENT ASSETS		<u>843,443</u>	<u>905,385</u>
TOTAL ASSETS		<u>3,031,915</u>	<u>2,379,046</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade payables	7(a)	45,422	66,353
Other payables	7(b)	139,461	109,695
Employee provisions	8	179,937	172,443
Lease liabilities	6(b)	31,461	58,161
Income received in advance		1,616,138	1,272,585
TOTAL CURRENT LIABILITIES		<u>2,059,614</u>	<u>1,679,237</u>
NON-CURRENT LIABILITIES			
Employee provisions	8	17,044	13,500
Lease liabilities	6(b)	1,507	32,992
TOTAL NON-CURRENT LIABILITIES		<u>18,551</u>	<u>46,492</u>
TOTAL LIABILITIES		<u>2,078,165</u>	<u>1,725,729</u>
NET ASSETS		<u>953,750</u>	<u>653,317</u>
EQUITY			
Retained profits	9(a)	953,750	653,317
TOTAL EQUITY		<u>953,750</u>	<u>653,317</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2021

	Notes	Retained Earnings \$	Total Equity \$
Closing Balance as at 30 June 2019		539,751	539,751
Surplus / (deficit) for the year		113,566	113,566
Closing Balance as at 30 June 2020		653,317	653,317
Surplus / (deficit) for the year		300,433	300,433
Closing Balance as at 30 June 2021		953,750	953,750

The accompanying notes form part of these financial statements.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2021

	Notes	2021 \$	2020 \$
OPERATING ACTIVITIES			
Cash Received			
Receipts from members and customers		1,952,011	1,208,079
Grants received		2,409,648	1,966,233
Interest income		419	876
Receipts from other reporting unit/controlled entities		20,000	22,224
Cash Used			
Suppliers and employees		(3,383,553)	(2,745,340)
Payment to other reporting units/controlled entities		(22,585)	(26,875)
Net Cash From / (Used by) Operating Activities	10	975,940	425,197
INVESTING ACTIVITIES			
Cash Used			
Purchase of plant and equipment		-	-
Net Cash From / (Used by) Investing Activities		-	-
FINANCING ACTIVITIES			
Cash Used			
Repayment of lease liabilities		(58,185)	(55,355)
Net Cash From / (Used by) Financing Activities		(58,185)	(55,355)
Net Increase / (Decrease) in Cash Held		917,755	369,842
Cash and cash equivalents at the beginning of the period		986,507	616,665
Cash and Cash Equivalents at the End of the Period	5(a)	1,904,262	986,507

The accompanying notes form part of these financial statements.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009* (RO Act). For the purpose of preparing the general purpose financial statements, the Australian Hotels Association Tasmanian Branch is a not-for-profit entity. Disclosures made in the financial statements with zero values in both financial years are disclosed only due to the mandatory requirements of the Registered Organisations Commission.

The financial report covers the Australian Hotels Association Tasmanian Branch as an individual entity. The Australian Hotels Association Tasmanian Branch is an association in Tasmania governed by the *Fair Work (Registered Organisations) Act 2009*.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

(b) Comparative Amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(c) Accounting Judgements and Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in Note 8 where judgements have been made in relation to the value of employee entitlements and Note 6 where judgements have been made in relation to the value of right-of-use assets.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) New Australian Accounting Standards

Adoption of New Australian Accounting Standards and amendments

No accounting standard has been adopted earlier than the application date stated in the standard.

Future Australian Accounting Standards

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on the Association include:

AASB 2020-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

This Standard amends AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2023. The reporting unit does/does not expect the adoption of this amendment to have an impact on its financial statements.

(e) Revenue

The Association 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.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Revenue (continued)

Revenue from Contracts with Customers

Where the Association has a contract with a customer, the Association recognises revenue when or as it transfers control of goods or services to the customer. The Association 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 Association.

If there is only one distinct membership service promised in the arrangement, the Association recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Association'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 Association allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling price are estimated if there is no observable evidence of the price that the Association 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 (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Association recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Association 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.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Revenue (Continued)

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

Capitation Fees

Where the Association's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Association recognises the capitation fees promised under that arrangement when or as it transfers the goods or services.

In circumstances where the criteria for a contract with a customer are not met, the Association will recognise capitation fees as income upon receipt (as specified in the income recognition policy below).

Levies

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Association transfers the goods or services.

In circumstances where the criteria for a contract with a customer are not met, the Association will recognise levies as income upon receipt (as specified in the income recognition policy below).

Volunteer Services

During the year, the Association did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

Consideration is received by the [reporting unit] to enable the entity to further its objectives. The Association recognises each of these amounts of consideration as income when the consideration is received (which is when the Association 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 Association's recognition of the cash contribution does not give rise to any related liabilities.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Revenue (Continued)

Income of the Association as a Not-for-Profit Entity

The Association receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip arounds); and
- government grants.

Gains from Sale of Assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Interest Income

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental Income

Leases in which the Association as a lessor, do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the period in which they are earned.

(g) Borrowing Costs

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

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Cash and Cash Equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Trade Debtors and Other Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

(j) Inventory

The Association holds inventories for distribution in the future for no or nominal consideration. The future economic benefit or service potential of the inventory is reflected by the amount the Association would need to pay to acquire the economic benefit or service potential if it were necessary to achieve the Association's objectives. Where the economic benefit or service potential cannot be acquired in a market, the replacement cost is estimated.

(k) Financial Instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument.

Financial Assets

(i) Contract assets and receivables

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

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

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial Instruments (Continued)

Financial Assets (Continued)

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

(ii) Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Association's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Association initially measures a financial asset at its fair value.

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

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Association commits to purchase or sell the asset.

(iii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into five categories:

- (Other) financial assets at amortised cost.
- (Other) financial assets at fair value through other comprehensive income.
- Investments in equity instruments designated at fair value through other comprehensive income.
- (Other) financial assets at fair value through profit or loss.
- (Other) financial assets designated at fair value through profit or loss.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial Instruments (Continued)

Financial Assets (Continued)

(iv) Financial assets at amortised cost

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

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

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Association's financial assets at amortised cost includes trade receivables and loans to other entities.

(v) Derecognition

A financial asset is derecognised when:

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

When the Association has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Association continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial Instruments (Continued)

Financial Assets (Continued)

(vi) Impairment

Expected credit losses

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses (ECLs) at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

Trade receivables

For trade receivables that do not have a significant financing component, the Association applies a simplified approach in calculating ECLs which requires lifetime ECLs to be recognised from initial recognition of the receivables.

Therefore, the Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Association recognises an allowance for ECLs using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Association expects to receive, discounted at an approximation of the original EIR.

The Association considers a financial asset to be in default when internal or external information indicates that the Association is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial Instruments (Continued)

Financial Liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs. The Association's financial liabilities include trade and other payables.

(ii) Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs.

(iii) Derecognition

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

(m) Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Liabilities Relating to Contracts with Customers

Contract Liabilities

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

Refund Liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Association's refund liabilities arise from customers' right of return. The liability is measured at the amount the Association's ultimately expects it will have to return to the customer. The Association updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

(o) Plant and Equipment

Asset Recognition Threshold

Purchases of plant and equipment are recognised at cost in the Statement of Financial Position. The initial cost of an asset does not include an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. Any such costs would be insignificant.

Recoverable Amount

Non-current assets measured using the cost basis are not carried at an amount above their recoverable amount, and where a carrying value exceeds this recoverable amount, the asset is written down.

Depreciation

Depreciable plant and equipment assets are written-off to their estimated residual values over their estimated useful life using the straight line and diminishing value methods of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Plant and Equipment (Continued)

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2021	2020
Plant and equipment	1 to 13 years	1 to 13 years

Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

(p) Impairment of Non-Financial Assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than the carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Association were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

(q) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Association.

(r) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Employee Benefits (Continued)

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

(r) Leases

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

Association as a Lessee

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

Right-of-Use Assets

The Association recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	2021	2020
Motor Vehicles	2 -5 Years	2 - 5 Years

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

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Leases (Continued)

Lease Liabilities

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

In calculating the present value of lease payments, the Association uses the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(s) Taxation

The Association is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

- where the amount of GST incurred is not recoverable from the taxation authority (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; 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 in the Statement of Financial Position. Commitments and contingencies are disclosed net of the amount of GST recoverable from or payable to, the taxation authority.

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 ATO is classified within operating cash flows.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Going Concern

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

(u) Information to be Provided to Members or Commissioner

In accordance with the requirement of the *Fair Work (Registered Organisations) Act 2009*, as amended, the attention of members is drawn to the provisions of subsection (1), (2) and (3) of section 272 which reads as follows:

- i) A member of a 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.
- ii) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- iii) A reporting unit must comply with an application made under subsection (1).

(t) Fair Work Disclosures

Users of these financial statements should note that nil disclosures are made to comply with the reporting requirements of the *Fair Work (Registered Organisations) Act 2009*.

NOTE 2 EVENTS AFTER THE REPORTING PERIOD

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 Association, the results of those operations, or the state of affairs of the Association in subsequent financial periods.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 3 REVENUE		
<i>Disaggregation of Revenue from Contracts with Customers</i>		
The table below also sets out a disaggregation of revenue by type of customer revenue:		
Customer Revenue		
Member subscriptions	1,352,787	1,135,135
Corporate sponsorship	50,926	11,574
Commissions	8,009	6,175
Promotions – Awards for Excellence	131,572	149,696
Grant income	2,045,100	1,572,479
Other functions and events	91,039	691
Revenue from recovery of wages activity	-	-
Capitation fees and other revenue from another reporting unit	-	-
Levies	-	-
Total Revenue from Contracts with Customers	3,679,433	2,875,750
<i>Disaggregation of Income for Furthering Activities</i>		
The table below also sets out a disaggregation of income by funding source:		
Income Funding Sources		
COVID-19 assistance	158,000	98,000
THAT Foundation funding	29	37,292
Interest revenue	419	876
Other income	20,995	24,227
Donations received	-	-
Total Income for Furthering Activities	179,443	160,395
Total Revenue	3,858,876	3,036,145

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 4 EXPENSES		
(a) Employee Expenses		
 Holders of Office		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Executive expenses	-	-
Employee Expenses - Holders of Office	-	-
Employees Other than Office Holders		
Wages and salaries	760,851	736,758
Superannuation	60,314	63,175
Leave and other entitlements	18,401	46,713
Separation and redundancies	-	-
Executive expenses	20,004	13,472
Employee Expenses - Employees Other than Office Holders	859,570	860,118
Total Employee Expenses	859,570	860,118
There are no other expenses relating to redundancies or other liabilities for office holders and other employees of the Association. No fees have been incurred as consideration for employers making payroll deductions for membership subscriptions.		
(b) Capitation Fees		
Australian Hotels Association	21,994	24,008
Total Capitation Fees	21,994	24,008
(c) Affiliation Fees		
Australian Hotels Association	300	300
Total Affiliation Fees	300	300

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 4 EXPENSES (CONTINUED)		
(d) Administration Expenses		
Accounting and bookkeeping services	41,621	41,575
Auditing services	11,500	13,220
Awards for excellence expenses	158,968	148,728
Bank charges	2,066	1,326
Client entertainment expenses	32,549	33,974
Compulsory levies	-	-
Cowards punch program expenses	162,858	165,633
Great customer experience (GCE) expenses	781,794	646,698
Hospitality health project expenses	20,000	-
Interest expense	1,616	2,939
Insurance expense	13,946	12,371
IT expenses	5,590	14,718
Meeting expenses	4,398	8,871
Motor vehicle expenses	14,310	12,861
Other expenses	42,349	41,061
Other functions and events	107,411	7,575
Postage, printing & stationary expenses	8,180	5,971
Property expenses	41,581	34,401
Publications	625	1,163
Subscription expenses	332	220
Sponsorship expenses	50,280	-
Strategic planning expenses	1,003,584	726,700
Telephone and internet expenses	9,651	11,011
THAT Foundation expenses	10,513	15,665
Total paid to employers for payroll deductions of membership subscriptions	-	-
Tourism Tasmania campaign expenses	65,000	-
Training expenses	5,128	333
Travel expenses	11,540	17,941
Total Administration Expenses	<u>2,607,390</u>	<u>1,964,955</u>

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 4 EXPENSES (CONTINUED)		
(e) Grants or Donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	2,638
Total paid that exceeded \$1,000	5,500	4,164
Total Grants or Donations	5,500	6,802

Donations are recognised net of GST.

(f) Depreciation and Amortisation		
Plant and equipment	4,052	7,418
Leases	57,890	56,413
Total Depreciation and Amortisation	61,942	63,831

(g) Legal Costs		
Litigation	-	-
Other legal costs	1,747	2,565
Total Legal Costs	1,747	2,565

(h) Other Expenses		
Bad debts expense	-	-
Penalties – via RO Act or <i>Fair Work Act 2009</i>	-	-
Total Other Expenses	-	-

NOTE 5 CURRENT ASSETS

(a) Cash and Cash Equivalents		
Cash at bank	1,904,052	986,297
Cash on hand	210	210
Total Cash and Cash Equivalents	1,904,262	986,507

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 5 CURRENT ASSETS (CONTINUED)		
(b) Trade and Other Receivables		
Trade debtors	229,446	460,147
Prepayments	2,373	26,170
Accrued Income	38,552	-
Other receivables	12,500	-
Total Current Receivables	282,871	486,317
Less allowance for expected credit losses	-	-
Total Current Receivables (Net)	282,871	486,317

Trade debtors are non-interest bearing and generally collected on 30-day terms.

The Australian Hotels Association Tasmanian Branch does not have monies receivable from other reporting units at 30 June 2021.

The Association has recognised the following assets related to contracts with customers:

Receivables	282,871	486,317
Receivables – Current	282,871	486,317
Receivables – Non-Current	-	-
Contract assets	-	-
Contract assets – Current	-	-
Contract assets – Non-Current	-	-
(c) Inventory		
Current		
Held for use	1,339	837
Total Current Inventories	1,339	837
Non-Current		
Held for use	-	-
Total Non-Current Inventories	-	-
Total Inventories	1,339	837

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 6 NON-CURRENT ASSETS		
(a) Plant and Equipment		
At cost	136,551	136,551
Accumulated depreciation	(118,405)	(114,353)
Total Plant and Equipment	18,146	22,198

Reconciliation of the opening and closing balances of plant and equipment

Net Book Value 1 July	22,198	29,616
Additions	-	-
Disposals	-	-
Depreciation expense	(4,052)	(7,418)
Net Book Value 30 June	18,146	22,198

Net Book Value as of 30 June Represented by:

Gross book value	136,551	136,551
Accumulated depreciation and impairment	(118,405)	(114,353)
Net Book Value 30 June	18,146	22,198

(b) Leases

Association as a lessee

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

As at 1 July	90,095	146,508
Additions	-	-
Amortisation expense	(57,890)	(56,413)
Impairment	-	-
Disposals	-	-
As at 30 June	32,205	90,095

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 6 NON-CURRENT ASSETS (CONTINUED)		
(b) Leases		
Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:		
As at 1 July	91,153	146,508
Additions	-	-
Accretion of interest	1,616	2,936
Payments	(59,801)	(58,291)
As at 30 June	32,968	91,153
Current	31,461	58,161
Non-current	1,507	32,992
Total Lease Liabilities	32,968	91,153

The maturity analysis of lease liabilities is disclosed in Note 14.

The following are the amounts recognised in profit or loss:

Amortisation expense of right-of-use assets	57,890	56,413
Interest expense on lease liabilities	1,616	2,936
Expense relating to short-term leases	-	-
Expense relating to leases of low-value assets (included in administrative expenses)	-	-
Total Amount Recognised in Profit or Loss	59,506	59,349

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 7 CURRENT LIABILITIES		
(a) Trade Payables		
Trade creditors	45,422	40,796
Total Trade Payables	45,422	40,796

Trade payables are non-interest bearing and are usually settled within 30 days. The Association has a credit card facility with a credit card limit of \$27,000.

The Australian Hotels Association Tasmanian Branch does not have monies payable to other reporting units at 30 June 2021.

The Association has recognised the following liabilities related to contracts with customers:

Other contract liabilities	45,422	40,796
Contract liabilities – current	45,422	40,796
Contract liabilities – non-current	-	-

Unsatisfied performance obligations

The Association expects that the remaining performance obligations will be met in the next financial year. These performance obligations primarily relate to member subscription contracts and grant program contracts.

(b) Other Payables		
Accrued expenses	47,195	25,557
GST payable	81,297	24,726
PAYG withholding tax	31,299	27,260
Sundry creditors	5,284	29,336
Superannuation payable	21,581	28,373
Payable to employers for making payroll deductions of membership subscriptions	-	-
FBT instalment	-	-
Consideration to employers for payroll deduction	-	-
Legal costs	-	-
Total Other Payables	186,656	135,252

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 8 EMPLOYEE PROVISIONS		
Holders of Office		
Annual leave	-	-
Long service leave	-	-
Employee Provisions - Holders of Office	-	-
Employees other than Office Holders		
Annual leave	113,562	110,766
Long service leave	83,419	75,177
Employee Provisions - Employees other than Office Holders	196,981	185,943
Total Employee Provisions	196,981	185,943
Current	179,937	172,443
Non-current	17,044	13,500
Total Employee Provisions	196,981	185,943
There are no other provisions relating to redundancies or other liabilities for office holders and other employees of the Association.		
NOTE 9 EQUITY		
(a) Retained Profits		
Balance at the beginning of the year	653,317	539,751
Surplus / (deficit) for the year	300,433	113,566
Balance at End of Year	953,750	653,317
(b) Other Specific Disclosures - Funds		
Compulsory levy / voluntary contribution fund – if invested in assets	-	-
Other fund(s) required by rules	-	-
Balance at End of Year	-	-
Total Reserves	953,750	653,317

There are no other funds relating to compulsory levies or voluntary contributions maintained by the Association.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 10 CASH FLOW		
Cash Flow Reconciliation		
Surplus / (Deficit) for the Year	300,433	113,566
Adjustments for Non-Cash Items		
Depreciation and amortisation	61,942	63,831
Changes in Assets and Liabilities		
(Increase) / decrease in trade and other receivables	203,446	(219,277)
(Increase) / decrease in inventory	(502)	230
(Decrease) / increase in trade payables	369,817	393,232
(Decrease) / increase in other payables	29,766	3,328
(Decrease) / increase in employee provisions	11,038	70,287
Net Cash From / (Used by) Operating Activities	975,940	425,197

(a) Cash Flow Information

Cash Inflows

Operating activities	4,382,078	3,197,412
Investing activities	-	-
Total Cash Inflows	4,382,078	3,197,412

Cash Outflows

Operating activities	3,360,968	2,772,215
Investing activities	-	-
Financing activities	58,185	55,355
Total Cash Outflows	3,419,153	2,827,570

NOTE 11 REMUNERATION OF AUDITORS

Value of the Services Provided by WLF Accounting & Advisory

Financial statement audit services	11,500	11,000
Total Remuneration of Auditors	11,500	11,000

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

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 12 RELATED PARTY DISCLOSURES

(a) Related Parties

The Australian Hotels Association – National is a related entity. Affiliation fees paid by the Australian Hotels Association Tasmanian Branch were on normal commercial terms. There were no loans during the year to Councillors of the Association or to the Councillor's Related Entities.

The Branch Executive of the Australian Hotels Association Tasmanian Branch during the financial year were:

KELLY, Martin (Vice President)
FUGLSANG, Philip (Treasurer)
BURT, Margaret (Councillor, North)
DABNER, John (Councillor, North West & North)
BERECHEE, Jocelyn (Councillor, South)
BEST, Michael (Councillor, North West & North)
BROWN, Darren (Councillor, South)
CADLE, Mark (Councillor, North West & North)
CARPENTER, Ben (Councillor, North West)
FRARACCIO, Angelo (Councillor, South)
RICHARDS, Shelley (Councillor, South)
WILLIAMS, Alan (Councillor, North)

The councillors of the Committee of Management who held office during the financial year received no remuneration.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 12 RELATED PARTY DISCLOSURES (CONTINUED)		
<p>The following related party transactions occurred during the reporting period. All transactions were at normal commercial terms:</p>		
Beach Hotel Burnie	2,742	3,084
Brighton Hotel	1,719	-
Cock 'n' Bull Hotel	709	-
Customs House Hotel	-	5,943
Da' Angelos Ristorante	938	853
Goodstone Group	200	-
Norton Hospitality Group	1,418	-
RACV/RACT Hobart Apartment Hotel	3,205	1,955
Risdon Brook Hotel and Brighton Hotel	-	2,883
Salamanca Inn	2,914	4,630
Shipwrights Arms Hotel	-	4,333
Shoreline Hotel	1,963	2,559
Tall Timbers Tasmania	2,141	3,506
Vantage Group	-	1,777
Wrest Point Hotel Casino	8,757	5,691

The following cash flows occurred between the Australian Hotels Association – Tasmanian Branch and other related reporting units for the period.

Net Cash Flows (to) / From Other Reporting Units

Australian Hotels Association	20,000	20,415
Australian Hotels Association - ACT	(22,444)	(23,757)
Australian Hotels Association – NSW	-	-
Australian Hotels Association – NT	-	-
Australian Hotels Association – SA	-	(618)
Australian Hotels Association – VIC	(141)	1,809
Australian Hotels Association - WA	-	(2,500)
Queensland Hotels Association	-	-

The Association did not make a payment to a former related party of the Association.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 13 KEY MANAGEMENT PERSONNEL REMUNERATION		
Short-Term Employee Benefits		
Salary (including annual leave taken)	250,000	240,385
Annual leave accrued	19,231	19,231
Total Short-Term Employee Benefits	<u>269,231</u>	<u>259,616</u>
Post-Employment Benefits		
Superannuation	23,750	22,705
Total Post-Employment Benefits	<u>23,750</u>	<u>22,705</u>
Other Long-Term Benefits		
Long service leave accrued	4,168	4,168
Total Other Long-Term Benefits	<u>4,168</u>	<u>4,168</u>
Termination benefits	-	-
Total Benefits	<u>297,149</u>	<u>286,489</u>

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 14 FINANCIAL INSTRUMENTS

The Association's principle financial assets comprise cash, trade debtors and loans whilst its principle financial liabilities comprise trade payables.

The Association has exposure to the following risks from its use of financial instruments:

(a) Credit risk

Credit risk is the risk of financial loss to the Association if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Association's receivables from customers.

The Association's maximum exposure to credit risk at balance date in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the balance sheet.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

(b) Interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The majority of the Association's financial assets are held in interest bearing assets that are expected to mature within three months or in financial assets that reset to the prevalent market interest rate on a monthly or quarterly basis. As a result, the Association is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

An increase / (decrease) in interest rates of 1% will have a corresponding effect on revenue of \$19,043 (2020: \$9,865).

(c) Liquidity Risk

Liquidity risk arises from the possibility that the Association might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities.

The tables below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Association does not hold any derivative financial liabilities directly.

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 14 FINANCIAL INSTRUMENTS (CONTINUED)

Cash flows realised from financial assets reflect management's expectations as to timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

2021

	0-6 months	6-12 months	1-5 years	>5 years	Total
Financial assets:					
Cash and cash equivalents	1,904,262	-	-	-	1,904,262
Trade debtors	229,446	-	-	-	229,446
Loan to Tasmanian Hospitality Property Association	-	-	-	793,092	793,092
Total financial assets	2,133,708	-	-	793,092	2,926,800
Financial liabilities:					
Trade creditors	45,422	-	-	-	45,422
Lease liabilities	15,731	15,731	1,507	-	32,968
Total financial liabilities	61,153	15,731	1,507	-	78,390

2020

	0-6 Months	6-12 months	1-5 years	>5 years	Total
Financial Assets:					
Cash and cash equivalents	986,507	-	-	-	986,507
Trade debtors	460,147	-	-	-	460,147
Loan to Tasmanian Hospitality Property Association	-	-	-	793,092	793,092
Total Financial Assets	1,446,654	-	-	793,092	2,239,746
Financial Liabilities:					
Trade creditors	40,796	-	-	-	40,796
Lease liabilities	16,484	16,484	58,185	-	91,153
Total Financial Liabilities	57,280	16,484	58,185	-	131,949

AUSTRALIAN HOTELS ASSOCIATION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

NOTE 15 ASSOCIATION DETAILS

The principal place of business of the Association is:

25/93 Salamanca Place
HOBART TAS 7000

NOTE 16 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

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

- (1) A member of a reporting unit, 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 in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

NOTE 17 SEGMENT REPORTING

The Australian Hotels Association Tasmanian Branch operates in one geographical segment being Tasmania.

NOTE 18 RELIANCE AND PROVISION OF FINANCIAL SUPPORT

The Australian Hotels Association Tasmanian Branch does not place any reliance on the agreed financial support of another reporting unit of the organisation to operate as a going concern. No financial support was received from another reporting unit during the financial period.

The Australian Hotels Association Tasmanian Branch has not entered into any agreement to provide financial support to another reporting unit of the organisation to assist it to operate as a going concern.

NOTE 19 RECOVERY OF WAGES

There was no recovery of wages activity for the 2020 or 2021 financial years.