



23 May 2024

Daivd Basheer
President
Australian Hotels Association - South Australian Branch
Sent via email: information@ahasa.asn.au
CC: adrabsch@independentaudit.com.au
awenzel@ahasa.asn.au

Dear David Basheer,

**Australian Hotels Association - South Australian Branch
Financial Report for the year ended 31 December 2023 – (FR2023/212)**

I acknowledge receipt of the financial report for the year ended 31 December 2023 for the Australian Hotels Association - South Australian Branch. The documents were lodged with the Fair Work Commission (the Commission) on 10 May 2024.

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 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 31 December 2024 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 comments to assist you when you next prepare a financial report. The Commission will confirm these concerns have been addressed prior to filing next year's report.

Reference to Registered Organisations Commissioner

The Fair Work Commission has been the regulator for registered organisations since 6 March 2023. All references to the Registered Organisations Commission and Commissioner must be changed to the Fair Work Commission and General Manager of the Fair Work Commission.

I note that the Committee of Management statement and note 15 refer to the Registered Organisations Commissioner instead of the General Manager of the Fair Work Commission.

Please ensure in future year that these items are update accordingly.

Disclosure of employee provisions to office holders and other employees

The reporting guidelines also require either the statement of financial position or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 16(c) and 16(d)). Item 16(c) and 16(d) of the reporting guidelines also requires these provisions to be separately disclosed as follows:

- Annual leave;

- Long service leave;
- Separation and redundancies; and
- Other employee provisions.

I note that the financial statements and the notes do not include disclosures for:

- having a separation and redundancy provision in respect of employees other than office holders; and
- having other employees provisions in respect of employees other than office holders

Item 21 in the reporting guidelines states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement.

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

ABN 77 237 576 146

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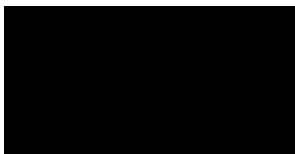
10 May 2024

Fair Work Commission
GPO Box 2983
MELBOURNE VIC 3001

Please find attached:

- **Certificate by Prescribed Designated Officer**
- **AHA|SA Financial Report for the year ended 31 December 2023**
- **Operating Report as per the Fair Work (Registered Organisations) Act 2009**

Yours faithfully



CEO AHA|SA

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

s.268 *Fair Work (Registered Organisations) Act 2009*

Certificate by prescribed designated officer

For the year ended 31 December 2023

We, David Basheer and Samuel Charles McInnes, being the President and Secretary/Treasurer of the Australian Hotels Association (South Australian Branch) certify:

- that the documents lodged herewith are copies of the full report for the Australian Hotels Association (South Australian 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 15 April 2024; and
- that the full report was presented to a general meeting of members of the reporting unit on 6 May 2024 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

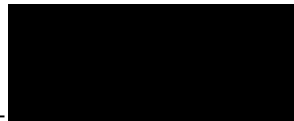
Signature of designated officer:



Name and title of designated officer:

David Basheer, President

Signature of designated officer:



Name and title of designated officer:

Samuel Charles McInnes, Secretary /
Treasurer

Dated: 6 May 2024

OPERATING REPORT REQUIREMENTS AS PER RAO SCHEDULE – FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

This operating report covers the results of those activities that were provided for the financial year ended 31 December 2023.

REVIEW OF THE PRINCIPAL ACTIVITIES OF THE BRANCH

The Branch operates as the South Australian Branch of the Australian Hotels Association, an organisation of employers registered under the Fair Work (Registered Organisations) Act 2009.

The principal activities of the Branch, as conducted through the Council and the Executive Committee of the Branch during the past year fell into the following categories:

- Provision of industrial support to members including advice on legal and legislative matters, contractual obligations and representation of individual members.
- Administration of Federal and State Awards and the variation of awards following major test cases.
- Media and communications to members and to the broader community via media releases in support of campaigns and targeted publications including national and state magazines.

- Provision of information to members providing up to date material relevant to hotels.

FINANCE & ADMINISTRATION

There were no significant changes in the Association's financial affairs during the year (see Financial Report for details).

RIGHT OF MEMBERS TO RESIGN

Any member of AHAISA may resign from membership by written notice delivered to the Secretary/Treasurer and delivered to the office of the Association as per AHAISA Branch Rule 26 – Resignations.

OFFICERS & EMPLOYEES WHO ARE SUPERANNUATION FUND TRUSTEE/S OR DIRECTOR OF A COMPANY THAT IS A SUPERANNUATION FUND TRUSTEE

During 2023 no officer or member of the AHAISA was:

- A trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- A director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme on behalf of the AHAISA.

NUMBER OF MEMBERS

The AHAISA recorded 548 members in 2023.

NUMBER OF EMPLOYEES

As at 31 December 2023 staffing levels were AHAISA 11.8 and Gaming Care 8.0 - Total 19.8.

OFFICERS & EMPLOYEES WHO ARE DIRECTORS OF A COMPANY OR A MEMBER OF A BOARD

Independent Gaming Corporation Ltd

Principal Activity: Gaming machine monitoring service

Board Members


- David Basheer
- Matthew Binns

Gaming Care Ltd

Principal Activity: Harm minimisation agency

Board Members

- Sam McInnes
- Anna Moeller


David Basheer - AHAISA President
15/04/2024

AHAISA COMMITTEE OF MANAGEMENT: 1 JANUARY – 31 DECEMBER 2023

David Basheer	President
Matthew Binns	Vice President
Luke Donaldson	Deputy Vice President
Sam McInnes	Secretary/Treasurer
Brad Barreau	
Matthew Brien	
Andrew Bullock	
Simone Douglas	
Trevor Evans	
Jason Fahey	
Trent Fahey	
Elise Fassina	Packaged Liquor Division
James Franzon	

Tony Franzon	
John Giannitto	
Corey Farmer	
Tom Hannah	
Anna Hurley	
Peter Johnson	
Jason Kelly	
Andrew Kemp	
Guy Matthews	
Karen Milesi	
Andrew Plush	
Matt Rogers	
Darren Steele	

Australian Hotels Association
(South Australian Branch)

ABN 77 237 576 146

and Controlled Entity

Financial Report
2023

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

Financial Report 2023

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* The operating report is not included in this financial report and is lodged separately with the Registered Organisations Commission

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Independent Audit Report to the Members of Australian Hotels Association (South Australian Branch)

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Australian Hotels Association (South Australian Branch) (the reporting unit), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2023, 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 my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Hotels Association (South Australian Branch) as at 31 December 2023, 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).

I 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

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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.

My 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 my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my 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

My 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the reporting unit audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

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

Australian Independent Audit Services



Adam Drabsch
Director
Adelaide
12 April 2024

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/240

Liability limited by a scheme approved under Professional Standards Legislation

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

Report required under subsection 255(2A)

for the year ended 31 December 2023

The committee of management presents the expenditure report as required under subsection 255(2A) for the year ended 31 December 2023.

Categories of expenditures	Consolidated group		Parent entity	
	2023 \$	2022 \$	2023 \$	2022 \$
Remuneration and other employment-related costs and expenses – employees	1,873,783	1,936,920	1,873,783	1,936,920
Advertising	28,130	12,528	28,130	12,528
Media advertising other	67,154	214,908	67,154	214,908
Operating costs	1,812,341	1,580,544	1,812,341	1,580,544
Donations to political parties	15,500	58,000	15,500	58,000
Legal costs	16,104	47,609	16,104	47,609

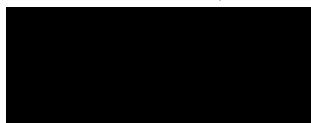
Signature of designated officer:



Name and title of designated officer:

David Basheer, President

Signature of designated officer:



Name and title of designated officer:

Samuel Charles McInnes, Secretary / Treasurer

Dated: 12 April 2024

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

Committee of management statement

for the year ended 31 December 2023

On 12 April 2024, the committee of management of the Australian Hotels Association (South Australian Branch) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2023:

The committee of management declares that in its opinion:

- the financial statements and notes comply with the Australian Accounting Standards;
- 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);
- the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Australian Hotels Association (South Australian Branch) and Controlled Entity for the financial year to which they relate;
- there are reasonable grounds to believe that Australian Hotels Association (South Australian Branch) and Controlled Entity will be able to pay their debts as and when they become due and payable; and
- during the financial year to which the GPFR relates and since the end of that year:
 - meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned;
 - the financial affairs of the Australian Hotels Association (South Australian Branch) have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
 - the financial records of the Australian Hotels Association (South Australian Branch) have been kept and maintained in accordance with the RO Act;
 - 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
 - where information has been sought in any request by a member of the organisation or the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and
 - 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 committee of management.

Signature of designated officer:

Name and title of designated officer:


David Basheer, President

Signature of designated officer:

Name and title of designated officer:


Samuel Charles McInnes, Secretary / Treasurer

Dated: 12 April 2024

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

Statement of profit or loss and other comprehensive income
for the year ended 31 December 2023

	Notes	Consolidated group		Parent entity	
		2023	2022	2023	2022
		\$	\$	\$	\$
Revenue from contracts with customers	3				
Membership subscriptions		2,506,000	2,259,645	2,506,000	2,259,645
Associate membership subscriptions		3,000	2,932	3,000	2,932
Sponsorships		668,429	552,230	668,429	552,230
Advocacy services including training		218,370	189,386	218,370	189,386
Commissions received		88,829	89,989	88,829	89,989
Conferences, seminars and events		484,717	392,426	484,717	392,426
Covid-19 mental health funding		-	-	-	-
Sale of goods		9,563	12,396	9,563	12,396
Total revenue from contracts with customers		3,978,908	3,499,004	3,978,908	3,499,004
Other income					
Interest income		262,850	79,701	262,850	79,701
Rental income from properties		89,400	85,200	89,400	85,200
Grants and/or donations		107,540	-	107,540	-
Other		152,047	266,113	152,047	266,113
Total other income		611,837	431,015	611,837	431,015
Total income		4,590,745	3,930,018	4,590,745	3,930,018
Expenses					
Employee expenses*	4A	1,873,783	1,936,920	1,873,783	1,936,920
Capitation fees and other expenses to another reporting unit*	4B	73,092	73,217	73,092	73,217
Administration expenses	4C	1,768,779	1,714,514	1,788,779	1,734,514
Donations	4D	17,128	58,250	17,128	58,250
Depreciation	6A	63,135	57,493	43,135	37,493
Grants		44,127	-	44,127	-
Legal costs*	4E	16,104	47,609	16,104	47,609
Losses from sale of assets		909	8,556	909	8,556
Total expenses		3,857,057	3,896,559	3,857,057	3,896,559
Surplus (deficit) for the year		733,688	33,459	733,688	33,459
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		733,688	33,459	733,688	33,459

The above statement should be read in conjunction with the notes.

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

Statement of financial position

as at 31 December 2023

	Notes	Consolidated group		Parent entity	
		2023	2022	2023	2022
		\$	\$	\$	\$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5A	6,978,202	6,573,046	6,978,192	6,573,036
Trade and other receivables	5B	296,501	222,596	754,659	700,754
Inventory	5D	8,810	14,402	8,810	14,402
Other current assets	5E	210,096	80,324	210,096	80,324
TOTAL CURRENT ASSETS		7,493,609	6,890,368	7,951,757	7,368,516
NON-CURRENT ASSETS					
Property, plant and equipment	6A	1,353,421	1,311,721	218,644	156,944
Intangibles	6B	350	350	-	-
Investment in subsidiary	6C	-	-	10	10
Investment in associate	6D	-	-	-	-
TOTAL NON-CURRENT ASSETS		1,353,771	1,312,071	218,654	156,954
TOTAL ASSETS		8,847,380	8,202,439	8,170,411	7,525,470
LIABILITIES					
CURRENT LIABILITIES					
Trade payables	7A	146,310	64,031	146,310	64,031
Other payables	7B	388,556	425,871	388,556	425,871
Employee provisions	8A	326,883	696,277	326,883	696,277
Contract liabilities	5C	1,571,753	1,336,070	1,571,753	1,336,070
TOTAL CURRENT LIABILITIES		2,433,502	2,522,249	2,433,502	2,522,249
NON-CURRENT LIABILITIES					
Employee provisions	8A	-	-	-	-
TOTAL NON-CURRENT LIABILITIES		-	-	-	-
TOTAL LIABILITIES		2,433,502	2,522,249	2,433,502	2,522,249
NET ASSETS		6,413,878	5,680,190	5,736,909	5,003,221
EQUITY					
Capital profits reserve	9A	676,969	676,969	-	-
General reserve	9A	380,000	380,000	380,000	380,000
Retained earnings		5,356,909	4,623,221	5,356,909	4,623,221
TOTAL EQUITY		6,413,878	5,680,190	5,736,909	5,003,221

The above statement should be read in conjunction with the notes.

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

Statement of changes in equity

for the year ended 31 December 2023

	Notes	Capital profits reserve \$	General reserve \$	Retained earnings \$	Total equity \$
Consolidated group					
Balance as at 1 January 2022		676,969	380,000	4,589,762	5,646,731
Surplus (deficit) for the year		-	-	33,459	33,459
Other comprehensive income for the year		-	-	-	-
Balance as at 31 December 2022		676,969	380,000	4,623,221	5,680,190
Surplus (deficit) for the year		-	-	733,688	733,688
Other comprehensive income for the year		-	-	-	-
Balance as at 31 December 2023		676,969	380,000	5,356,909	6,413,878
Parent entity					
Balance as at 1 January 2022		-	380,000	4,589,762	4,969,762
Surplus (deficit) for the year		-	-	33,459	33,459
Other comprehensive income for the year		-	-	-	-
Balance as at 31 December 2022		-	380,000	4,623,221	5,003,221
Surplus (deficit) for the year		-	-	733,688	733,688
Other comprehensive income for the year		-	-	-	-
Balance as at 31 December 2023		-	380,000	5,356,909	5,736,909

The above statement should be read in conjunction with the notes.

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

Statement of cash flows

for the year ended 31 December 2023

	Notes	Consolidated group		Parent entity	
		2023	2022	2023	2022
		\$	\$	\$	\$
OPERATING ACTIVITIES					
Cash received					
Receipts from customers		3,925,003	3,920,889	3,925,003	3,920,889
Receipts from other reporting unit/controlled entity(s)*		-	-	-	-
Interest		262,850	79,701	262,850	79,701
Cash used					
Suppliers and employees		(3,603,861)	(3,733,918)	(3,603,861)	(3,733,918)
Payment to other reporting units	10B	(73,092)	(73,217)	(73,092)	(73,217)
Net cash from (used by) operating activities	10A	510,900	193,455	510,900	193,455
INVESTING ACTIVITIES					
Cash used					
Purchase of plant and equipment		(127,507)	(9,099)	(127,507)	(9,099)
Proceeds from Sale of PPE		21,763	9,176	21,763	9,176
Net cash from (used by) investing activities		(105,744)	77	(105,744)	77
Net increase (decrease) in cash held		405,156	193,532	405,156	193,532
Cash and cash equivalents at the beginning of the reporting period		6,573,046	6,379,514	6,573,036	6,379,504
Cash and cash equivalents at the end of the reporting period	5A	6,978,202	6,573,046	6,978,192	6,573,036

The above statement should be read in conjunction with the notes.

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

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for the year ended 31 December 2023

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Australian Hotels Association (South Australian Branch) and Controlled Entity

Notes to the financial statements
for the year ended 31 December 2023

Note 1: Summary of significant accounting policies

This consolidated financial report represents that of the Australian Hotels Association (South Australian Branch) and Controlled Entity (the “consolidated group” or “group”). The Australian Hotels Association (South Australian Branch) (AHA|SA) is an organisation operating pursuant to the *Fair Work (Registered Organisations) Act 2009* (RO Act), incorporated and domiciled in South Australia.

The separate financial report of the parent entity, AHA|SA, has also been presented within this financial report.

The financial report was authorised for issue on 12 April 2024 by the members of the committee of management of the AHA|SA.

1.1 Basis of preparation of the financial report

The financial report is a general purpose financial report and has 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 RO Act. For the purpose of preparing the general purpose financial report, the AHA|SA is a not-for-profit entity.

The financial report, except for the cash flow information, has been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally 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 amounts presented in the financial report have been rounded to the nearest Australian dollar.

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

In applying the group’s accounting policies, the committee of management continually evaluates judgements and estimates based on experience and other factors including expectations of future events that may have an impact on the group. All judgments and estimates made are believed to be reasonable based on the most current set of circumstances available to the committee of management. Actual results may differ under different conditions from when the judgements and estimates were made. Significant judgements and estimates made by the committee of management in the preparation of this financial report are described in the various notes:

- Revenue and other income Note 1.7
- Employee and office holder benefits Note 1.9
- Financial instruments Notes 1.12 to 1.14

1.3 Significant accounting judgements and estimates (cont'd)

- Depreciation Note 1.17
- Impairment of non-financial assets Note 1.19
- Provisions Note 1.22

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard and amendments

The accounting policies adopted are consistent with those of the previous financial year. No new standards or amendments have been adopted for the first time this financial year.

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 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. Earlier application is permitted. The group does not expect the adoption of this amendment to have a material impact on its financial statements.

1.5 Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent entity (AHA|SA) and its controlled entity (subsidiary). The AHA|SA achieves control when it is exposed to, or has rights to, variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. Information regarding the AHA|SA's subsidiary is provided in Note 6C.

The assets, liabilities and results of subsidiaries are fully consolidated into the financial statements of the group from the date on which control is obtained by the AHA|SA. Consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions and balances are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the group.

1.6 Investment in associates

An associate is an entity over which the AHA|SA has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Information regarding the AHA|SA's associate is provided in Note 6D.

The assets, liabilities and results of associates are incorporated into the financial statements of the group using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate.

The AHA|SA does not have any joint ventures or joint operations.

1.7 Revenue and other income

The AHA|SA enters into various arrangements where it receives consideration from another party. The timing of recognition of these amounts as either revenue or other income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Revenues are recognised when the following steps have been satisfied:

1. Identify contract with the customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to each performance obligation
5. Recognise revenue when (or as) performance obligations are satisfied

Membership subscriptions

The AHA|SA's membership subscription year is 1 January to 31 December with subscriptions payable annually in advance. Only those membership subscription receipts that are attributable to the current financial year are recognised as revenue. Membership subscription receipts for periods beyond the current financial year are included, excluding goods and services tax, in the statement of financial position under the headings of current liabilities and contract liabilities.

For membership subscriptions paid annually in advance, the AHA|SA 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 member pays and the goods or services will transfer to the member will be one year or less.

Sponsorship benefits revenue

The AHA|SA receives revenue from sponsor generated activity through its Corporate Partnership program. This revenue is recognised over the respective period of service.

1.7 Revenue and other income (cont'd)

Other revenue-generating activities

The AHA|SA undertakes certain other revenue-generating activities which are accounted for when the performance obligation is satisfied including:

- Advocacy services
- Training
- Conferences, seminars and events

Revenue is recognised for these activities depending on when the performance obligation is satisfied:

- **Over a period of time** – if the performance obligation is satisfied over a period of time, revenue will be recognised by being spread over this period.
- **At a point in time** – if the performance obligation is satisfied at a point in time, for example, when an event is delivered, revenue is recognised at this point.

Covid-19 mental health funding

Revenue from Covid-19 mental health funding is recognised when the performance obligations in the funding agreement are met.

Sale of goods

Revenue from the sale of goods is recognised when physical control of the goods passes to the buyer pursuant to an enforceable sales contract as it is at this point the performance obligation has been satisfied.

Interest income

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

Rental income from properties

Leases in which the AHA|SA as a lessor, does 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.

Covid-19 government assistance

Income from Covid-19 government assistance is recognised in the respective period to which it relates.

1.8 Current versus non-current classification

The group presents assets and liabilities in the statement of financial position based on current / non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

1.9 Employee and office holder benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave 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*) which are expected to be settled within twelve months of the end of the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the AHA|SA in respect of services provided by employees up to reporting date.

Long service leave is provided for in respect of employees with more than 5 years of service.

Office holders do not earn any benefits from services rendered, except current financial year's allowances, hence no provision is made for a liability for annual or long service leave for them.

1.10 Leases

All leases of low value assets are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased asset.

1.11 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents include 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.

1.12 Financial instruments

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

1.13 Financial assets

Contract assets and receivables

A contract asset is recognised when the group has satisfied a performance obligation but cannot recognise a receivable until other obligations are satisfied.

While a contract asset represents a right to payment that is conditional on further performance, a receivable represents an unconditional right to payment.

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

Initial recognition and measurement

Financial assets are classified at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI) 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 group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, 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 group'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.

1.13 Financial assets (cont'd)

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 group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in 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

Financial assets at amortised cost

The group 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 (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 group's financial assets at amortised cost include trade receivables and loans to related parties.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The group 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 group has transferred substantially all the risks and rewards of the asset; or
 - the group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the group 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 group continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Impairment

Expected credit losses

Receivables for goods and services are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date.

Trade receivables

For trade receivables that do not have a significant financing component, the group applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

1.14 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition and subsequently measured at amortised cost or 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 group's financial liabilities include trade payables, other payables and contract liabilities.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

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.

1.15 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 AHA|SA transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the AHA|SA performs under the contract i.e. transfers control of the related goods or services to the customer.

1.16 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.

1.17 Land, buildings, plant and equipment

Land, buildings, plant and equipment are measured on the cost basis in the statement of financial position and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of land, buildings, plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present. Information regarding details of impairment is provided in Note 1.19.

Depreciation

Depreciable buildings, plant and equipment assets, including building improvements, are written-off to their estimated residual values over their estimated useful life using the diminishing value method of depreciation except for buildings which are depreciated using the straight line method. 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.

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

	2023	2022
Buildings	1%	1%
Plant and equipment	7 to 40%	7 to 40%
Motor vehicles	22.5%-25%	22.5%

Derecognition

An item of land, buildings, 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 land, buildings, 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 and loss.

1.18 Intangibles

Intangible assets consist of formation expenses and are deemed to have an indefinite useful life. They are carried at cost less accumulated impairment losses. Impairment testing is performed annually.

Derecognition

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

1.19 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 its 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 group were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.20 Taxation

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

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables.

Cash flows are included in the statement of cash flows 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.

1.21 Inventory

Inventories are measured at the lower of cost and replacement cost. Costs are assigned on a specific identification basis.

1.22 Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Note 2: 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, or may significantly affect, the operations of the group, the results of those operations or the state of affairs of the group in subsequent financial periods.

Note 3: Revenue

Disaggregation of revenue from contracts with customers

A disaggregation of revenue by type of arrangements is provided in the statement of profit or loss and other comprehensive income. The table below also sets out a disaggregation of revenue by timing.

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Timing of revenue recognition				
Over time				
Membership subscriptions	2,506,000	2,259,645	2,506,000	2,259,645
Associate membership subscriptions	3,000	2,932	3,000	2,932
Sponsorships	668,429	552,230	668,429	552,230
Total over time	3,177,429	2,814,807	3,177,429	2,814,807
Point in time				
Advocacy services including training	218,370	189,386	218,370	189,386
Commissions received	88,829	89,989	88,829	89,989
Conferences, seminars and events	484,717	392,426	484,717	392,426
Sale of goods	9,563	12,396	9,563	12,396
Total point in time	801,479	684,197	801,479	684,197
Total revenue from contracts with customers	3,978,908	3,499,004	3,978,908	3,499,004

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 4: Expenses				
Note 4A: Employee expenses				
Holders of office				
Allowances	18,375	18,375	18,375	18,375
Superannuation	2,021	1,929	2,021	1,929
Subtotal employee expenses holders of office	20,396	20,304	20,396	20,304
Employees other than office holders				
Wages and salaries	1,453,822	1,443,919	1,453,822	1,443,919
Superannuation	204,869	224,501	204,869	224,501
Leave and other entitlements	59,093	136,204	59,093	136,204
Other employee expenses	135,603	111,992	135,603	111,992
Subtotal employee expenses employees other than office holders	1,853,387	1,916,616	1,853,387	1,916,616
Total employee expenses	1,873,783	1,936,920	1,873,783	1,936,920

Note 4B: Capitation fees and other expenses to another reporting unit

Capitation fees				
AHA National	72,792	71,937	72,792	71,937
Subtotal capitation fees	72,792	71,937	72,792	71,937
Other expenses to another reporting unit				
AHA National – affiliation fees	300	300	300	300
AHA National – expense reimbursement	-	980	-	980
Subtotal other expenses to another reporting unit	300	1,280	300	1,280
Total capitation fees and other expenses to another reporting unit	73,092	73,217	73,092	73,217

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 4C: Administration expenses				
Fees / allowances – meetings and conferences	845	1,129	845	1,129
Conference and meeting expenses – as required under the rules	94,333	89,904	94,333	89,904
Conference and meeting expenses – other	492,348	394,460	492,348	394,460
Contractors / consultants	144,458	258,432	144,458	258,432
Property expenses	71,414	70,055	91,414	90,055
Office expenses	51,267	52,516	51,267	52,516
Information communications technology	149,079	79,183	149,079	79,183
Entertainment	116,394	61,505	116,394	61,505
Media advertising and coverage	159,166	291,241	159,166	291,241
Motor vehicles and travelling	120,184	106,558	120,184	106,558
Printing, postage and stationery	115,789	65,709	115,789	65,709
Sponsorship expenses	120,884	115,277	120,884	115,277
Subscriptions	43,012	44,632	43,012	44,632
Other	89,606	83,913	89,606	83,913
Total administration expenses	1,768,779	1,714,514	1,788,779	1,734,514
Note 4D: Donations				
Political donations				
Total expensed that were \$1,000 or less	-	-	-	-
Total expensed that exceeded \$1,000	15,500	58,000	15,500	58,000
Other donations				
Total expensed that were \$1,000 or less	1,628	250	1,628	250
Total expensed that exceeded \$1,000	-	-	-	-
Total donations	17,128	58,250	17,128	58,250
Note 4E: Legal costs				
Non litigation legal costs	16,104	47,609	16,104	47,609
Total legal costs	16,104	47,609	16,104	47,609
Note 5: Current assets				
Note 5A: Cash and cash equivalents				
Cash on hand	1,746	1,000	1,746	1,000
Cash at bank	1,269,219	1,183,781	1,269,209	1,183,771
Bank term deposits	5,707,237	5,388,265	5,707,237	5,388,265
Total cash and cash equivalents	6,978,202	6,573,046	6,978,192	6,573,036

Bank term deposits mature on 14 February 2024 (\$2,521,072) and 4 October 2024 (\$3,186,165) respectively. We note maturity for term deposit of \$3,186,165 is greater than 3 months, however given the understood notice period of 31 days should a break be requested we have included within cash and cash equivalents.

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 5B: Trade and other receivables				
Trade receivables	269,349	222,596	269,349	222,596
Less allowance for expected credit losses	-	-	-	-
Total trade receivables (net)	269,349	222,596	269,349	222,596
Other receivables				
AHA Properties Pty Ltd	-	-	458,158	478,158
Gaming Care Ltd	27,152	-	27,152	-
Total other receivables	27,152	-	485,310	478,158
Total trade and other receivables (net)	296,501	222,596	754,659	700,754

Note 5C: Contract assets and contract liabilities

The following assets and liabilities are related to contracts with customers:

Included in trade receivables (current)	236,606	200,805	236,606	200,805
Contract liabilities (current)				
Membership subscriptions received in advance	1,273,399	1,032,912	1,273,399	1,032,912
Sponsorships received in advance	274,032	285,390	274,032	285,390
Training income received in advance	24,322	17,768	24,322	17,768
Total contract liabilities (current)	1,571,753	1,336,070	1,571,753	1,336,070

The significant changes between opening and closing balances of contract liabilities are detailed in the table above.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period \$1,336,070 (2022: \$1,295,760).

There was no revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods.

Information regarding the performance obligations in contracts with customers is provided in Note 1.7.

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 5D: Inventory				
Goods held for resale	8,810	14,402	8,810	14,402
Total inventory	8,810	14,402	8,810	14,402

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 5E: Other current assets				
Prepayments	72,682	31,448	72,682	31,448
Accrued income	137,414	48,876	137,414	48,876
Total other current assets	210,096	80,324	210,096	80,324

Note 6: Non-current assets

Note 6A: Property, plant and equipment

Freehold land and buildings at cost	1,774,777	1,774,777	-	-
Less accumulated depreciation	640,000	620,000	-	-
	1,134,777	1,154,777	-	-
Plant and equipment at cost	417,722	411,522	417,722	411,522
Less accumulated depreciation	316,699	305,649	316,699	305,649
	101,023	105,873	101,023	105,873
Motor vehicles	174,611	110,661	174,611	110,661
Less accumulated depreciation	56,990	59,590	56,990	59,590
	117,621	51,071	117,621	51,071
Total property, plant and equipment	1,353,421	1,311,721	218,644	156,944

Reconciliation of opening and closing balances of property, plant and equipment

	Freehold land and buildings	Plant and equipment	Motor vehicles	Total
	\$	\$	\$	\$
Consolidated group				
Net book value as at 1 January 2023	1,154,777	105,873	51,071	1,311,721
Additions	-	17,901	109,606	127,507
Depreciation expense	(20,000)	(21,842)	(21,293)	(63,135)
Written down value of disposals	-	(909)	(21,763)	(22,672)
Net book value as at 31 December 2023	1,134,777	101,023	117,621	1,353,421
Parent entity				
Net book value as at 1 January 2023	-	105,873	51,071	156,944
Additions	-	17,901	109,606	127,507
Depreciation expense	-	(21,842)	(21,293)	(43,135)
Written down value of disposals	-	(909)	(21,763)	(22,672)
Net book value as at 31 December 2023	-	101,023	117,621	218,644

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 6B: Intangibles				
Preliminary expenses at cost	350	350	-	-
Total intangibles	350	350	-	-

Note 6C: Investment in subsidiary

The parent entity of the consolidated group is the Australian Hotels Association (South Australian Branch) (AHA|SA). The principal activity of the AHA|SA during the reporting period was being a registered employer industrial relations organisation with objectives to promote and protect the interests of its members. The AHA|SA is incorporated in Australia. The AHA|SA has an interest in AHA Properties Pty Ltd, a non-listed subsidiary that is accounted for at cost. The interest is held as follows:

	Ownership		Voting power		Carrying amount of investment	
	2023	2022	2023	2022	2023	2022
	%	%	%	%	\$	\$
AHA Properties Pty Ltd	100	100	100	100	10	10

The principal activity of AHA Properties Pty Ltd during the reporting period was being the registered owner of premises occupied by the AHA|SA and Gaming Care Ltd. AHA Properties Pty Ltd is incorporated in Australia.

	2023	2022
	\$	\$
Summary financial information of subsidiary		
Statement of financial position		
Assets	1,135,137	1,155,137
Liabilities	(458,158)	(478,158)
Net assets	676,979	676,979
Statement of comprehensive income		
Income	20,000	20,000
Expenses	(20,000)	(20,000)
Surplus (deficit)	-	-
Share of surplus (deficit)		
Share of surplus (deficit) before tax	-	-
Income tax expense	-	-
Share of surplus (deficit) after tax	-	-

Note 6D: Investment in associate

The AHA|SA has an interest in Gaming Care Ltd, a non-listed associate. The interest is held as follows:

	Ownership		Voting power		Carrying amount of investment	
	2023	2022	2023	2022	2023	2022
	%	%	%	%	\$	\$
Gaming Care Ltd	100	100	40	40	-	-

The principal activities of Gaming Care Ltd during the reporting period were to provide venue-based assistance to licensees, managers, gaming managers and staff in the early identification of and support for problem gamblers and regulatory compliance requirements including the Responsible Gambling and Advertising Codes of practice. The company is incorporated in Australia. Gaming Care Ltd commenced registration as a company on 16 November 2005 and is a public company limited by guarantee.

Equity accounted investment in associate

The AHA|SA holds 40% of the voting power of Gaming Care Ltd hence exerts significant influence over it. Gaming Care Ltd is therefore considered to be an associate of the AHA|SA.

The cost of the AHA|SA's investment in Gaming Care Ltd is \$nil because Gaming Care Ltd is limited by guarantee and does not have any share capital. The AHA|SA's share of the post-acquisition surplus or deficit of Gaming Care Ltd is also \$nil due to a clause in the constitution of Gaming Care Ltd as detailed below.

In light of the above, the AHA|SA's investment in Gaming Care Ltd, when equity accounted for, is \$nil.

Significant restrictions on the ability of Gaming Care Ltd to transfer funds to the AHA|SA

The constitution of Gaming Care Ltd states that no portion of the income, property, profits and financial surplus of the company may be paid, distributed to or transferred directly, indirectly, by way of dividend, property, bonus or otherwise by way of profit, to the members or directors of the company, or their related parties except as provided for by the constitution. Nothing in the constitution prevents the payment in return for services rendered or for goods supplied in the ordinary and usual course of business, the payment of interest or the payment of rent.

	2023	2022
	\$	\$
Summary financial information of associate		
Statement of financial position		
Assets	969,836	864,157
Liabilities	(392,784)	(388,923)
Net assets	577,052	475,234
Statement of comprehensive income		
Income	1,690,651	1,575,029
Expenses	(1,588,834)	(1,610,363)
Surplus (deficit)	101,817	(35,334)

Note 6D: Investment in associate (cont'd)

	2023	2022
	\$	\$
Summary financial information of associate		
Share of surplus (deficit)		
Share of surplus (deficit) before tax	-	-
Income tax expense	-	-
Share of surplus (deficit) after tax	-	-

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$

Note 7: Current liabilities

Note 7A: Trade payables

Trade creditors	146,310	64,031	146,310	64,031
Total trade payables	146,310	64,031	146,310	64,031

Trade payables are usually settled within 30 days.

Note 7B: Other payables

Wages and salaries – employees	27,668	26,494	27,668	26,494
Superannuation – employees	3,133	3,760	3,133	3,760
GST, PAYG and FBT payable	278,440	371,640	278,440	371,640
Other	79,315	77,977	79,315	77,977
Total other payables	388,556	425,871	388,556	425,871

Other payables are expected to be settled within 12 months.

Note 8: Provisions

Note 8A: Employee provisions

Employees other than office holders

Annual leave	187,464	419,366	187,464	419,366
Long service leave	139,419	276,911	139,419	276,911
Subtotal employee provisions – employees other than office holders	326,883	696,277	326,883	696,277
Total employee provisions	326,883	696,277	326,883	696,277

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$

Note 8A: Employee provisions (cont'd)

Current	326,883	696,277	326,883	696,277
Non-current	-	-	-	-
Total employee provisions	326,883	696,277	326,883	696,277

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$

Note 9: Equity

Note 9A: Reserves

Capital profits reserve

Balance as at start and end of year	676,969	676,969	-	-
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The capital profits reserve records profits on disposal of non-current assets. There was no movement on the reserve during the reporting period.

General reserve

Balance as at start and end of year	380,000	380,000	380,000	380,000
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The general reserve records amounts set aside to fund the future expansion of the organisation. There was no movement on the reserve during the reporting period.

Note 10: Cash flow

Note 10A: Cash flow reconciliations

Reconciliation of cash and cash equivalents as per the statement of financial position to the statement of cash flows

Cash and cash equivalents as per:

Statement of cash flows	6,978,202	6,573,046	6,978,192	6,573,036
Statement of financial position	6,978,202	6,573,046	6,978,192	6,573,036
Difference	-	-	-	-

Reconciliation of surplus (deficit) for the year to net cash from (used by) operating activities

Surplus (deficit) for the year	733,688	33,459	733,688	33,459
Adjustment for non-cash items				
(Gain)/Loss on Sales of Non-Current Assets	909	8,556	909	8,556
Depreciation	63,135	57,493	43,135	37,493
Changes in assets and liabilities				
(Increase) decrease in net receivables	(73,905)	50,573	(53,905)	70,573
(Increase) decrease in inventory	5,592	1,991	5,592	1,991
(Increase) decrease in other current assets	(129,772)	(27,496)	(129,772)	(27,496)
Increase (decrease) in trade and other payables	44,964	204,197	44,964	204,197
Increase (decrease) in provisions	(369,394)	(175,628)	(369,394)	(175,628)
Increase (decrease) in contract liabilities	235,683	40,310	235,683	40,310
Net cash from (used by) operating activities	510,900	193,455	510,900	193,455

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 10B: Cash flow information				
Cash outflows to other reporting units				
AHA National	73,092	73,217	73,092	73,217
Total cash outflows to other reporting units	73,092	73,217	73,092	73,217

Note 11: Contingent liabilities, assets and commitments

The Australian Hotels Association (South Australian Branch) and its controlled entity had no contingent liabilities, contingent assets or commitments as at 31 December 2023 or for the forthcoming year.

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$

Note 12: Related party disclosures

Note 12A: Related party transactions for the reporting period

The following details the transactions that have been entered into with related parties for the reporting period:

AHA Properties Pty Ltd

Rent paid	-	-	20,000	20,000
Rent paid by the AHA SA to AHA Properties Pty Ltd is less than a normal commercial rate and there are no conditions attached.				
Amount owed by AHA Properties Pty Ltd	-	-	458,158	478,158

Gaming Care Ltd

Rent received	89,400	85,200	89,400	85,200
Electricity contribution received	8,760	7,920	8,760	7,920
Cleaning contribution received	7,440	7,080	7,440	7,080
Administration fee received	87,000	82,800	87,000	82,800
Expenses reimbursed	308,582	231,258	308,582	231,258
Amount owed by Gaming Care Ltd (included in trade and other receivables)	59,895	21,791	59,895	21,791

Office holders of the parent entity

Some office holders of the parent entity are licensees of hotels that are members of the AHA|SA. Membership fees and other charges such as training and advocacy are paid by these hotels to the AHA|SA on normal terms and conditions no more favourable than those available to other members.

Terms and conditions of transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2023, the AHA|SA has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 12B: Key management personnel remuneration for the reporting period				
Short-term employee benefits	367,425	432,731	367,425	432,731
Post-employment benefits	38,461	41,317	38,461	41,317
Long-term employee benefits	-	18,243	-	18,243
Total key management personnel remuneration for the reporting period	405,886	492,291	405,886	492,291

Note 13: Remuneration of auditors

Value of the services provided

Auditing the financial report of the parent entity	38,315	34,705	38,315	34,705
Other services:				
Auditing the financial report of AHA Properties Pty Ltd	1,000	1,000	1,000	1,000
ASIC – verifying the annual statement	290	290	290	290
ASIC – change of directors lodgements	-	-	-	-
Financial report advice with respect to Covid-19 and new Australian Accounting Standards	-	-	-	-
Conversion of existing financial report to model financial report issued by the Registered Organisations Committee	-	-	-	-
Total other services	1,290	1,290	1,290	1,290
Total remuneration of auditors	39,605	35,995	39,605	35,995

Note 14: Financial instruments

In common with all other businesses, the organisation is exposed to risks that arise from its use of financial instruments. This note describes the organisation's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout the financial report.

There have been no substantive changes in the organisation's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous reporting periods unless otherwise stated in this note.

It is the organisation's policy to monitor interest rate risks through the Treasurer. The organisation has fixed and floating interest deposits with a number of financial institutions and for varying terms and aims to obtain the best available interest rate at the time of investment. Risk management policies for the

above mentioned financial instruments as well as all other financial instruments are detailed further below.

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 14A: Categories of financial instruments				
Financial assets				
At amortised cost:				
Cash and cash equivalents	6,978,202	6,573,046	6,978,192	6,573,036
Trade and other receivables	296,501	222,596	754,659	700,754
Total	7,274,703	6,795,642	7,732,851	7,273,790
Carrying amount of financial assets	7,274,703	6,795,642	7,732,851	7,273,790
Financial liabilities				
Other financial liabilities:				
Trade payables	146,310	64,031	146,310	64,031
Other payables	388,556	425,871	388,556	425,871
Contract liabilities	1,571,753	1,336,070	1,571,753	1,336,070
Total	2,106,619	1,825,972	2,106,619	1,825,972
Carrying amount of financial liabilities	2,106,619	1,825,972	2,106,619	1,825,972

Note 14B: Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the organisation incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the organisation. There is no concentration of credit risk with respect to current trade receivables as the organisation has a large number of customers. The organisation's policy is that sales are only made to customers that are credit worthy. The maximum exposure to credit risk at the end of the reporting period is as follows:

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	6,978,202	6,573,046	6,978,192	6,573,036
Trade and other receivables	296,501	222,596	754,659	700,754
Total	7,274,703	6,795,642	7,732,851	7,273,790

Note 14C: Liquidity risk

Liquidity risk is the risk that the organisation may encounter difficulties raising funds to meet commitments associated with financial instruments e.g. borrowing repayments. It is the policy of the organisation that forecast cash flows are monitored to ensure that the organisation's operations are adequate to meet liabilities due. The organisation does not currently have any financial instruments such as borrowings or other long term financial instruments.

Note 14D: Market risk

Market risk arises from the use of interest bearing and tradable financial instruments. It is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (currency risk).

Interest rate risk

The organisation has no exposure to interest rate risk due to there being no debt with variable interest rate terms.

Currency risk

The organisation has no exposure to foreign currency risk. All transactions are made with local currency.

Note 14E: Fair value measurements

The fair value of financial assets and financial liabilities approximates their carrying value. No financial assets or financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds fair value have not been written down as the group intends to hold these assets to maturity.

The fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Note 15: 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 as follows:

Information to be provided to members or Commissioner:

- A member of the AHA|SA, or the Commissioner, may apply to the AHA|SA for specified prescribed information in relation to the AHA|SA 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 AHA|SA.
- The AHA|SA must comply with an application made under subsection (1).

Note 16: Segment reporting

The AHA|SA operates predominantly in one business and geographical segment being the hospitality and tourism sector providing a variety of services to members of the organisation throughout South Australia.

Note 17: Organisation details

The registered office and principal place of business of the organisation is:
Australian Hotels Association (South Australian Branch)
Level 4, 60 Hindmarsh Square
Adelaide SA 5000

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

Notes to the financial statements
for the year ended 31 December 2023

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 18: Detailed income and expenditure statement				
Income				
General Membership subscriptions	2,492,597	2,259,645	2,492,597	2,259,645
Accommodation Membership subscription	13,403	-	13,403	-
Associate membership subscriptions	3,000	2,932	3,000	2,932
Sponsorships	668,430	552,230	668,430	552,230
Advocacy services including training	218,370	189,386	218,370	189,386
Commissions received	88,829	89,989	88,829	89,989
Conferences, seminars and events	484,717	392,426	484,717	392,426
Covid-19 mental health funding	-	-	-	-
Sale of goods	9,563	12,396	9,563	12,396
Interest income	262,850	79,701	262,850	79,701
Rental income from properties	89,400	85,200	89,400	85,200
Grants	107,540	-	107,540	-
Other	152,048	266,113	152,048	266,113
Total income	4,590,747	3,930,018	4,590,747	3,930,018
Expenditure				
Allowances – office holders	18,375	18,375	18,375	18,375
Annual leave provision	37,158	80,133	37,158	80,133
Conferences, seminars and events	492,348	394,460	492,348	394,460
Delegates fees and expenses	15,671	14,890	15,671	14,890
Depreciation	43,135	57,493	43,135	37,493
Donations and grants	45,755	250	45,755	250
Entertainment	116,394	61,506	116,394	61,506
General	50,916	27,008	50,916	27,008
Insurance	27,677	25,652	27,677	25,652
Legal	16,104	47,609	16,104	47,609
Long service leave provision	21,935	56,071	21,935	56,071
Losses from sale of assets	910	8,556	910	8,556
Media advertising	95,284	227,435	95,284	227,435
Media coverage	63,882	63,805	63,882	63,805
Meetings	79,506	76,143	79,506	76,143
Motor vehicles	61,515	57,360	61,515	57,360
National AHA capitation fees	72,792	71,937	72,792	71,937
Other administration	194,152	142,095	194,152	142,095
Payroll tax	84,571	61,886	84,571	61,886

**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

Notes to the financial statements
for the year ended 31 December 2023

	Consolidated group		Parent entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 18: Detailed income and expenditure statement (cont'd)				
Political donations	15,500	58,000	15,500	58,000
Printing, postage and stationery	89,594	65,709	89,594	65,709
Professional, consultancy and audit	144,458	258,432	144,458	258,432
Rates and taxes	22,652	20,398	22,652	20,398
Rent	20,000	-	20,000	20,000
Repairs, cleaning, light and power	82,112	85,212	82,112	85,212
ReturnToWorkSA	12,632	11,706	12,632	11,706
Sponsorship expenses	120,884	115,277	120,884	115,277
Staff recruitment	26,196	-	26,196	-
Subscriptions	43,013	44,632	43,013	44,632
Superannuation – employees	204,961	224,501	204,961	224,501
Superannuation – office holders	1,929	1,929	1,929	1,929
Telephone	22,558	24,982	22,558	24,982
Travelling	58,669	49,198	58,669	49,198
Wages and salaries – employees	1,453,821	1,443,919	1,453,821	1,443,919
Total expenditure	3,857,059	3,896,559	3,857,059	3,896,559
Surplus (deficit) for the year	733,688	33,459	733,688	33,459

Australian Hotels Association (South Australian Branch) and Controlled Entity

Officer declaration statement

for the year ended 31 December 2023

I, Samuel Charles McInnes, being the Secretary / Treasurer of the Australian Hotels Association (South Australian Branch) declare that the following activities did not occur during the year ended 31 December 2023:

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

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay compulsory levies
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have an annual leave provision in respect of holders of office
- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch

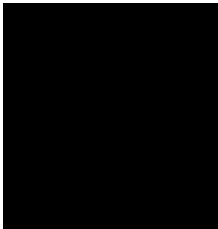
**Australian Hotels Association (South Australian Branch)
and Controlled Entity**

Officer declaration statement

for the year ended 31 December 2023

- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:



A large black rectangular redaction box covers the signature area. A horizontal line extends from the left side of the box to the left margin, and another horizontal line extends from the right side of the box to the right margin. A small, faint mark is visible on the right side of the box, just above the right margin line.

Dated: 12 April 2024