



Fair Work
Commission

31 October 2023

Helen O'Byrne
Branch President
The Pharmacy Guild of Australia-Tasmania Branch
Sent via email: guild.tas@guild.org.au
CC: david.palmer@bdo.com.au

Dear Helen O'Byrne

**The Pharmacy Guild of Australia-Tasmania Branch
Financial Report for the year ended 30 June 2023 – (FR2023/125)**

I acknowledge receipt of the financial report for the year ended 30 June 2023 for the Pharmacy Guild of Australia-Tasmania Branch. The documents were lodged with the Fair Work Commission (the Commission) on 6 October 2023.

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

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

Please note that the financial report for the year ending 30 June 2024 may be subject to an advanced compliance review.

Reporting Requirements

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

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

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

Yours sincerely

Kylie Ngo
Fair Work Commission



The Pharmacy Guild of Australia – Tasmanian Branch

s.268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 30 June 2023

I *Helen O'Byrne* being the *President of The Pharmacy Guild of Australia, Tasmanian Branch* certify:

- that the documents lodged herewith are copies of the full report for the *Pharmacy Guild of Australia, 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 13th *September 2023*; and
- that the full report was presented to a *general meeting of members* of the reporting unit on 5^h *October 2023* in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

Name of prescribed designated officer: Branch President, Helen O'Byrne

Dated: 16 October 2023



**The Pharmacy
Guild of Australia**

TAS Branch

**Pharmacy Guild of Australia
(Tasmanian Branch)**

ABN 25 957 305 960

Annual Financial Report

For the year ended 30 June 2023

Pharmacy Guild of Australia (Tasmanian Branch) Contents to Financial Report

Operating report	2
Statement by the Branch Committee	4
Statement of comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9
Subsection 255(2A) report	25
Auditors independence declaration	26
Independent audit report	27

Pharmacy Guild of Australia (Tasmanian Branch)

Operating report

I, Helen O'Byrne, being the designated officer responsible for preparing this financial report for the year ended 30 June 2023 of the Pharmacy Guild of Australia (Tasmanian Branch), report as follows:

A General information

Principal activities

- i) The Pharmacy Guild of Australia (Tasmanian Branch) ("the Branch") is an employers' organisation servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.
- ii) The Pharmacy Guild of Australia ("the Guild") functions as a single entity and acts under its Constitution and Rules and reports under the *Fair Work (Registered Organisations) Act 2009*.
- iii) The development of Guild policy is the responsibility of the Guild's supreme governing body, the National Council, on which all State and Territory Branches are represented.
- iv) The implementation of this policy is overseen by the National Executive through the National Secretariat.
- v) Within the framework of National Guild policy, development and implementation of the activities and operations of the Tasmanian Branch is set by the members of the Tasmanian Branch Committee.
- vi) These activities are referred to the various Tasmanian Branch Divisions who deliver the activities and services that address the various objectives and targets set for them.

Significant changes in principal activities

There were no significant changes in the nature of the Branch's activities that occurred during the financial year.

Significant changes in financial affairs

The funding agreement between the Branch and National Secretariat has changed, and the Branch can now retain any operating surplus that it generates. There were no other significant changes in the Branch's financial affairs during the financial year.

Committee members

The members of the Tasmanian Branch Committee throughout the year and at the date of this report were:

Helen O'Byrne	Branch President	National Councillor
Katie Hayes	Senior Vice President	Alternate National Councillor
John Dowling	Vice President Finance	National Councillor Retired 31 December 2022
Jack Muir Wilson	Vice President	
Joe O'Malley	Branch Committee Member	National Councillor Appointed 1 January 2023
Scott Chambers	Branch Committee Member	
Melissa Johnson	Branch Committee Member	
Brad Turner	Branch Committee Member	
Jason Martin	Branch Committee Member	
Kristina Fox	Branch Committee Member	Joined August 2022

Members of the Branch Committee have been in office since the start of the financial year to the date of this report unless otherwise stated.

Number of employees

As at 30 June 2023, the Branch maintains employment of 4 full time equivalent employees in total (2022: 4).

Superannuation Trustees

No officers or employees of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public superannuation fund scheme, where the criteria for holding such position is that they are an officer or member of the reporting unit.

Number of members and right to resign

As at 30 June 2023, Pharmacy Guild of Australia (Tasmanian Branch) has 126 members (2022: 121) across its three categories of membership, being Proprietor, Associate and Honorary Life Member.

In accordance with rule 10 of the Federal Rules of the Pharmacy Guild of Australia a member may resign from membership by written notice addressed and delivered to the Branch Secretary in which he or she is a member.

B Member advice


Under section 174 of the *Fair Work (Registered Organisations) Act 2009* a member may resign from membership with written notice addressed and delivered to the Branch Director.

The register of members of the reporting unit was maintained in accordance with the *Fair Work (Registered Organisations) Act 2009*.

C Operating results and review of operations for the year

The surplus/(deficit) from ordinary activities for the year amounted to \$10,765 (2022: \$-). There have been no significant changes in the nature of ordinary activities during the 2023 financial year.

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



Signature of designated officer:

Name and title of designated officer: Helen O'Byrne—Branch President

Date: 11 September 2023

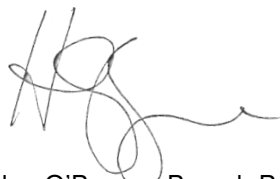
Pharmacy Guild of Australia (Tasmanian Branch) Statement by the Branch Committee

On 11 September 2023 the Branch Committee passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2023, and 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 of 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 committee of management were held in accordance with the rules of the organisation including the rules of the branch concerned; 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 concerned; and
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - iv. where the organisation consists of two or more reporting units 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. where information has been sought in any request by a member of the reporting unit or the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the 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.

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

Signature of designated officer:



Name and title of designated officer: Helen O'Byrne—Branch President

Date: 11 September 2023

Pharmacy Guild of Australia (Tasmanian Branch)
Statement of comprehensive income
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Income			
Operating subsidy	2	340,596	333,973
Member subscriptions		293,575	295,090
Grants and donations	3	182,396	245,047
Reimbursement of Covid-19 advertising		-	97,575
Conference income		164,023	5,024
Sub lease		33,115	30,126
Commissions		26,295	240
Event sponsorship		10,000	-
Other income		5,975	9,191
Campaign income		6,048	-
AGM dinner (inc sponsorship)		5,309	8,730
Interest		4,985	363
Training		3,795	11,245
Miscellaneous income		-	273
Total income	2	1,076,112	1,036,876
Expenses			
Employee expenses	5	488,039	494,399
National Council dues		146,788	118,036
Tasmanian conference		141,146	22,164
Property lease & occupancy	7	110,114	105,161
Services to members	9	37,294	35,125
Office holder expenses	6	37,246	36,384
Office and administration	8	22,840	20,069
Grants and donations	11	16,476	26,391
Awards and presentations		15,893	3,853
Insurance		11,064	10,080
Governance and Board	10	9,100	7,851
Auditors' remuneration	12	8,500	6,500
Advertising and promotions		7,425	111,580
Sundry expenses		4,947	693
National Council charges		3,067	3,170
Depreciation		1,607	2,940
Affiliations	4	1,583	1,238
Hand sanitiser		1,123	6,449
Bank charges		911	672
Project costs		186	4,347
Unspent grant funds		-	19,775
Total expenses		1,065,348	1,036,876
Net Operating Surplus		10,765	-
Total comprehensive income for the year		10,765	-

This statement is to be read in conjunction with the attached notes.

Pharmacy Guild of Australia (Tasmanian Branch)
Statement of financial position
As at 30 June 2023

	Note	2023 \$	2022 \$
Current assets			
Cash and equivalents	13	404,035	112,126
Inventories		-	1,123
Prepaid expenses		35,516	17,781
Trade and other receivables	14	36,204	277,517
Total current assets		475,754	408,546
Non-current assets			
Plant and equipment	15	895	2,502
Right to use—property	16	223,738	287,075
Total non-current assets		224,633	289,578
Total assets		700,387	698,124
Current liabilities			
Lease liability—property		93,439	86,678
Subscriptions paid in advance		35,310	44,410
Provision for employee benefits	18	66,043	55,282
Provision for unspent campaign funds		49,497	-
Provision for unspent grant funds		-	8,000
Trade and other payables	17	96,950	94,532
Total current liabilities		341,240	288,902
Non-current liabilities			
Lease liability—property		154,441	220,808
Provision for employee benefits	18	14,951	9,424
Total non-current liabilities		169,392	230,232
Total liabilities		510,632	519,133
Net assets		189,755	178,991
Equity			
Accumulated surpluses		173,470	173,470
Reserves		5,521	5,521
Current year earnings		10,765	-
Total equity		189,755	178,991

This statement is to be read in conjunction with the attached notes.

Pharmacy Guild of Australia (Tasmanian Branch)
Statement of changes in equity
For the year ended 30 June 2023

	Accumulated Surpluses	Judy Liauw Reserve	Legal Reserve	Total
Balance at 1 July 2021	173,470	20	5,501	178,991
Net surplus/(deficit) for the year	-	-	-	-
Balance at 30 June 2022	173,470	20	5,501	178,991
Balance at 1 July 2022	173,470	20	5,501	178,991
Net surplus/(deficit) for the year	10,765	-	-	10,765
Balance at 30 June 2023	184,234	20	5,501	189,755

This statement is to be read in conjunction with the attached notes.

Pharmacy Guild of Australia (Tasmanian Branch)
Statement of Cash Flows
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Gross receipts		1,065,613	684,492
Membership subscriptions		312,923	312,834
Sublease income		36,159	33,403
Interest received		4,985	363
Property lease—interest	7	-10,842	-11,711
Payments to suppliers and employees		-1,031,232	-1,017,125
Net cash flows from operating activities	20	377,606	2,257
Cash flows from investing activities			
Purchases of plant and equipment		-	-
Net cash flows from investing activities		-	-
Cash flows from financing activities			
Repayment of lease liability		-85,697	-81,192
Net cash flows from financing activities		-85,697	-81,192
Net increase/(decrease) in cash and cash equivalents		291,909	-78,936
Cash and cash equivalents at beginning of year		112,126	191,061
Cash and cash equivalents at end of year	13	404,035	112,126

This statement is to be read in conjunction with the attached notes.

Pharmacy Guild of Australia (Tasmanian Branch)

Notes To and Forming Part of the Accounts

For the year ended 30 June 2023

The financial statements are for the Pharmacy Guild of Australia (Tasmanian Branch) as an individual entity, incorporated and domiciled in Australia. The Pharmacy Guild of Australia (Tasmanian Branch) is a not-for-profit registered employer organisation under the *Fair Work (Registered Organisation) Act 2009*. The functional and presentation currency of the Pharmacy Guild of Australia (Tasmanian Branch) is Australian dollars.

Note 1 Statement of significant accounting policies

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisation) Act 2019*. The branch is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

These financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements are based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Comparative figures

When required by Accounting Standards and for consistency comparative figures have been adjusted to conform to changes in presentation for the current financial year. These changes affect the presentation of expenses in the statement of comprehensive income, and improve disclosure of the functional nature of the expense.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Short term debtors are measured at transaction price (which is usually the invoice price), less an allowance for expected credit losses.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Property, plant and equipment

Plant and equipment are stated at cost or fair value less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

There are no operating leases over any plant or equipment.

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

Plant & equipment	2–5 years
-------------------	-----------

The residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date or when there is an indication that they have changed. A carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable amount. When an asset is disposed the gain or loss is calculated by comparing the proceeds with its carrying value amount and is taken to surplus or deficit.

Impairment of assets

The Branch assesses impairment at the end of each reporting period by evaluating conditions specific to the Branch that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Trade and other payables

Trade and other payables are stated at cost, which approximates fair value due to the short-term nature of these liabilities.

Employee benefits*Short-term employee benefits*

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled with one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal value. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by the Branch to employee superannuation funds and are charged as expenses when incurred.

Long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Financial instruments

Financial instruments are recognised initially on the date that the Branch becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

There are no financial assets classified as fair value through profit or loss, or as fair value through other comprehensive income (FVOCI).

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Branch considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Branch's historical experience and informed credit assessment and including forward looking information.

The Branch uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Branch uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Branch in full, without recourse to the Branch to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Branch in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Branch has determined the probability of non-payment of the receivable contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised as a finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Branch negotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The financial liabilities of the Branch comprise trade payables and lease liabilities.

The Branch measures all financial liabilities initially at fair value less transaction costs. Subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Critical accounting estimates and judgements

The Branch Committee evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Branch.

The entity does not control any other reporting units (subsidiaries). Control is achieved where a reporting unit is exposed or has rights to variable returns from its involvement with an investor and has the ability to affect those returns through its power over the reporting unit.

Key judgements—revenue

For many of the grant agreements received the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions, review of the grant

documents and consideration of the terms and conditions. Grants received by the Branch have been accounted for under AASB 15 and/or AASB 1058 depending on the terms and conditions and decisions made. If this determination was changed then the revenue recognition pattern would be different from that recognised in this financial report.

Key judgements—impairment

The Branch Committee assess impairment at each reporting date by evaluating conditions specific to the Branch that may lead to impairment of assets. Where an impairment exists, the recoverable amount of the asset is determined.

Key judgements—employee provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of the all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Revenue

The Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, grants, sponsorships, 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 Branch has a contract with a customer, the Branch recognises revenue when or as it transfers control of goods or services to the customer. The Branch 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 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 subscriptions 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 Branch.

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

For member subscriptions paid annually in advance, the Branch 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 goods or services will transfer to the customer will be one year or less.

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

Operating grants and subsidies—AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally input methods being costs or time incurred are deemed to be the most appropriate method to reflect the transfer of benefit.

Operating grants and subsidies—AASB 1058

Assets arising from grants in the scope of AASB 1058 (i.e. agreements that are not enforceable or do not have sufficiently specific performance obligations) are recognised at their fair value when the asset is

received. These assets are generally cash, but may be property which has been donated or sold to the Branch significantly below its fair value.

The Branch then considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard. Once the assets and liabilities have been recognised then income is recognised for any difference between the recorded asset and liability.

Interest income

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

Rental income

Leases in which the Branch 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.

Leases

Right of use asset

At the lease commencement the Branch recognised a right of use asset and associated lease liability for the lease term. The lease term includes extension periods where the Branch believes it is reasonably certain that the option will be exercised.

The right of use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right of use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Lease liabilities

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

In calculating the present value of lease payments, the Branch uses the incremental borrowing rate of 3.85% per annum. 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 or a change in the assessment of an option to purchase the underlying asset.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net 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.

Cash flows are presented in the statement of the cash flows on a gross basis, and the net movement in GST for the period shown as a separate operating cash flow. The GST components of investing and financing activities are disclosed as operating cash flows.

Income tax

No provision for income tax has been raised as the Branch has self-assessed as exempt from income tax under section 50-15 of the *Income Tax Assessment Act 1997*.

New or amended Accounting Standards and Interpretations adopted

The Branch has adopted all standards which became effective for the first time as at 1 July 2023. The accounting policies adopted are consistent with those of the previous financial year except for the following accounting standards and amendments, which have been adopted for the first time this financial year. No accounting standards have been adopted earlier than the application date stated in the standard.

Future Australian Accounting Standards

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Standard AASB 2020–1 *Amendments to Australian Accounting Standards—Classification of Liabilities as Current or Non-current* amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. This standard applies to annual reporting periods beginning on or after 1 January 2023. The Branch has decided against early adoption of this Standard, and does not expect the adoption of this amendment to have a material impact on its financial statements.

Below is a list of Australian Accounting Standards that have been issued but are not yet effective:

- AASB 2020-1 *Amendments to Australian Accounting Standards—Classification of Liabilities as Current or Non-current*
- AASB 2021-2 *Amendments to Australian Accounting Standards—Disclosure of Accounting Policies and Definition of Accounting Estimates*
- Amendments to AASB 7, AASB 101, AASB 134 and AASB Practice Statement 2
- Amendments to AASB 108

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 reads:

Information to be provided to members or Commissioner:

- 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.
- 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.
- A reporting unit must comply with an application made under subsection (1).

Transaction occurrence

Any transactions required to be specifically disclosed under the *Fair Work (Registered Organisations) Act 2009* that have not been disclosed in this financial report have not occurred during the financial year.

Economic dependence

The Pharmacy Guild of Australia has agreed to provide the Pharmacy Guild of Australia (Tasmanian Branch) with financial support to ensure that they can continue on a going concern basis. This agreed financial support is to continue indefinitely and is an interest free agreement with no repayments to be made. The Branch can retain any operating surplus that it generates.

The entity has not provided any going concern support to any other reporting unit.

Acquisition of assets and or liabilities that do not constitute a business combination

The Branch did not acquire an asset or liability due to an amalgamation under part 2 of chapter 3 of the *Fair Work (Registered Organisations) Act 2009*, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the Act.

Events after the reporting period

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected the operations of the Pharmacy Guild of Australia (Tasmanian Branch).

Rounding

Unless otherwise stated all financial figures have been rounded off to the nearest dollar.

Note 2 Revenue from contracts with customers

Disaggregation of revenue by type of customer:

	2023	2022
Members	310,721	297,390
Other reporting units	166,396	176,708
Government	26,425	123,230
Other parties	226,989	105,212
	<u>730,531</u>	<u>702,540</u>

Disaggregation of income for furthering activities:

	2023	2022
Members	-	-
Other reporting units (operating subsidy)	340,596	333,973
Government	-	-
Other parties	-	-
	<u>340,596</u>	<u>333,973</u>

Capitation fees and levies:

	2023	2022
Capitation fees	-	-
Levies	-	-
	<u>-</u>	<u>-</u>

Reconciliation to total income:

	2023	2022
Total revenue by type of customer	730,531	702,540
Income for furthering activities	340,596	333,973
Capitation fees and levies	-	-
Interest	4,985	363
Total income	<u>1,076,112</u>	<u>1,036,876</u>

Revenue from other reporting units

	2023	2022
The Pharmacy Guild of Australia—National Secretariat	503,865	510,441
The Pharmacy Guild of Australia—SA Branch	3,127	-
The Pharmacy Guild of Australia—NSW Branch	-	240
	<u>506,992</u>	<u>510,681</u>
Comprising:		
Revenue from other reporting units	166,396	176,708
Income for furthering activities	340,596	333,973
	<u>506,992</u>	<u>510,681</u>

Note 3 Grants and donations

	2023	2022
Black Dog Institute	9,680	9,680
Department of Health (Tasmania)	29,116	40,250
Digital Health	17,100	-
Quality Care Pharmacy Program	126,500	195,117
Donations	-	-
	<u>182,396</u>	<u>245,047</u>

Note 4 Affiliation fees

	2023	2022
Council of the Aged (Tasmania)	68	68
Mental Health Council of Tasmania	275	275
Tasmanian Chamber of Commerce and Industry	363	363
Wounds Australia	64	64
Primary Health Tasmania	-	91
Alcohol, Tobacco and other Drugs Council	64	127
Palliative Care Tasmania	750	250
	<u>1,583</u>	<u>1,238</u>

Note 5 Employee expenses

	2023	2022
Salaries and wages	400,248	411,983
Superannuation	42,032	41,203
Leave and other entitlements	16,288	10,089
Payroll tax	28,569	28,265
Fringe benefits tax	-	-
Staff training	641	2,296
Employee assistance program	260	563
Recruitment	-	-
	<u>488,039</u>	<u>494,399</u>

Note 6 Office holder expenses

	2023	2022
Salaries and wages	33,713	33,077
Superannuation	3,533	3,308
Leave and other entitlements	-	-
	<u>37,246</u>	<u>36,384</u>

Note 7 Rent and occupancy expenses

	2023	2022
Property lease—depreciation	81,258	73,671
Property lease—interest	10,842	11,711
Car parking	8,766	8,154
Utilities	7,503	6,857
Telephone	1,134	3,931
Other	611	837
	<u>110,114</u>	<u>105,161</u>

Note 8 Office expenses

	2023	2022
Computer and internet	12,809	11,440
Subscriptions	5,158	3,998
Printing and stationery	1,461	2,077
Workplace health and safety	275	122
Postage and freight	60	280
Other	3,076	2,152
	<u>22,840</u>	<u>20,069</u>

Note 9 Services to members and other operations

	2023	2022
Travel	22,495	21,710
Meetings and dinners	14,096	7,581
Vaccination training	704	4,642
Other	-	1,192
	<u>37,294</u>	<u>35,125</u>

Note 10 Governance and Board

	2023	2022
Branch Committee	1,042	398
Annual general meeting	6,893	6,895
President	1,165	558
	<u>9,100</u>	<u>7,851</u>

Note 11 Grants and donations

	2023	2022
Grants—\$1,000 or less	385	2,005
Grants—\$1,000 or more	-	3,000
Donations—\$1,000 or less	-	-
Donations—\$1,000 or more	16,091	21,386
	<u>16,476</u>	<u>26,391</u>

Note 12 Auditors' remuneration

	2023	2022
BDO	8,500	6,500
	<u>8,500</u>	<u>6,500</u>

Note 13 Cash and cash equivalents

	2023	2022
Cash at bank	404,000	112,091
Cash on hand	35	35
	<u>404,035</u>	<u>112,126</u>

The increase in cash at bank is attributable to the Branch receiving the FY23 operating subsidy prior to 30 June 2023.

Note 14 Trade and other receivables

	2023	2022
The Pharmacy Guild of Aust. National Secretariat	10,045	257,388
Trade receivables—other	17,985	8,055
Total trade receivables	<u>28,030</u>	<u>265,443</u>
Loan receivable—ex-employee	8,174	12,074
Total other receivables	<u>8,174</u>	<u>12,074</u>
Total trade and other receivables	36,204	277,517

The decrease in the receivable is attributable to the Branch receiving the FY23 operating subsidy prior to 30 June 2023.

Ageing analysis

	2023	2022
Less than 30 days	18,250	265,443
31 days to 60 days	-	-
61+ days (past due and not impaired)	9,780	-
	<u>28,030</u>	<u>265,443</u>

Note 15 Property, plant and equipment

	2023	2022
PPE—cost	61,874	61,874
less accumulated depreciation	<u>-60,979</u>	<u>-59,372</u>
	895	2,502

Reconciliation of the written down values at the beginning and end of the periods:

	Plant and Equipment
Balance at 1 July 2021	5,442
Additions	-
Depreciation	-2,940
Balance at 30 June 2022	<u>2,502</u>
Balance at 1 July 2022	2,502
Additions	-
Depreciation	-1,607
Balance at 30 June 2023	<u>895</u>

Note 16 Right of use assets

	2023	2022
Land and buildings—right of use	510,104	502,740
Less accumulated depreciation	<u>-286,366</u>	<u>-215,665</u>
	223,738	287,075

Note 17 Trade and other payables

	2023	2022
Trade payables	18,611	36,158
The Pharmacy Guild of Australia National Secretariat	26,983	22,197
PAYG payable	7,786	11,244
Accrued expenses	1,232	-
GST payable (net)	40,600	19,926
Superannuation	884	1,645
Other	<u>854</u>	<u>3,361</u>
	96,950	94,532

All amounts are short-term and the carrying values are considered to be a reasonable approximation of fair value.

Note 18 Provision for employee benefits

	2023	2022
Current employee benefits		
Annual leave	62,008	52,536
Long service leave	<u>4,036</u>	<u>2,746</u>
	66,043	55,282
Non-current employee benefits		
Long service leave	<u>14,951</u>	<u>9,424</u>
	14,951	9,424

There is no provision for benefits of office holders.

Note 19 Contingent liabilities and contingent assets

There are no contingent assets or liabilities as at reporting date to be disclosed.

Note 20 Reconciliation of cash flow from operations with total comprehensive income

	2023	2022
Total comprehensive income for the year	10,765	-
Non-cash expenses in surplus/(deficit)		
Depreciation—property lease	81,258	73,671
Depreciation—equipment	1,607	2,940
(Increase)/decrease in assets		
Trade and other receivables	241,314	-73,942
Prepaid expenses	-17,735	-592
Inventories	1,123	1,599
Increase/(decrease) in liabilities		
Trade and other payables	52,087	-1,108

Subscriptions in advance	-9,100	-10,400
Provision for employee benefits	16,288	10,089
Cash flow from operations	377,606	2,257

Note 21 Cash flows with other reporting units

	2023	2022
Cash inflows		
The Pharmacy Guild of Australia—National Secretariat	801,219	525,036
The Pharmacy Guild of Australia—Queensland Branch	-	3,716
The Pharmacy Guild of Australia—SA Branch	3,440	-
The Pharmacy Guild of Australia—NSW Branch	65	265
	804,724	529,017
Cash outflows		
The Pharmacy Guild of Australia—National Secretariat	565,282	568,952
The Pharmacy Guild of Australia—Queensland Branch	330	-
	565,612	568,952

Note 22 Financial risk management

The branch is exposed to a variety of financial risks through its use of financial instruments. The branch's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets, noting that the Branch does not speculate in financial assets. The most significant financial risks that the Branch is exposed are:

Specific risks

- Liquidity risk
- Credit risk

Financial instruments used

The principal categories of financial instrument used by the Branch are:

- Trade and other receivables
- Cash at bank
- Trade and other payables

Objectives, policies and processes

Risk management is carried out by the Branch Committee. The Finance Manager has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the the Branch. These policies and procedures are then reviewed and approved by the Branch Committee. Reports are presented at each Branch Committee meeting regarding the implementation of these policies. Specific information regarding the mitigation of each financial risk that the Branch is exposed to is provided below.

The totals for each category of financial instruments used are:

		2023	2022
Cash and cash equivalents	13	404,035	112,126
Trade and other receivables	14	36,204	277,517
Total financial assets		440,238	389,643
Trade and other payables	17	96,950	94,532
Lease liability		93,439	86,678
Total financial liabilities		190,389	181,210

Specific financial risk exposures and management

The main risks the reporting unit is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to financial loss to the reporting unit. The maximum exposure to credit risk, excluding the value of any collateral or security, at balance date to recognised financial assets, is the carrying amount net of any provisions for impairment as disclosed in the statement of financial performance and notes to the financial statements.

The Pharmacy Guild of Australia (Tasmanian Branch) does not have any material credit risk exposure to any single receivable or group of receivables under financial statements entered into by the reporting unit.

(b) Liquidity risk

Liquidity risk arises from the possibility that the reporting unit might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The reporting unit manages liquidity risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financial activities;
- monitoring credit facilities;
- obtaining funding from a variety of sources; and
- maintaining a reputable credit risk profile.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Financial liabilities due for payment in 2023

	On demand	< 1 year	1–5 years	> 5 years	Total
Trade and other payables	-	96,950	-	-	96,950
Lease liability	-	93,439	154,441	-	247,880

Financial liabilities due for payment in 2022

	On demand	< 1 year	1–5 years	> 5 years	Total
Trade and other payables	-	94,532	-	-	94,532
Lease liability	-	86,678	220,808	-	307,486

Sensitivity analysis

The Branch Committee has performed an assessment of its exposure to liquidity risk and credit risk at balance date. The Pharmacy Guild of Australia Tasmanian Branch is not currently subject to any interest rate risk on its financial liabilities and has assessed that there is no exposure to liquidity risk required to meet its financial obligations. The Pharmacy Guild of Australia Tasmanian Branch's exposure to credit risk has been assessed as not material, due to the nature and recoverability of amounts owed.

As a result of the risk assessment performed, any positive or negative changes in the liquidity risk or credit risk would not have a material effect on the financial statements. Hence, qualitative disclosures are not required.

Note 23 Key management personnel compensation

	2023	2022
Short term employee benefits—officer	37,246	36,384
Short term employee benefits—director	185,769	176,278
Long term employee benefits—officer	-	-
Long term employee benefits—director	3,447	2,944
Post employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	<u>226,461</u>	<u>215,606</u>

Note 24 Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to or by non-related parties.

Transactions with National Secretariat and other branches of the Pharmacy Guild of Australia are separately disclosed in notes 14, 17 and 20 to the financial statements. There is no doubtful debt provision raised against related parties. There were no payments to former related parties of the Branch.

Transactions with related parties (GST inclusive values):

Revenue received:

Name	Pharmacy	Training Services	Conference & Dinner Events	Member Services	Owing at 30 June
Helen O'Byrne	TWCM Riverside	—	—	2,860	—
	TWCM Windsor	—	—	2,860	—
John Dowling	TWCM Latrobe	—	—	2,860	—
Katie Hayes	Risdon Vale	—	450	2,860	—
Joe O'Malley	Penguin	—	900	2,860	—
	Westside	—	1,350	2,860	—
Jack Muir Wilson	Wilkinson's Healthsave	—	1,800	2,860	—
Scott Chambers	TWCM Newstead	—	—	2,860	—
Melissa Johnson	TWCM Mowbray	—	—	2,860	—
Brad Turner	TWCM Mowbray	—	—	2,860	—
Jason Martin	Youngtown	—	—	2,860	—
Kristina Fox	TWCM Rosny Park	—	—	2,860	—

Other amounts received:

Name	Pharmacy	Media Campaign
Helen O'Byrne	TWCM Riverside	1,000
	TWCM Windsor	1,000
John Dowling	TWCM Latrobe	1,000
Katie Hayes	Risdon Vale	1,000
Joe O'Malley	Penguin	1,000
	Westside	1,000
Jack Muir Wilson	Wilkinson's Healthsave	1,000
Scott Chambers	TWCM Newstead	1,000
Melissa Johnson	TWCM Mowbray	1,000

Brad Turner	TWCM Mowbray	1,000
Jason Martin	Youngtown	1,000

Expenses paid to:

Name	Pharmacy	Expense	
Jack Muir Wilson	Wilkinson's Healthsave	874	Vaccination services
Jason Martin	Youngtown	206	Reimburse Branch Committee expense

Note 25 Fair value measurement

The Branch measures financial assets and liabilities at fair value on a recurring basis.

Note 26 Going concern

These financial statements have been prepared on a going concern basis which contemplates the realisation of assets and the payment of liabilities in the ordinary course of business. Should the Tasmanian Branch be unable to continue as a going concern it may be unable to realise the carrying value of assets and to meet its liabilities as they become due.

The Tasmanian Branch's ability to continue as a going concern is dependent upon its capacity to attain profitable operations and to continue to obtain support from The Pharmacy Guild of Australia National Secretariat sufficient to meet current and future obligations (refer to note 3).

The following table represents the effect on the Tasmanian Branch's comprehensive result if the National Secretariat funding had not been received:

	2023	2022
Total comprehensive income for year	10,765	-
Less Operating subsidy	-340,596	-333,973
Total comprehensive income before funding	-329,831	-333,973

Note 27 Other disclosures required by the RO Act

	2023	2022
Revenue from undertaking recover of wages activity	-	-
Fees incurred and paid to employers for payroll deductions	-	-
Capitation fees paid	-	-
Total paid for separation and redundancy to holders of office	-	-
Total paid to office holders for other employee expenses	-	-
Total paid to employees for separation or redundancy (other than holders of office)	-	-
Total fees and allowances paid to people to attend conferences or meetings as a representative of the Branch	-	-
Legal costs relating to litigation	-	-
Legal costs for other matters	-	-
Penalties under the RO Act or the Fair Work Act	-	-
Total payable to an employer as consideration for that employer making payroll deductions or member subscriptions	-	-
Total payable in respect of legal costs relating to litigation	-	-
Total payable in respect of legal costs relating to other legal matters	-	-
Total provision for separation or redundancy for employees (other than holders of office)	-	-
Total other provisions in respect of employees (other than holders of office)	-	-

The Tasmanian Branch administers its own affairs, with the exception of payroll processing. National Secretariat perform the payroll processing, and the Branch reimburses them for the direct wage expense, superannuation expense, and payroll tax incurred. The Branch also reimburses National Secretariat for shared telecommunication costs. The Branch pays a fixed percentage of member subscriptions to National Secretariat. These expenses are disclosed in the statement of comprehensive income.

Pharmacy Guild of Australia (Tasmanian Branch)
Subsection 255(2A) report
For the year ended 30 June 2023

The Branch Committee presents the Subsection 255(2A) report on the Reporting Unit for the year ended 30 June 2023.

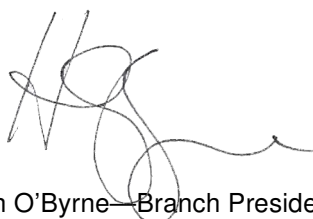
2023—Expenditure as required under S.255(2A) RO Act

Legal costs	\$—
Donations to political parties	\$16,091
Advertising	\$—
Operating costs	\$561,218
Remuneration and other employment related costs and expenses—employees	\$488,039
Total	\$1,065,348

2022—Expenditure as required under S.255(2A) RO Act

Legal costs	\$—
Donations to political parties	\$21,386
Advertising	\$—
Operating costs	\$521,091
Remuneration and other employment related costs and expenses—employees	\$494,399
Total	\$1,036,876

Signature of designated officer:



Name and title of designated officer: Helen O'Byrne—Branch President

Date: 11 September 2023

DECLARATION OF INDEPENDENCE BY DAVID E PALMER TO THE MEMBERS OF PHARMACY GUILD OF AUSTRALIA (TASMANIAN BRANCH).

As lead auditor of Pharmacy Guild of Australia (Tasmanian Branch) for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Accounting Professional Ethical Pronouncements in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Pharmacy Guild of Australia (Tasmanian Branch).



David E Palmer
Partner

BDO Audit (TAS)

Hobart, 12 September 2023

To the members of Pharmacy Guild of Australia TAS Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Pharmacy Guild of Australia (Tasmanian Branch), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, the Committee of Management Statement and the subsection 255(2A) report.

In our opinion the accompanying financial report of Pharmacy Guild of Australia (Tasmanian Branch), presents fairly, in all material respects the reporting unit's financial position as at 30 June 2023 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and any other requirement imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

Basis for opinion

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

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

Emphasis of matter - Economic Dependency

We draw attention to Note 26 in the financial report which describes the entities economic dependency from The Pharmacy Guild of Australia National Secretariat to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's report for the 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee of Management for the Financial Report

The committee of management of the Company is 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 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 is responsible for assessing the Company'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 Company or to cease operations, or has 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 my 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 my 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 are identified during our audit.

This description forms part of our auditor's report

I, David E Palmer, declare that I am an approved auditor, a member of the Chartered Accountants Australia New Zealand and hold a current Public Practice Certificate.

BDO Audit (TAS)

BDO Audit (TAS)



David E Palmer
Partner

Hobart, 12 September 2023

Registration number (as registered by the RO Commissioner under the Act): 440 615