



15 December 2025

David Canny
President
Australian Hotels Association - Victorian Branch

Sent via email: p.osullivan@ahavic.com.au

CC: hunderwood@shinewing.com.au

Dear David Canny

**Australian Hotels Association - Victorian Branch
Financial Report for the year ended 30 June 2025 – FR2025/92**

I acknowledge receipt of the amended financial report for the year ended 30 June 2025 for the Australian Hotels Association - Victorian Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 12 December 2025.

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 next year's financial report 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

Fair Work Commission

Australian Hotels Association (Victoria Branch)
Consolidated Financial Report

For the year ended 30 June 2025

Australian Hotels Association (Victoria Branch)

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30 June 2025

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Australian Hotels Association (Victoria Branch)
Report required under subsection 255(2A)
30 June 2025

Report required under subsection 255(2A)

For the year ended 30 June 2025.

The committee of management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2025.

	2025 \$	2024 \$
Categories of expenditures		
Remuneration and other employment-related costs and expense - employees	-	-
Advertising	-	-
Operating costs	1,738,101	1,551,992
Donations to political parties	-	-
Legal costs	-	-

Signature of designated officer:



David Canny, President

Dated: 3.12.25

Signature of designated officer



Mark O'Reilly, Vice President (Metropolitan)

Dated: 3.12.25

Australian Hotels Association (Victoria Branch)
Operating Report
30 June 2025

Operating Report
For the year ended 30 June 2025

Your Executive Committee members present their report on the Association for the financial year ended 30 June 2025.

The Members of Committee of Management

The names of the Executive Committee Members elected for the period 1 July 2024 to 30 June 2025 were:

Name of Officer	Office Held
David Canny	President
Alan Andrew Clark	Country Vice President
Mark O'Reilly	Metropolitan Vice President
Jonathan Sherren	Honorary Minute Secretary (from 1 May 2025)
Rachel Checinski	Honorary Treasurer
Matt Mullins	Executive Member
Matthew Nikakis	Executive Member
Peter Williams	Executive Member
Stewart Naismith	Executive Member
Tom Francis	Executive Member
Sally Gebert	Executive Member
Shaun D'Cruz	Executive Member – Accommodation Division from (1 July 2024 to 21 October 2024)
Lee Davey	Executive Member – Accommodation Division from (1 July 2024 to 3 December 2024)

The Council Members in office from 1 July 2024 to 30 June 2025 were:

Name of Officer	Office Held	Duration
Shaun D'Cruz	Councillor Accommodation Hotel	(1 July 2024 to 21 October 2024)
Lee Davey	Councillor Accommodation Hotel	(1 July 2024 to 3 December 2024)
Vacant	Councillor Accommodation Hotel	
Vacant	Councillor Accommodation Hotel	
Vacant	Councillor Accommodation Hotel	
Vacant	Councillor Accommodation Hotel	
Daniel Martin	Councillor Eastern Victoria	
Simon Johnson	Councillor Eastern Victoria	
Chad DeLany	Councillor Eastern Victoria	
Guy Wells	Councillor Eastern Victoria	
Dante Tomsic	Councillor Eastern Victoria	
Andrew Nikakis	Councillor Eastern Victoria	
Dylan Clark	Councillor Eastern Victoria	
Simon Appleby	Councillor Eastern Victoria	
Peter Williams	Councillor Eastern Victoria	
Ben Fisher	Councillor Eastern Victoria	
Rachel Jones	Councillor Eastern Victoria	
Brett Melbourne	Councillor Eastern Victoria	
Fiona Cox	Councillor Eastern Victoria	
Vacant	Councillor Eastern Victoria	
Vacant	Councillor Eastern Victoria	
Kelly Cock	Councillor North-Eastern Metropolitan	
Mark Robertson OAM	Councillor North-Eastern Metropolitan	
Peter Appleby	Councillor North-Eastern Metropolitan	
Madeleine Francis	Councillor North-Eastern Metropolitan	
Ryan Mitchell	Councillor North-Eastern Metropolitan	

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Melanie Lambourn	Councillor North-Eastern Metropolitan
John Payne	Councillor North-Eastern Metropolitan
Vacant	Councillor North-Eastern Metropolitan
Vacant	Councillor North-Eastern Metropolitan
Con Nikitas	Councillor Northern Metropolitan
Rachel Checinski	Councillor Northern Metropolitan
Russell O'Brien	Councillor Northern Metropolitan
Michael Robertson	Councillor Northern Metropolitan
Gary Kirwan	Councillor Northern Metropolitan
Bob O'Kane	Councillor Northern Metropolitan
Stuart Steele	Councillor Northern Metropolitan
Stewart Naismith	Councillor Northern Metropolitan
Matt Mullins	Councillor Northern Metropolitan
Andrea Karailis	Councillor Northern Victoria
Shannon Makin	Councillor Northern Victoria
Darren Thomas	Councillor Northern Victoria
Patrick Sheehan	Councillor Northern Victoria
Nick Zurcas	Councillor Northern Victoria
Ray Sharawara	Councillor Northern Victoria
Sally Gebert	Councillor Northern Victoria
Andrew Lethlean	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Nadine Schruhm	Councillor South-Eastern Metropolitan
Peter Whinnen	Councillor South-Eastern Metropolitan
David Tomsic	Councillor South-Eastern Metropolitan
Ian Francis	Councillor South-Eastern Metropolitan
Paul Stocks	Councillor South-Eastern Metropolitan
Roslyn Newsham	Councillor South-Eastern Metropolitan
Joe Giustiniano	Councillor South-Eastern Metropolitan
Vacant	Councillor South-Eastern Metropolitan
Vacant	Councillor South-Eastern Metropolitan
Monika Cala	Councillor Southern Metropolitan
Michael Burke	Councillor Southern Metropolitan
Craig Barnett	Councillor Southern Metropolitan
Andrew Brown	Councillor Southern Metropolitan
Jonathan Sherren	Councillor Southern Metropolitan
Mark O'Reilly	Councillor Southern Metropolitan
Eloise Glenane	Councillor Southern Metropolitan
Matthew Nikakis	Councillor Southern Metropolitan
Vacant	Councillor Southern Metropolitan
Rob Malinauskas	Councillor Western Metropolitan
Josh Lister-Smithh	Councillor Western Metropolitan

Australian Hotels Association (Victoria Branch)
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Tom Francis	Councillor Western Metropolitan
Andrew Needham	Councillor Western Metropolitan
Nicole Nicholson	Councillor Western Metropolitan
Paul Hunter	Councillor Western Metropolitan
Melanie Aldred	Councillor Western Metropolitan
Vacant	Councillor Western Metropolitan
Vacant	Councillor Western Metropolitan
Teagan Hack	Councillor Western Victoria
Patrick Glenane	Councillor Western Victoria
Danny Quinlan	Councillor Western Victoria
Peter Archbold	Councillor Western Victoria
Nick Murray	Councillor Western Victoria
Mitchell Koroneos	Councillor Western Victoria
George Ramia	Councillor Western Victoria
David Canny	Councillor Western Victoria
Sam Benjamin	Councillor Western Victoria
Dan Cronin	Councillor Western Victoria
Rhys Sizeland	Councillor Western Victoria
Joel Taylor	Councillor Western Victoria
Alan Andrew Clark	Councillor Western Victoria
John Taylor	Councillor Western Victoria
Vacant	Councillor Western Victoria

Australian Hotels Association (Victoria Branch)
Operating Report
30 June 2025

Committee of Management

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

Number of members

The number of Branch members as at 30 June 2025 was 975.

Number of employees

The number of Branch employees as at 30 June 2025 was nil.

Unfinancial members

Under rule 9, any member owing any fees, fines, levies or dues longer than two months after they first become due shall be unfinancial. No unfinancial member shall be eligible to nominate or be nominated for any office, vote in any election or plebiscite, attend or vote at any meeting of members and by resolution of the Council maybe refused entry to the Association's premises.

Rights of members to resign

Under rule 32 of the Association's National rules, a member of the Association may resign from membership by written notice addressed and delivered to the Branch Secretary of the Branch of which they are a member.

Other directorships held

The following committee members held a position of Director with the Hotel Care Foundation (Vic) Pty Ltd for the financial year:

- Paul Stocks -- Chairman
- David Canny
- Andrew Alan Clark
- Mark O'Reilly

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

The consolidated deficit for the year amounted to \$494,022 (2024: Deficit of \$254,766). During the period total subscription revenue remained consistent with the prior year.

The financial records of the reporting unit have been kept, as far as possible, in a consistent manner to each of the other reporting units of the organisation.

In compliance with AASB 10 Consolidated Financial Statements, AHA (Vic) and AHHA Inc. have presented consolidated financial statements for FY25.

The principal activity of the Association during the financial year was to provide membership services to members of the Association. An administration levy is paid to the Australian Hotels and Hospitality Association Inc which is contracted to provide a full range of administrative services to the Australian Hotels Association (Victoria Branch).

Statement of Performance 2024/25

1. Introduction

The operating environment for Victoria's pubs and hotels during the 2024/25 financial year was characterised by cost-of-living pressures, ongoing regulatory pressures, and heightened political scrutiny of the industry. Despite these challenges, AHA (Vic) continued to deliver strong advocacy, enhanced membership value, and new and expanded commercial partnerships.

Australian Hotels Association (Victoria Branch)
Operating Report
30 June 2025

Key external factors shaping the year included:

- Cost of living concerns suppressing spending across the broader hospitality industry;
- The Victorian Government's gaming reforms;
- The need to establish new working relationships across Government following Ministerial transitions;
- Public focus on social licence issues, particularly gambling-related harm and environmental sustainability; and,
- Rising energy and compliance costs, requiring strong advocacy for transitional support.

2. Strategic Objectives and Outcomes

Policy and Advocacy

- Successfully represented members in negotiations on liquor licensing fees, gaming compliance requirements, and workplace relations.
- Elevated the industry's social capital through positive and visible partnerships and charity campaigns (e.g. RULE Prostate Cancer Legends Campaign, Good Friday Appeal).
- Advanced red tape reduction proposals, particularly around liquor licensing simplification.

Membership

- Membership maintained at similar levels to the previous financial year, despite additional operating costs.
- Expansion of work to engage future publicans and foster succession planning.
- Delivered tailored compliance and regulatory briefings to support members through government reforms.

Commercial Partnerships

- Secured industry partnerships that delivered tangible cost savings and business development opportunities for members.
- Increased revenue through expanded events, partnerships, and sponsorships.

Workplace Relations

- Provided members with direct support in navigating Fair Work compliance, workplace disputes, and award interpretation.
- Advocated through AHA (National) for continued hospitality award modernisation.
- Delivered successful programs including the WorkWell Respect Network workplace gendered violence and commenced educational programs to assist members be they human resources professionals or not.

Events & Member Experience

- Delivered a successful program of state-wide events including the Pubs, Pots & Profits regional roadshows, and the annual Awards for Excellence.
- Integrated ESG initiatives into events, showcasing sustainable community impact.

Governance & Administration

- Maintained full compliance with relevant legislation and reporting obligations.
- Continued rollout of the Environmental, Social and Governance (ESG) framework, embedding responsible practice across AHA (Vic) operations and advocacy.
- Strengthened internal systems around financial management to ensure long-term resilience.

Significant changes in financial affairs

No significant changes in the Association's financial state of affairs occurred during the financial year.

Strategic Objectives 2025/26

Looking forward, AHA (Vic) will focus on:

- Expanding public affairs to more visibly impact the public conversation for our members;
- Ensuring fair and workable implementation of gaming reforms;
- Building bipartisan relationships ahead of the next state election cycle;
- Advocating for cost relief and regulatory reform to support pubs and hotels;
- Expanding ESG leadership to bolster industry reputation and political resilience; and,
- Growing member engagement through digital platforms, expanded events, and compliance support.

AHA (Vic) remains well positioned to deliver value for members and to ensure the Victorian pub and hotel sector continues to thrive as a vital part of the state's economy and community.

Signed in accordance with a resolution of the Committee of Management.



David Canny, President

3 December 2025

Australian Hotels Association (Victoria Branch)
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue and other income			
Membership Subscriptions	2	1,738,101	1,551,992
Other revenue	2	3,683,356	3,437,364
Other income	2	9,330	118,677
Total revenue and other income		<u>5,430,787</u>	<u>5,108,033</u>
Expenses			
Employee benefit expense		(2,318,290)	(2,077,339)
Capitation fees and other expenses to another reporting unit		(360,503)	(305,626)
Depreciation and amortisation expenses		(330,556)	(287,906)
Events, marketing and engagement expenses		(1,927,134)	(1,813,626)
Sundry expenses		(798,859)	(733,761)
Interest expense		(49,513)	(34,334)
Audit Fees		(47,651)	(53,000)
Honorariums		(65,000)	(65,000)
Loss before income tax benefit		<u>(466,719)</u>	<u>(262,560)</u>
Income tax (expense)/benefit		<u>(27,303)</u>	<u>7,794</u>
Loss after income tax benefit for the year		<u>(494,022)</u>	<u>(254,766)</u>
Other comprehensive income			
Fair value movements of land and buildings		-	(690,434)
Total comprehensive income for the year		<u><u>(494,022)</u></u>	<u><u>(945,200)</u></u>

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Australian Hotels Association (Victoria Branch)
Consolidated statement of financial position
As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	5	1,133,911	1,212,379
Trade and other receivables	6	17,404	528,657
Other assets	7	277,099	368,334
Total current assets		<u>1,428,414</u>	<u>2,109,370</u>
Non-current assets			
Property, plant and equipment	8	8,262,743	8,380,880
Right-of-use assets	9	138,400	152,498
Total non-current assets		<u>8,401,143</u>	<u>8,533,378</u>
Total assets		<u>9,829,557</u>	<u>10,642,748</u>
Liabilities			
Current liabilities			
Trade and other payables	10	194,238	384,274
Contract liabilities	11	118,843	157,470
Borrowings	12	400,000	-
Provisions	13	369,543	383,429
Lease liabilities	14	34,125	48,663
Total current liabilities		<u>1,116,749</u>	<u>973,836</u>
Non-current liabilities			
Borrowings	12	-	446,018
Provisions	13	-	78,983
Lease Liabilities	14	142,291	127,675
Deferred tax liability	15	537,084	523,389
Total non-current liabilities		<u>679,375</u>	<u>1,176,065</u>
Total liabilities		<u>1,796,124</u>	<u>2,149,901</u>
Net assets		<u>8,033,433</u>	<u>8,492,847</u>
Equity			
Asset revaluation reserve	16	4,762,463	4,727,855
Retained earnings		3,270,970	3,764,992
Total equity		<u>8,033,433</u>	<u>8,492,847</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Australian Hotels Association (Victoria Branch)
Consolidated statement of changes in equity
For the year ended 30 June 2025

	Asset revaluation reserve \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023	5,418,289	4,019,758	9,438,047
Loss after income tax benefit for the year	-	(254,766)	(254,766)
Other comprehensive income for the year, net of tax	(690,434)	-	(690,434)
Total comprehensive income for the year	<u>(690,434)</u>	<u>(254,766)</u>	<u>(945,200)</u>
Balance at 30 June 2024	<u>4,727,855</u>	<u>3,764,992</u>	<u>8,492,847</u>

	Asset revaluation reserve \$	Retained profits \$	Total equity \$
Balance at 1 July 2024	4,727,855	3,764,992	8,492,847
Loss after income tax benefit for the year	-	(494,022)	(494,022)
Other comprehensive income for the year, net of tax	34,608	-	34,608
Total comprehensive income for the year	<u>34,608</u>	<u>(494,022)</u>	<u>(459,414)</u>
Balance at 30 June 2025	<u>4,762,463</u>	<u>3,270,970</u>	<u>8,033,433</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Australian Hotels Association (Victoria Branch)
Consolidated statement of cash flows
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers		6,443,392	5,976,685
Payments to suppliers and employees		(6,230,254)	(5,757,615)
Interest received		2,168	30,156
Interest paid		(38,432)	(27,072)
Net cash provided by/(used in) operating activities	17	176,874	222,154
Cash flows from investing activities			
Purchase of property, plant and equipment		(150,200)	(1,034,171)
Sale of property, plant and equipment		-	94,564
Net cash used in investing activities		(150,200)	(939,607)
Cash flows from financing activities			
Proceeds from external borrowings		-	96,018
Repayment of external borrowings		(46,018)	-
Payments for lease liabilities		(59,124)	(70,988)
Net cash provided by/(used in) financing activities		(105,142)	25,030
Net decrease in cash and cash equivalents		(78,468)	(692,423)
Cash and cash equivalents at the beginning of the financial year		1,212,379	1,904,802
Cash and cash equivalents at the end of the financial year	5	1,133,911	1,212,379

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 1. Material accounting policy information

Basis of Preparation

The consolidated financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Group is a not-for-profit entity.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The consolidated financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets. The amounts presented in the consolidated financial statements have been rounded to the nearest dollar. The Group's functional and presentation currency is Australian dollars.

a Income Tax

As a registered Employer Association, the Reporting Unit is exempt from income tax in accordance with Section 50-15 of the *Income Tax Assessment Act 1997*. However, the Reporting Unit's subsidiary is not exempt from income tax expense.

The Association applies the Principle of Mutuality. The principle provides that where a number of persons contribute to a common fund created and controlled by them for a common purpose, any surplus arising from the use of that fund for the common purpose is not taxable income. As such, the Association performs a calculation each year to determine the non-member derived taxable income.

b Property, plant and equipment

The Group measures its buildings at fair value, based on a valuation performed at least tri-annually, less accumulated depreciation. All other class of property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Depreciation

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Buildings	2.5%
Plant and equipment	5 - 37.5%
Carpets	20%

Note 1. Material accounting policy information (continued)

c Financial instruments

The Group measures its financial instruments on initial recognition at fair value +/- transaction costs. The Association subsequently measures its financial instruments at amortised cost.

d Revenue recognition

Partnerships, memberships, operating grants and functions

When the association receives revenue from partnerships, memberships, operating grants or functions, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15

When both these conditions are satisfied, the Association:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Group:

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If there are no other related amounts applicable to the donation (i.e. donations are received for nil consideration), the association recognises income once it has control over the relevant asset

If a contract liability is recognised as a related amount above, the association recognises income in profit or loss when or as it satisfies its obligations under the contract.

Particulars	Membership subscriptions	Events Revenue	Government grants
Nature of goods or services provided	Membership of the reporting unit, with benefits provided over the membership period which corresponds with the financial year	Revenue generated from functions hosted by the Association	Grants received from the State Government to deliver programs and services to the community
Satisfaction of performance obligation	Performance obligations are satisfied when services are rendered	Performance obligations are satisfied at a point in time when the function is delivered	Performance obligations are satisfied when services are rendered and/or programs delivered
Other obligations	No other obligations	No other obligations	No other obligations

Interest income

Interest income is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax

Note 1. Material accounting policy information (continued)

e Significant accounting judgements and estimates
i Fair value of buildings

The Association measures its buildings at fair value. The Association's buildings were revalued on 30 June 2024 and the Committee have adopted the value as at 30 June 2024 less subsequent accumulated depreciation. Fair value is based on a valuation performed by Charter Keck Cramer, an accredited independent valuer. Fair values have been determined in accordance with the fair value measurement hierarchy. Refer to Note 20 Fair Value Measurements for the details of the fair value measure key assumptions and inputs.

ii Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

iii Control of Australian Hotels & Hospitality Association Inc.

The Reporting Unit has determined that it has control over Australian Hotels & Hospitality Association Inc. (the Association) despite holding no share capital in the Association. The Reporting Unit and Association share common management and governance structures. Furthermore, the Association is engaged to help the Reporting Unit achieve its objectives and therefore exposes the Reporting Unit to variable returns from this relationship.

f Comparative amounts

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

g New Australian Accounting Standards

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

This Standard amends AASB 101 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.

The amendments to AASB 101 specify the requirements for classifying liabilities as current or non-current.

The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. See AASB 2022-6 below for details.

This Standard applies to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

The Association does not expect the adoption of this amendment to have a material impact on its financial statements.

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 2. Revenue and other income

	2025	2024
	\$	\$
Membership subscriptions		
Membership subscriptions	<u>1,738,101</u>	<u>1,551,992</u>
	2025	2024
	\$	\$
Other revenue		
Partnership fees	2,249,548	2,153,212
Government grants	34,980	9,520
Events revenue	<u>1,398,828</u>	<u>1,274,632</u>
	<u>3,683,356</u>	<u>3,437,364</u>
	2025	2024
	\$	\$
Other income		
Interest income	2,168	30,156
Gain on sale of non-current assets	-	83,973
Other income	<u>7,162</u>	<u>4,548</u>
	<u>9,330</u>	<u>118,677</u>
	<u>5,430,787</u>	<u>5,108,033</u>
	2025	2024
	\$	\$
a Revenue recognition		
Revenue is recognised under the following standards		
- AASB 15 <i>Revenue from Contracts with Customers</i>	3,171,909	2,836,144
- AASB 1058 <i>Income of Not-for profit Entities</i>	<u>2,249,548</u>	<u>2,153,212</u>
	<u>5,421,457</u>	<u>4,989,356</u>
	2025	2024
	\$	\$
b Timing of revenue recognition		
Point in time	1,398,828	1,274,632
Over time	<u>1,773,081</u>	<u>1,561,512</u>
	<u>3,171,909</u>	<u>2,836,144</u>
	2025	2024
	\$	\$
c Transaction price allocated to remaining performance obligation		
Contract liabilities	<u>118,843</u>	<u>157,470</u>

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 3. Significant expenses

	2025	2024
	\$	\$
Employee provisions expense:		
- Superannuation expense	238,298	225,530
Interest expense		
- Financial liabilities at amortised cost	38,432	27,072
- Lease liabilities	11,081	7,262
	<u>49,513</u>	<u>34,334</u>

Note 4. Income tax benefit

	2025	2024
	\$	\$
a Components of income tax expense		
Current tax expense	-	-
Deferred tax expense	27,303	(7,794)
Under/(over) provision on prior years	-	-
	<u>27,303</u>	<u>(7,794)</u>

Note 5. Cash and cash equivalents

	2025	2024
	\$	\$
Current		
<i>Current assets</i>		
Cash at bank	1,077,103	1,156,294
Cash on deposit	56,808	56,085
	<u>1,133,911</u>	<u>1,212,379</u>

The effective interest rate on term deposits was 1.25% (2024: 1.25%); these deposits have an average maturity of 30 days.

Note 6. Trade and other receivables

	2025	2024
	\$	\$
Current		
<i>Current assets</i>		
Trade receivables	17,404	528,657
Provision for expected credit loss	-	-
	<u>17,404</u>	<u>528,657</u>
Other receivables	-	-
	<u>17,404</u>	<u>528,657</u>

Credit Risk

The Association has no significant concentrations of credit risk with respect to any single counterparty or group of counterparties. The main source of credit risk to the Association is considered to relate to the class of assets described as trade receivables.

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 6. Trade and other receivables (continued)

The Association always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables is estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Association writes off a trade receivable amount when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

Collateral held as security

No collateral is held as security for any of the trade and other receivable balances.

Note 7. Other assets

	2025	2024
	\$	\$
Current		
<i>Current assets</i>		
Prepayments	277,099	368,334
	<u>277,099</u>	<u>368,334</u>

Note 8. Property, plant and equipment

	2025	2024
	\$	\$
Buildings - At fair value	8,040,729	8,000,000
Accumulated depreciation	(200,964)	-
	<u>7,893,765</u>	<u>8,000,000</u>
Plant and equipment - At cost	749,267	594,555
Accumulated depreciation	(438,636)	(354,081)
Total plant and equipment	<u>310,631</u>	<u>240,474</u>
Motor vehicles - at cost	139,990	133,435
Accumulated depreciation	(31,764)	(6,380)
	<u>108,226</u>	<u>127,055</u>
Carpet - At cost	46,566	46,566
Accumulated depreciation	(42,445)	(41,415)
	<u>4,121</u>	<u>5,151</u>
Work in progress - At cost	-	8,200
	<u>-</u>	<u>8,200</u>
	<u>8,262,743</u>	<u>8,380,880</u>

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 8. Property, plant and equipment (continued)

	Buildings \$	Plant and Equipment \$	Motor Vehicles \$	Carpets \$	Work in Progress \$	Total \$
Balance at 1 July 2024	8,000,000	240,474	127,055	5,151	8,200	8,380,880
Additions	40,729	89,571	-	-	19,900	150,200
Disposals	-	-	-	-	-	-
Transfers	-	28,100	-	-	(28,100)	-
Purchase of lease assets	-	-	12,935	-	-	12,935
Revaluation	-	-	-	-	-	-
Depreciation	(200,964)	(47,514)	(31,764)	(1,030)	-	(281,272)
Balance at 30 June 2025	<u>7,839,765</u>	<u>310,631</u>	<u>108,226</u>	<u>4,121</u>	<u>-</u>	<u>8,262,743</u>

Note 9. Right-of-use assets

	2025 \$	2024 \$	
<i>Non-current assets</i>			
Leased office equipment	85,101	90,734	
Accumulated depreciation	(19,145)	(5,633)	
	<u>65,956</u>	<u>85,101</u>	
Leased motor vehicles	153,023	117,837	
Accumulated depreciation	(80,579)	(50,440)	
	<u>72,444</u>	<u>67,397</u>	
	<u>138,400</u>	<u>152,498</u>	
	Leased Office Equipment \$	Leased Motor Vehicles \$	Total \$
Balance at 1 July 2024	85,101	67,397	152,498
Additions	-	48,120	48,120
Transfers to PPE	-	(12,934)	(12,934)
Amortisation	(19,145)	(30,139)	(49,284)
	<u>65,956</u>	<u>72,444</u>	<u>138,400</u>

Note 10. Trade and other payables

	2025 \$	2024 \$
Current		
<i>Current liabilities</i>		
Trade payables	119,802	139,084
Accrued expenses	74,436	245,190
	<u>194,238</u>	<u>384,274</u>

The average credit period on trade and other payables is 30 days. No interest is payable on outstanding payables during this period.

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 11. Contract liabilities

	2025	2024
	\$	\$
Current		
<i>Current liabilities</i>		
Revenue received in advance	118,843	157,470
	<u>118,843</u>	<u>157,470</u>

Note 12. Borrowings

	2025	2024
	\$	\$
<i>Current liabilities</i>		
Bank loans	400,000	-
<i>Non-current liabilities</i>		
Bank loans	-	446,018
	<u>400,000</u>	<u>446,018</u>

Note 13. Provisions

	2025	2024
	\$	\$
Current		
Provision for annual leave - employees	113,657	117,594
Provision for long service leave - employees	255,886	265,835
	<u>369,543</u>	<u>383,429</u>
Non-current		
Long service leave - employees	-	78,983
	<u>-</u>	<u>78,983</u>
	<u>369,543</u>	<u>462,412</u>

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 13. Provisions (continued)

Note 14. Lease liabilities

	2025	2024
	\$	\$
<i>Maturity analysis</i>		
Less than 1 year	43,891	56,226
1 - 5 years	157,208	142,170
> 5 years	-	-
	<u>201,099</u>	<u>198,396</u>
Less unexpended interest	<u>(24,684)</u>	<u>(22,058)</u>
	<u>176,415</u>	<u>176,338</u>
	2025	2024
	\$	\$
Lease liabilities comprise:		
Current	34,125	48,663
Non-current	<u>142,291</u>	<u>127,675</u>
	<u>176,416</u>	<u>176,338</u>

Note 15. Tax

Deferred income tax

	Opening	Charged to	Charged	Closing
	Balance	profit or	directly	balance
	\$	loss	to equity	\$
2025				
Deferred tax asset on:				
Lease liabilities	25,596	(1,372)	-	24,224
Provisions	67,120	(16,377)	-	50,743
Accruals	42,859	(29,754)	-	13,105
	<u>135,575</u>	<u>(47,503)</u>	<u>-</u>	<u>88,072</u>
Deferred tax liability on:				
Fair value gain on buildings	636,829	-	(30,678)	606,151
Right-of-use assets	22,135	(3,130)	-	19,005
	<u>658,964</u>	<u>(3,130)</u>	<u>(30,678)</u>	<u>625,156</u>
Net deferred tax asset/(liability)	<u>(523,389)</u>	<u>(44,373)</u>	<u>30,678</u>	<u>(537,084)</u>

There are no unused tax losses at 30 June 2025.

Note 16. Reserves

a Asset Revaluation Reserve

The asset revaluation reserve records revaluations of property, plant and equipment.

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 17. Cash flow information

a Reconciliation of net profit after tax to cash flows from operating activities

	2025	2024
	\$	\$
Net profit after tax	(494,022)	(254,766)
Non-cash movements in profit or loss:		
- Depreciation and amortisation	330,555	287,906
- Lease interest expense	11,081	7,262
- Gain on disposal of property, plant and equipment	-	(83,973)
Changes in assets and liabilities		
- (Increase)/decrease in receivables	511,255	457,360
- (Increase)/decrease in other assets	91,235	(120,201)
- Increase/(decrease) in payables	(190,036)	(74,306)
- Increase/(decrease) in contract liabilities	(38,628)	26,485
- Increase/(decrease) in deferred taxes	48,303	(7,794)
- Increase/(decrease) in provisions	(92,869)	(15,819)
Cash flow from operating activities	<u>176,874</u>	<u>222,154</u>

	1-Jul-24	Cash	Non-cash	Non-cash	30-Jun-25
	\$	Flows	interest	interest	\$
		\$	expense	expense	
Lease liabilities	176,338	(59,124)	48,120	11,081	176,415
Borrowings	446,018	(46,018)	-	-	400,000
Total	<u>622,356</u>	<u>(105,142)</u>	<u>48,120</u>	<u>11,081</u>	<u>576,415</u>

Note 18. Related parties

a Key management personnel remuneration

Short-term employee benefits		
- Salaries and wages (including annual leave taken)	383,180	513,719
- Annual leave accrued	58,951	29,745
- Honorariums paid to officers	65,000	65,000
	<u>507,131</u>	<u>608,464</u>
Post-employment benefits		
- Superannuation	29,932	27,399
	<u>29,932</u>	<u>27,399</u>
Other long-term benefits		
- Long service leave accrued	7,043	32,761
	<u>7,043</u>	<u>32,761</u>
	<u>544,106</u>	<u>668,624</u>

b Other related parties

Capitation fee paid to Australia Hotels Association (National)	<u>360,503</u>	<u>305,626</u>
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Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 18. Related parties (continued)

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees or loans provided or received for any related party receivable or payable.

For the year ended 30 June 2025, Australian Hotels Association Victorian Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body.

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 18. Related parties (continued)

The following related party transactions occurred during the reporting period. All transactions were at normal commercial terms.

	2025	2024
	\$	\$
Albert Park Hotel	-	17,416
Alpine Retreat Hotel WARBURTON	-	3,677
Belgian Beer Cafe Melbourne SOUTHBANK	3,500	-
Bellevue on the Lakes	-	542
Bendigo Hotel	-	1,182
Brougham Arms Hotel BENDIGO	-	2,159
Builders Arms Hotel FITZROY	3,725	5,195
Carlton Brewhouse	-	1,273
Comfort Inn May Park	1,174	-
Corner Hotel RICHMOND	2,082	-
Criterion Hotel Sale	4,044	-
Cross Keys Hotel ESSENDON	-	12,000
Crown SOUTHBANK	358,687	501,391
Cumberland Hotel CASTLEMAINE	3,847	-
Exchange Hotel HORSHAM.	1,041	-
FANCY HANK'S & GOOD HEAVENS & SPRINGROCK	24,459	-
Flying Horse Bar & Brewery WARRNAMBOOL	-	2,400
Grand Hotel	1,495	-
Grand Hyatt Melbourne	-	4,816
Hotel Railway	11,700	-
Hotel Warrnambool	-	1,319
Huntly Hotel	-	3,910
Hyatt Centric Melbourne	-	7,621
Hyde Melbourne Place	3,439	-
Imperial Hotel MELBOURNE	1,818	-
Langham Hotel Melbourne	5,676	-
Le Meridien Melbourne	-	33,249
London Tavern Hotel RICHMOND	2,817	-
Ludlow Bar & Dining Room SOUTH MELBOURNE	14,250	-
Mail Exchange Hotel MELBOURNE	15,081	-
Metropolitan Hotel MELBOURNE	13,328	-
Morris House	-	3,544
Mount Erica Hotel PRAHRAN	-	10,200
Mountain View Hotel RICHMOND	2,612	-
Novotel Geelong	-	1,113
Oakwood Premier Melbourne	3,097	-
Pan Pacific Melbourne	4,165	-
QUEST WARRNAMBOOL	-	759
RACV Club	19,738	11,706
Royal Oak Hotel	5,711	-
Rydges Melbourne	25,081	54,987
Sheraton Melbourne Hotel	-	5,100
Sofitel Melbourne on Collins	3,800	3,168
Star Hotel SALE	1,462	-
The Old Town 'N' Country Tavern WANGARATTA	4,545	-
The Skinny Dog Hotel KEW	-	14,773
Trawool Estate	13,903	3,548
Union Club Hotel	-	1,257
United Refrigeration Australia	6,176	-
Victoria Hotel HORSHAM	2,545	-
VOCO Melbourne Central	-	3,015
W Melbourne	41,825	43,746
Yarra Valley Grand Hotel	-	2,000

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 18. Related parties (continued)

The following transactions occurred between the Australian Hotels Association Victorian Branch and other related reporting units for the period.

Transactions (to) / From Other Reporting Units & Controlled Entities

	2025	2024
	\$	\$
Accommodation Australia (National)		
Income	(1,110)	67,561
Expense	<u>(230,591)</u>	<u>(185,681)</u>
Total Accommodation Australia (National)	<u>(231,701)</u>	<u>(118,120)</u>
 AHA National Office		
Income	3,613	10,644
Expense	<u>(134,048)</u>	<u>(170,115)</u>
Total AHA National Office	<u>(130,435)</u>	<u>(159,471)</u>
 AHA Western Australia		
Expense	<u>(5,703)</u>	<u>(5,484)</u>
Total AHA Western Australia	<u>(5,703)</u>	<u>(5,484)</u>
 Hotel Care Foundation (VIC)		
Income	10,996	10,979
Expense	<u>(16,700)</u>	<u>(12,210)</u>
Total Hotel Care Foundation (VIC)	<u>(5,704)</u>	<u>(1,231)</u>
 Tasmanian Hospitality Association		
Income	-	2,591
Expense	<u>(1,990)</u>	<u>(1,950)</u>
Total Tasmanian Hospitality Association	<u>(1,990)</u>	<u>641</u>

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 19. Financial risk management

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, loans to and from related parties, and leases.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	2025	2024
	\$	\$
Financial assets		
Financial assets at amortised cost		
- Cash and cash equivalents	1,133,911	1,212,379
- Trade and other receivables	17,404	528,657
	<u>1,151,315</u>	<u>1,741,036</u>
	2025	2024
	\$	\$
Financial liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	194,238	384,274
- Borrowings	400,000	446,018
- Lease liabilities	176,416	176,338
	<u>770,654</u>	<u>1,006,630</u>

Financial Risk Management Policies

The Group's treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the Group. The treasurer monitors the Group's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held bi-monthly and minuted by the committee of management.

The treasurer's overall risk management strategy seeks to ensure that the Group meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk, and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the committee's objectives, policies and processes for managing or measuring the risks from the previous period.

Note 19. Financial risk management (continued)

a Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintaining of procedures (such as the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise assessed as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions).

There is no collateral held by the Group securing trade and other receivables.

The Association has no significant concentrations of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of accounts receivable and other debtors are provided in Note 6.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality.

b Liquidity risk

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

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions

The following table reflects an undiscounted contractual maturity analysis for the Group's financial liabilities

	Within 1 Year 2025	2024	1 to 5 Years 2025	2024	Over 5 Years 2025	2024	Total 2025	2024
Financial liabilities due for payment								
Trade and other payables	194,238	374,272	-	-	-	-	194,238	374,272
Lease liabilities	34,125	56,226	142,291	142,170	-	-	176,416	198,396
Borrowings	-	-	400,000	446,018	-	-	400,000	446,018
Total expected outflows	228,363	430,498	542,291	588,188	-	-	770,654	1,018,686

Note 19. Financial risk management (continued)

c Market Risk

i Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is exposed to earnings volatility on floating rate instruments. The financial instruments that expose the Group to interest rate risk are limited to lease liabilities, borrowings and cash on hand.

The Group also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

Sensitivity analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in interest rates.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Current Surplus \$	Equity \$
Year ended 30 June 2025		
+/- 2% in interest rates	22,678	22,678
Year ended 30 June 2024		
+/- 2% in interest rates	24,248	24,248

d Fair values

Refer to Note 20 for detailed disclosures regarding the fair value measurement of the Group's financial assets and financial liabilities. The carrying amounts of the Group's financial instruments are a reasonable approximation to their fair values.

Note 20. Fair value measurements

The Group measures and recognises buildings at fair value on a recurring basis after initial recognition.

The Group does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

a Valuation techniques

The Group selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The Group applies the market approach to determine the fair value of its buildings.

The market approach uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.

The following tables provide the fair values of the Group's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 20. Fair value measurements (continued)

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30-June-25				
Recurring fair value measurements				
<i>Non-financial assets</i>				
- Buildings	-	-	7,839,765	7,839,765
	-	-	7,839,765	7,839,765
30-Jun-24				
Recurring fair value measurements				
<i>Non-financial assets</i>				
- Buildings	-	-	8,000,000	8,000,000
	-	-	8,000,000	8,000,000

b Valuation techniques and unobservable inputs used to measure level 3 fair values

The Group's buildings at fair value are measured using the market approach which relies upon recent observable market data such as prices for similar properties. The key unobservable input is value per square metre per annum. The capitalisation method has been used as a secondary valuation sense check.

c Sensitivity analysis

The Group has performed a sensitivity analysis on both valuation methods to assess the impact of reasonable, possible changes in value.

The key variable for the direct sales comparison method is the value per square metre per annum. The value per square metre per annum adopted is \$10,250. A \$250 increase would result in a \$8.2m valuation and a \$250 decrease would result in a \$7.8m valuation.

The key variable for the capitalisation method of valuation is the capitalisation rate. The estimated fair value would increase if the capitalisation rate was lower, and the estimated fair value would increase if the total income was higher. An increase of 25 basis points would result in a valuation of \$7.4m and an increase of 50 basis points would result in a valuation of \$7.1m.

Note 21. Parent information

	2025 \$	2024 \$
Statement of Financial Position		
Assets		
Current assets	-	-
Non-current assets	-	-
Total Assets	-	-
Liabilities		
Current liabilities	-	-
Non-current liabilities	-	-
Total liabilities	-	-
Net Assets	-	-

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 21. Parent information (continued)

Equity

Issued capital	-	-
Retained earnings	-	-
Revaluation surplus	-	-
Total equity	-	-

Statement of Profit or Loss and Other Comprehensive Income

Total profit	-	-
Total comprehensive income	-	-

Guarantees

Australian Hotels Association (Victoria Branch) has not entered into any guarantees, in the current or previous financial years, in relation to the debts of its subsidiaries.

Contractual commitments

The Reporting Unit has no contractual commitments at 30 June 2025 (2024: Nil).

Note 22. Auditors remuneration

	2025	2024
	\$	\$
Remuneration of the auditor for:		
- Auditing the Reporting Unit's financial statements	5,250	5,000
- Auditing the Association's financial statements	42,401	48,000
	47,651	53,000

Note 23. Contingencies

In June 2025, The Company received a legal letter from a third-party claimant alleging potential liability. The Company engaged legal counsel in July 2025, and, as of the date of this report, legal proceedings have not commenced. The matter has since been referred to the Company's insurer, who has appointed legal representation on behalf of the Company.

As the legal process remains at a preliminary stage and no formal proceedings have been filed, the Company is unable to reliably estimate the financial impact, if any. Accordingly, no provision has been recognised as of 30 June 2025.

Management will continue to monitor the matter and update disclosures as appropriate.

Apart from the above matter, the Group has no other contingent liabilities or assets at 30 June 2025 (2024: Nil).

Note 24. Events after the reporting date

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, of the Group's state of affairs in future financial years.

Note 25. Company details

The Group's registered office and principal place of business is:

Australian Hotels Association (Victoria Branch)
Level 1, 1 Little Collins Street
Melbourne VIC 3000

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 26. Additional Disclosures - S253 of 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 General Manager of the Fair Work Commission:

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

Note 27. Administration of financial affairs by a third party

Australian Hotels and Hospitality Association Inc. provides Australian Hotels Association (Victoria Branch) with all administrative and advocacy services. The services are governed by a services agreement between the two entities. The fee for services provided in 2025 is \$1,307,348 (2024: \$1,176,366).

Australian Hotels Association (Victoria Branch)
Committee of Management Statement
30 June 2025

Officer Declaration Statement

I, David Canny, being the President of Australian Hotels Association (Victoria Branch), declare that the following activities did not occur during the reporting period ending 30 June 2025.

- 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
- 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 affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay superannuation to holders of office
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- pay wages and salaries to employees (other than holders of office)
- pay superannuation to employees (other than holders of office)
- pay leave and other entitlements to employees (other than holders of office)
- pay separation and redundancy to employees (other than holders of office)
- pay other employee expenses to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(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 a 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 separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund(other than the general fund), account, asset or controlled entity
- have a balance within the general fund- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting unit and/or controlled entity
- make a payment to a former related party of the reporting unit

Australian Hotels Association (Victoria Branch)
Committee of Management Statement
30 June 2025

Signed by the Officer:



Dated: 3.12.25

Australian Hotels Association (Victoria Branch)
Committee of Management Statement
30 June 2025

Committee of Management Statement

On 3 December 2025, the Members of the Committee of Management (Board of Directors) of the Australian Hotels Association (Victoria Branch) passed the following resolution in relation to the general-purpose financial report (GPFR) for the financial year ended 30 June 2025:

The Board of Directors declares in relation to the general purpose financial report that in its opinion:

- a The consolidated financial statements and notes comply with the Australian Accounting Standards;
- b The consolidated financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- c The consolidated 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;
- e During the financial year to which the GPFR relates and since the end of that year:
 - i. meetings of the board of directors were held in accordance with the rules of the organisation including the rules of a branch concerned;
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act;
 - 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;
 - v. where information has been sought in any request by a member of the reporting unit or General Manager of the Fair Work Commission duly made under section 272 of the RO Act has been provided to the member or General Manager of the Fair Work Commission; 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 Committee of Management

Name: David Canny
Title of office held: President



Dated: 3.12.25

Name: Mark O'Reilly
Title of office held: Vice President (Metropolitan)



Dated: 3.12.25

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)

Opinion

We have audited the financial report of the Australian Hotels Association (Victoria Branch) (the Reporting Unit) and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the committee of management statement, the subsection 255(2A) report and the officer declaration statement (the Financial Report).

In our opinion, the accompanying Financial Report presents fairly, in all material aspects, the financial position of the Group as at 30 June 2025, 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 Act).

I declare that management's use of the going concern basis in the preparation of the Financial Report of the Group is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the relevant ethical requirements of the Accounting Professional & 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.

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

The committee of management are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, 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 accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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Perth WA 6000
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Sydney
Level 8
167 Macquarie Street
Sydney NSW 2000
T + 61 2 8059 6800



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee of Management for the Financial Report

The committee of management of the Group is responsible for the preparation of the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the 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 are responsible for assessing the Group'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 Group 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

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

- Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 Group to express an opinion on the Financial Report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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



SW Audit

Chartered Accountants



Hayley Underwood
Partner

Melbourne, 3 December 2025

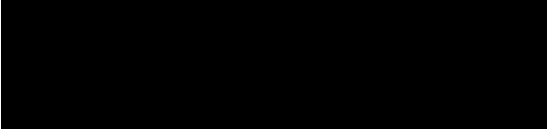
Registration number: AA2017/54

Australian Hotels Association (Victoria Branch)

Certificate by Prescribed Designated Officer For the year ended 30 June 2025

I, David Canny, being the President of the Australian Hotels Association (Victoria Branch) certify:

- That the documents lodged herewith are copies of the full report for the Australian Hotels Association (Victoria Branch) for the period referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- That the amended full report was provided to members of the Reporting Unit on 5th of December 2025 and
- That the amended full report was presented to the members of the Committee of Management of the reporting unit on 3rd of December 2025 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.


David Canny, President

Dated this 8 day of December 2025



29 October 2025

David Canny
President
Australian Hotels Association - Victorian Branch

Sent via email: p.osullivan@ahavic.com.au

CC: hunderwood@shinewing.com.au

Dear David Canny

**Australian Hotels Association - Victorian Branch
Financial Report for the year ended 30 June 2025 – FR2025/92**

I acknowledge receipt of the financial report for the year ended 30 June 2025 for the Australian Hotels Association - Victorian Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 23 October 2025.

The financial report has not been filed. I have examined the report and identified a number of matters, the details of which are set out below, that you are required to address before the report can be filed.

The committee of management statement, general purpose financial report (GPFR) and auditor's statement will require amendments. The amended report will need to be approved by the committee of management, provided to members and lodged with the Fair Work Commission with a new designated officer's certificate.

The matters identified should be read in conjunction with the *Fair Work (Registered Organisations) Act 2009* (the RO Act), *Fair Work (Registered Organisations) Regulations 2009* (the RO Regs), the 6th edition of the reporting guidelines (RG) made under section 255 of the RO Act and Australian Accounting Standards.

To assist with the preparation of financial reports, organisations should consult the template model financial statements which is available from the Fair Work Commission website.

1. Non-compliance with previous requests

While we filed last year's financial report, we raised certain issues for the reporting unit to address in the preparation of future financial reports. I note that the same errors have appeared in the current report, namely incorrect legislative references.

The Fair Work Commission aims to assist reporting units comply with their obligations under the RO Act and reporting guidelines by providing advice about the errors identified in financial reports.

The Fair Work Commission is unable to file this report until the abovementioned errors have been addressed.

2. General Purpose Financial Report (GPFR)

Incorrect legislative references

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

I note that item e (v) of the Committee of Management Statement and Note 26 to the GPFR both refer to Commissioner instead of General Manager.

Material expense

Australian Accounting Standard AASB 101 *Presentation of Financial Statements* paragraph 97 requires material items to be presented separately. The consolidated statement of profit or loss and other comprehensive income discloses \$2,725,993 as sundry expenses, which is a material amount. This item is required to be further divided to ensure that any material items within expenses are separately disclosed.

Reporting guideline activities not disclosed

Item 20 of the reporting guidelines states that if any of the activities identified within items 9 – 19 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.

The general purpose financial report contained nil activity information for all prescribed reporting guideline categories except the following:

- Item 15(c)(i) – have a provision in respect of annual leave for holders of offices
- Item 15(c)(ii) – have a provision in respect of long service leave for holders of offices

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

Yours sincerely

Fair Work Commission

Australian Hotels Association (Victoria Branch)
Consolidated Financial Report

For the year ended 30 June 2025

Australian Hotels Association (Victoria Branch)
Contents
30 June 2025

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Australian Hotels Association (Victoria Branch)
Report required under subsection 255(2A)
30 June 2025

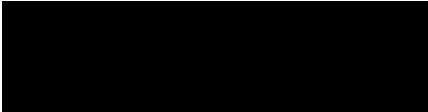
Report required under subsection 255(2A)

For the year ended 30 June 2025.

The committee of management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2025.

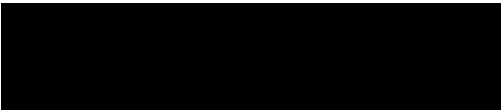
	2025 \$	2024 \$
Categories of expenditures		
Remuneration and other employment-related costs and expense - employees	-	-
Advertising	-	-
Operating costs	1,738,101	1,551,992
Donations to political parties	-	-
Legal costs	-	-

Signature of designated officer:



David Canny, President

Signature of designated officer



Rachel Checinski, Treasurer

Dated: 15 September 2025

Australian Hotels Association (Victoria Branch)
Operating Report
30 June 2025

Operating Report
For the year ended 30 June 2025

Your Executive Committee members present their report on the Association for the financial year ended 30 June 2025.

The Members of Committee of Management

The names of the Executive Committee Members elected for the period 1 July 2024 to 30 June 2025 were:

Name of Officer	Office Held
David Canny	President
Alan Andrew Clark	Country Vice President
Mark O'Reilly	Metropolitan Vice President
Jonathan Sherren	Honorary Minute Secretary (from 1 May 2025)
Rachel Checinski	Honorary Treasurer
Matt Mullins	Executive Member
Matthew Nikakis	Executive Member
Peter Williams	Executive Member
Stewart Naismith	Executive Member
Tom Francis	Executive Member
Sally Gebert	Executive Member
Shaun D'Cruz	Executive Member – Accommodation Division from (1 July 2024 to 21 October 2024)
Lee Davey	Executive Member – Accommodation Division from (1 July 2024 to 3 December 2024)

The Council Members in office from 1 July 2024 to 30 June 2025 were:

Name of Officer	Office Held	Duration
Shaun D'Cruz	Councillor Accommodation Hotel	(1 July 2024 to 21 October 2024)
Lee Davey	Councillor Accommodation Hotel	(1 July 2024 to 3 December 2024)
Vacant	Councillor Accommodation Hotel	
Vacant	Councillor Accommodation Hotel	
Vacant	Councillor Accommodation Hotel	
Vacant	Councillor Accommodation Hotel	
Daniel Martin	Councillor Eastern Victoria	
Simon Johnson	Councillor Eastern Victoria	
Chad DeLany	Councillor Eastern Victoria	
Guy Wells	Councillor Eastern Victoria	
Dante Tomsic	Councillor Eastern Victoria	
Andrew Nikakis	Councillor Eastern Victoria	
Dylan Clark	Councillor Eastern Victoria	
Simon Appleby	Councillor Eastern Victoria	
Peter Williams	Councillor Eastern Victoria	
Ben Fisher	Councillor Eastern Victoria	
Rachel Jones	Councillor Eastern Victoria	
Brett Melbourne	Councillor Eastern Victoria	
Fiona Cox	Councillor Eastern Victoria	
Vacant	Councillor Eastern Victoria	
Vacant	Councillor Eastern Victoria	
Kelly Cock	Councillor North-Eastern Metropolitan	
Mark Robertson OAM	Councillor North-Eastern Metropolitan	
Peter Appleby	Councillor North-Eastern Metropolitan	
Madeleine Francis	Councillor North-Eastern Metropolitan	
Ryan Mitchell	Councillor North-Eastern Metropolitan	

Australian Hotels Association (Victoria Branch)
Operating Report
30 June 2025

Melanie Lambourn	Councillor North-Eastern Metropolitan
John Payne	Councillor North-Eastern Metropolitan
Vacant	Councillor North-Eastern Metropolitan
Vacant	Councillor North-Eastern Metropolitan
Con Nikitas	Councillor Northern Metropolitan
Rachel Checinski	Councillor Northern Metropolitan
Russell O'Brien	Councillor Northern Metropolitan
Michael Robertson	Councillor Northern Metropolitan
Gary Kirwan	Councillor Northern Metropolitan
Bob O'Kane	Councillor Northern Metropolitan
Stuart Steele	Councillor Northern Metropolitan
Stewart Naismith	Councillor Northern Metropolitan
Matt Mullins	Councillor Northern Metropolitan
Andrea Karailis	Councillor Northern Victoria
Shannon Makin	Councillor Northern Victoria
Darren Thomas	Councillor Northern Victoria
Patrick Sheehan	Councillor Northern Victoria
Nick Zurcas	Councillor Northern Victoria
Ray Sharawara	Councillor Northern Victoria
Sally Gebert	Councillor Northern Victoria
Andrew Lethlean	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Vacant	Councillor Northern Victoria
Nadine Schruhm	Councillor South-Eastern Metropolitan
Peter Whinnen	Councillor South-Eastern Metropolitan
David Tomsic	Councillor South-Eastern Metropolitan
Ian Francis	Councillor South-Eastern Metropolitan
Paul Stocks	Councillor South-Eastern Metropolitan
Roslyn Newsham	Councillor South-Eastern Metropolitan
Joe Giustiniano	Councillor South-Eastern Metropolitan
Vacant	Councillor South-Eastern Metropolitan
Vacant	Councillor South-Eastern Metropolitan
Monika Cala	Councillor Southern Metropolitan
Michael Burke	Councillor Southern Metropolitan
Craig Barnett	Councillor Southern Metropolitan
Andrew Brown	Councillor Southern Metropolitan
Jonathan Sherren	Councillor Southern Metropolitan
Mark O'Reilly	Councillor Southern Metropolitan
Eloise Glenane	Councillor Southern Metropolitan
Matthew Nikakis	Councillor Southern Metropolitan
Vacant	Councillor Southern Metropolitan
Rob Malinauskas	Councillor Western Metropolitan
Josh Lister-Smith	Councillor Western Metropolitan

Australian Hotels Association (Victoria Branch)
Operating Report
30 June 2025

Tom Francis	Councillor Western Metropolitan
Andrew Needham	Councillor Western Metropolitan
Nicole Nicholson	Councillor Western Metropolitan
Paul Hunter	Councillor Western Metropolitan
Melanie Aldred	Councillor Western Metropolitan
Vacant	Councillor Western Metropolitan
Vacant	Councillor Western Metropolitan
Teagan Hack	Councillor Western Victoria
Patrick Glenane	Councillor Western Victoria
Danny Quinlan	Councillor Western Victoria
Peter Archbold	Councillor Western Victoria
Nick Murray	Councillor Western Victoria
Mitchell Koroneos	Councillor Western Victoria
George Ramia	Councillor Western Victoria
David Canny	Councillor Western Victoria
Sam Benjamin	Councillor Western Victoria
Dan Cronin	Councillor Western Victoria
Rhys Sizeland	Councillor Western Victoria
Joel Taylor	Councillor Western Victoria
Alan Andrew Clark	Councillor Western Victoria
John Taylor	Councillor Western Victoria
Vacant	Councillor Western Victoria

Australian Hotels Association (Victoria Branch)
Operating Report
30 June 2025

Committee of Management

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

Number of members

The number of Branch members as at 30 June 2025 was 975.

Number of employees

The number of Branch employees as at 30 June 2025 was nil.

Unfinancial members

Under rule 9, any member owing any fees, fines, levies or dues longer than two months after they first become due shall be unfinancial. No unfinancial member shall be eligible to nominate or be nominated for any office, vote in any election or plebiscite, attend or vote at any meeting of members and by resolution of the Council maybe refused entry to the Association's premises.

Rights of members to resign

Under rule 32 of the Association's National rules, a member of the Association may resign from membership by written notice addressed and delivered to the Branch Secretary of the Branch of which they are a member.

Other directorships held

The following committee members held a position of Director with the Hotel Care Foundation (Vic) Pty Ltd for the financial year:

- Paul Stocks -- Chairman
- David Canny
- Andrew Alan Clark
- Mark O'Reilly

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

The consolidated deficit for the year amounted to \$494,022 (2024: Deficit of \$254,766). During the period total subscription revenue remained consistent with the prior year.

The financial records of the reporting unit have been kept, as far as possible, in a consistent manner to each of the other reporting units of the organisation.

In compliance with AASB 10 Consolidated Financial Statements, AHA (Vic) and AHHA Inc. have presented consolidated financial statements for FY25.

The principal activity of the Association during the financial year was to provide membership services to members of the Association. An administration levy is paid to the Australian Hotels and Hospitality Association Inc which is contracted to provide a full range of administrative services to the Australian Hotels Association (Victoria Branch).

Statement of Performance 2024/25

1. Introduction

The operating environment for Victoria's pubs and hotels during the 2024/25 financial year was characterised by cost-of-living pressures, ongoing regulatory pressures, and heightened political scrutiny of the industry. Despite these challenges, AHA (Vic) continued to deliver strong advocacy, enhanced membership value, and new and expanded commercial partnerships.

Australian Hotels Association (Victoria Branch)
Operating Report
30 June 2025

Key external factors shaping the year included:

- Cost of living concerns suppressing spending across the broader hospitality industry;
- The Victorian Government's gaming reforms;
- The need to establish new working relationships across Government following Ministerial transitions;
- Public focus on social licence issues, particularly gambling-related harm and environmental sustainability; and,
- Rising energy and compliance costs, requiring strong advocacy for transitional support.

2. Strategic Objectives and Outcomes

Policy and Advocacy

- Successfully represented members in negotiations on liquor licensing fees, gaming compliance requirements, and workplace relations.
- Elevated the industry's social capital through positive and visible partnerships and charity campaigns (e.g. RULE Prostate Cancer Legends Campaign, Good Friday Appeal).
- Advanced red tape reduction proposals, particularly around liquor licensing simplification.

Membership

- Membership maintained at similar levels to the previous financial year, despite additional operating costs.
- Expansion of work to engage future publicans and foster succession planning.
- Delivered tailored compliance and regulatory briefings to support members through government reforms.

Commercial Partnerships

- Secured industry partnerships that delivered tangible cost savings and business development opportunities for members.
- Increased revenue through expanded events, partnerships, and sponsorships.

Workplace Relations

- Provided members with direct support in navigating Fair Work compliance, workplace disputes, and award interpretation.
- Advocated through AHA (National) for continued hospitality award modernisation.
- Delivered successful programs including the WorkWell Respect Network workplace gendered violence and commenced educational programs to assist members be they human resources professionals or not.

Events & Member Experience

- Delivered a successful program of state-wide events including the Pubs, Pots & Profits regional roadshows, and the annual Awards for Excellence.
- Integrated ESG initiatives into events, showcasing sustainable community impact.

Governance & Administration

- Maintained full compliance with relevant legislation and reporting obligations.
- Continued rollout of the Environmental, Social and Governance (ESG) framework, embedding responsible practice across AHA (Vic) operations and advocacy.
- Strengthened internal systems around financial management to ensure long-term resilience.

Australian Hotels Association (Victoria Branch)
Operating Report
30 June 2025

Significant changes in financial affairs

No significant changes in the Association's financial state of affairs occurred during the financial year.

Strategic Objectives 2025/26

Looking forward, AHA (Vic) will focus on:

- Expanding public affairs to more visibly impact the public conversation for our members;
- Ensuring fair and workable implementation of gaming reforms;
- Building bipartisan relationships ahead of the next state election cycle;
- Advocating for cost relief and regulatory reform to support pubs and hotels;
- Expanding ESG leadership to bolster industry reputation and political resilience; and,
- Growing member engagement through digital platforms, expanded events, and compliance support.

AHA (Vic) remains well positioned to deliver value for members and to ensure the Victorian pub and hotel sector continues to thrive as a vital part of the state's economy and community.

Signed in accordance with a resolution of the Committee of Management.



David Canny, President

15 September 2025

Australian Hotels Association (Victoria Branch)
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue and other income			
Membership Subscriptions	2	1,738,101	1,551,992
Other revenue	2	3,683,356	3,437,364
Other income	2	9,330	118,677
Total revenue and other income		<u>5,430,787</u>	<u>5,108,033</u>
Expenses			
Employee benefit expense		(2,318,290)	(2,077,339)
Capitation fees and other expenses to another reporting unit		(360,503)	(305,626)
Depreciation and amortisation expenses		(330,556)	(287,906)
Sundry expenses		(2,725,993)	(2,547,388)
Interest expense		(49,513)	(34,334)
Audit Fees		(47,651)	(53,000)
Honorariums		(65,000)	(65,000)
Loss before income tax benefit		<u>(466,719)</u>	<u>(262,560)</u>
Income tax (expense)/benefit		<u>(27,303)</u>	<u>7,794</u>
Loss after income tax benefit for the year		<u>(494,022)</u>	<u>(254,766)</u>
Other comprehensive income			
Fair value movements of land and buildings		<u>-</u>	<u>(690,434)</u>
Total comprehensive income for the year		<u><u>(494,022)</u></u>	<u><u>(945,200)</u></u>

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Australian Hotels Association (Victoria Branch)
Consolidated statement of financial position
As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	5	1,133,911	1,212,379
Trade and other receivables	6	17,404	528,657
Other assets	7	277,099	368,334
Total current assets		<u>1,428,414</u>	<u>2,109,370</u>
Non-current assets			
Property, plant and equipment	8	8,262,743	8,380,880
Right-of-use assets	9	138,400	152,498
Total non-current assets		<u>8,401,143</u>	<u>8,533,378</u>
Total assets		<u>9,829,557</u>	<u>10,642,748</u>
Liabilities			
Current liabilities			
Trade and other payables	10	194,238	384,274
Contract liabilities	11	118,843	157,470
Borrowings	12	400,000	-
Provisions	13	369,543	383,429
Lease liabilities	14	34,125	48,663
Total current liabilities		<u>1,116,749</u>	<u>973,836</u>
Non-current liabilities			
Borrowings	12	-	446,018
Provisions	13	-	78,983
Lease Liabilities	14	142,291	127,675
Deferred tax liability	15	537,084	523,389
Total non-current liabilities		<u>679,375</u>	<u>1,176,065</u>
Total liabilities		<u>1,796,124</u>	<u>2,149,901</u>
Net assets		<u>8,033,433</u>	<u>8,492,847</u>
Equity			
Asset revaluation reserve	16	4,762,463	4,727,855
Retained earnings		<u>3,270,970</u>	<u>3,764,992</u>
Total equity		<u>8,033,433</u>	<u>8,492,847</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Australian Hotels Association (Victoria Branch)
Consolidated statement of changes in equity
For the year ended 30 June 2025

	Asset revaluation reserve \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023	5,418,289	4,019,758	9,438,047
Loss after income tax benefit for the year	-	(254,766)	(254,766)
Other comprehensive income for the year, net of tax	(690,434)	-	(690,434)
Total comprehensive income for the year	(690,434)	(254,766)	(945,200)
Balance at 30 June 2024	<u>4,727,855</u>	<u>3,764,992</u>	<u>8,492,847</u>
	Asset revaluation reserve \$	Retained profits \$	Total equity \$
Balance at 1 July 2024	4,727,855	3,764,992	8,492,847
Loss after income tax benefit for the year	-	(494,022)	(494,022)
Other comprehensive income for the year, net of tax	34,608	-	34,608
Total comprehensive income for the year	34,608	(494,022)	(459,414)
Balance at 30 June 2025	<u>4,762,463</u>	<u>3,270,970</u>	<u>8,033,433</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Australian Hotels Association (Victoria Branch)
Consolidated statement of cash flows
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers		6,443,392	5,976,685
Payments to suppliers and employees		(6,230,254)	(5,757,615)
Interest received		2,168	30,156
Interest paid		(38,432)	(27,072)
Net cash provided by/(used in) operating activities	17	176,874	222,154
Cash flows from investing activities			
Purchase of property, plant and equipment		(150,200)	(1,034,171)
Sale of property, plant and equipment		-	94,564
Net cash used in investing activities		(150,200)	(939,607)
Cash flows from financing activities			
Proceeds from external borrowings		-	96,018
Repayment of external borrowings		(46,018)	-
Payments for lease liabilities		(59,124)	(70,988)
Net cash provided by/(used in) financing activities		(105,142)	25,030
Net decrease in cash and cash equivalents		(78,468)	(692,423)
Cash and cash equivalents at the beginning of the financial year		1,212,379	1,904,802
Cash and cash equivalents at the end of the financial year	5	1,133,911	1,212,379

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 1. Material accounting policy information

Basis of Preparation

The consolidated financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Group is a not-for-profit entity.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The consolidated financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets. The amounts presented in the consolidated financial statements have been rounded to the nearest dollar. The Group's functional and presentation currency is Australian dollars.

a Income Tax

As a registered Employer Association, the Reporting Unit is exempt from income tax in accordance with Section 50-15 of the *Income Tax Assessment Act 1997*. However, the Reporting Unit's subsidiary is not exempt from income tax expense.

The Association applies the Principle of Mutuality. The principle provides that where a number of persons contribute to a common fund created and controlled by them for a common purpose, any surplus arising from the use of that fund for the common purpose is not taxable income. As such, the Association performs a calculation each year to determine the non-member derived taxable income.

b Property, plant and equipment

The Group measures its buildings at fair value, based on a valuation performed at least tri-annually, less accumulated depreciation. All other class of property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Depreciation

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Buildings	2.5%
Plant and equipment	5 - 37.5%
Carpets	20%

Note 1. Material accounting policy information (continued)

c Financial instruments

The Group measures its financial instruments on initial recognition at fair value +/- transaction costs. The Association subsequently measures its financial instruments at amortised cost.

d Revenue recognition

Partnerships, memberships, operating grants and functions

When the association receives revenue from partnerships, memberships, operating grants or functions, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15

When both these conditions are satisfied, the Association:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Group:

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If there are no other related amounts applicable to the donation (i.e. donations are received for nil consideration), the association recognises income once it has control over the relevant asset

If a contract liability is recognised as a related amount above, the association recognises income in profit or loss when or as it satisfies its obligations under the contract.

Particulars	Membership subscriptions	Events Revenue	Government grants
Nature of goods or services provided	Membership of the reporting unit, with benefits provided over the membership period which corresponds with the financial year	Revenue generated from functions hosted by the Association	Grants received from the State Government to deliver programs and services to the community
Satisfaction of performance obligation	Performance obligations are satisfied when services are rendered	Performance obligations are satisfied at a point in time when the function is delivered	Performance obligations are satisfied when services are rendered and/or programs delivered
Other obligations	No other obligations	No other obligations	No other obligations

Interest income

Interest income is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax

Note 1. Material accounting policy information (continued)

e Significant accounting judgements and estimates
i Fair value of buildings

The Association measures its buildings at fair value. The Association's buildings were revalued on 30 June 2024 and the Committee have adopted the value as at 30 June 2024 less subsequent accumulated depreciation. Fair value is based on a valuation performed by Charter Keck Cramer, an accredited independent valuer. Fair values have been determined in accordance with the fair value measurement hierarchy. Refer to Note 20 Fair Value Measurements for the details of the fair value measure key assumptions and inputs.

ii Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

iii Control of Australian Hotels & Hospitality Association Inc.

The Reporting Unit has determined that it has control over Australian Hotels & Hospitality Association Inc. (the Association) despite holding no share capital in the Association. The Reporting Unit and Association share common management and governance structures. Furthermore, the Association is engaged to help the Reporting Unit achieve its objectives and therefore exposes the Reporting Unit to variable returns from this relationship.

f Comparative amounts

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

g New Australian Accounting Standards

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

This Standard amends AASB 101 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.

The amendments to AASB 101 specify the requirements for classifying liabilities as current or non-current.

The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. See AASB 2022-6 below for details.

This Standard applies to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

The Association does not expect the adoption of this amendment to have a material impact on its financial statements.

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 2. Revenue and other income

	2025	2024
	\$	\$
Membership subscriptions		
Membership subscriptions	<u>1,738,101</u>	<u>1,551,992</u>
	2025	2024
	\$	\$
Other revenue		
Partnership fees	2,249,548	2,153,212
Government grants	34,980	9,520
Events revenue	<u>1,398,828</u>	<u>1,274,632</u>
	<u>3,683,356</u>	<u>3,437,364</u>
	2025	2024
	\$	\$
Other income		
Interest income	2,168	30,156
Gain on sale of non-current assets	-	83,973
Other income	<u>7,162</u>	<u>4,548</u>
	<u>9,330</u>	<u>118,677</u>
	<u>5,430,787</u>	<u>5,108,033</u>
	2025	2024
	\$	\$
a Revenue recognition		
Revenue is recognised under the following standards		
- AASB 15 <i>Revenue from Contracts with Customers</i>	3,171,909	2,836,144
- AASB 1058 <i>Income of Not-for profit Entities</i>	<u>2,249,548</u>	<u>2,153,212</u>
	<u>5,421,457</u>	<u>4,989,356</u>
	2025	2024
	\$	\$
b Timing of revenue recognition		
Point in time	1,398,828	1,274,632
Over time	<u>1,773,081</u>	<u>1,561,512</u>
	<u>3,171,909</u>	<u>2,836,144</u>
	2025	2024
	\$	\$
c Transaction price allocated to remaining performance obligation		
Contract liabilities	<u>118,843</u>	<u>157,470</u>

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 3. Significant expenses

	2025 \$	2024 \$
Employee provisions expense:		
- Superannuation expense	238,298	225,530
Interest expense		
- Financial liabilities at amortised cost	38,432	27,072
- Lease liabilities	11,081	7,262
	<u>49,513</u>	<u>34,334</u>

Note 4. Income tax benefit

	2025 \$	2024 \$
a Components of income tax expense		
Current tax expense	-	-
Deferred tax expense	27,303	(7,794)
Under/(over) provision on prior years	-	-
	<u>27,303</u>	<u>(7,794)</u>

Note 5. Cash and cash equivalents

	2025 \$	2024 \$
Current		
<i>Current assets</i>		
Cash at bank	1,077,103	1,156,294
Cash on deposit	56,808	56,085
	<u>1,133,911</u>	<u>1,212,379</u>

The effective interest rate on term deposits was 1.25% (2024: 1.25%); these deposits have an average maturity of 30 days.

Note 6. Trade and other receivables

	2025 \$	2024 \$
Current		
<i>Current assets</i>		
Trade receivables	17,404	528,657
Provision for expected credit loss	-	-
	<u>17,404</u>	<u>528,657</u>
Other receivables	-	-
	<u>17,404</u>	<u>528,657</u>

Credit Risk

The Association has no significant concentrations of credit risk with respect to any single counterparty or group of counterparties. The main source of credit risk to the Association is considered to relate to the class of assets described as trade receivables.

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 6. Trade and other receivables (continued)

The Association always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables is estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Association writes off a trade receivable amount when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

Collateral held as security

No collateral is held as security for any of the trade and other receivable balances.

Note 7. Other assets

	2025 \$	2024 \$
Current		
<i>Current assets</i>		
Prepayments	277,099	368,334
	<u>277,099</u>	<u>368,334</u>

Note 8. Property, plant and equipment

	2025 \$	2024 \$
Buildings - At fair value	8,040,729	8,000,000
Accumulated depreciation	(200,964)	-
	<u>7,893,765</u>	<u>8,000,000</u>
Plant and equipment - At cost	749,267	594,555
Accumulated depreciation	(438,636)	(354,081)
Total plant and equipment	<u>310,631</u>	<u>240,474</u>
Motor vehicles - at cost	139,990	133,435
Accumulated depreciation	(31,764)	(6,380)
	<u>108,226</u>	<u>127,055</u>
Carpet - At cost	46,566	46,566
Accumulated depreciation	(42,445)	(41,415)
	<u>4,121</u>	<u>5,151</u>
Work in progress - At cost	-	8,200
	<u>-</u>	<u>8,200</u>
	<u>8,262,743</u>	<u>8,380,880</u>

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 8. Property, plant and equipment (continued)

	Buildings \$	Plant and Equipment \$	Motor Vehicles \$	Carpets \$	Work in Progress \$	Total \$
Balance at 1 July 2024	8,000,000	240,474	127,055	5,151	8,200	8,380,880
Additions	40,729	89,571	-	-	19,900	150,200
Disposals	-	-	-	-	-	-
Transfers	-	28,100	-	-	(28,100)	-
Purchase of lease assets	-	-	12,935	-	-	12,935
Revaluation	-	-	-	-	-	-
Depreciation	(200,964)	(47,514)	(31,764)	(1,030)	-	(281,272)
Balance at 30 June 2025	<u>7,839,765</u>	<u>310,631</u>	<u>108,226</u>	<u>4,121</u>	<u>-</u>	<u>8,262,743</u>

Note 9. Right-of-use assets

	2025 \$	2024 \$	
<i>Non-current assets</i>			
Leased office equipment	85,101	90,734	
Accumulated depreciation	(19,145)	(5,633)	
	<u>65,956</u>	<u>85,101</u>	
Leased motor vehicles	153,023	117,837	
Accumulated depreciation	(80,579)	(50,440)	
	<u>72,444</u>	<u>67,397</u>	
	<u>138,400</u>	<u>152,498</u>	
	Leased Office Equipment \$	Leased Motor Vehicles \$	Total \$
Balance at 1 July 2024	85,101	67,397	152,498
Additions	-	48,120	48,120
Transfers to PPE	-	(12,934)	(12,934)
Amortisation	(19,145)	(30,139)	(49,284)
	<u>65,956</u>	<u>72,444</u>	<u>138,400</u>

Note 10. Trade and other payables

	2025 \$	2024 \$
Current		
<i>Current liabilities</i>		
Trade payables	119,802	139,084
Accrued expenses	74,436	245,190
	<u>194,238</u>	<u>384,274</u>

The average credit period on trade and other payables is 30 days. No interest is payable on outstanding payables during this period.

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 11. Contract liabilities

	2025	2024
	\$	\$
Current		
<i>Current liabilities</i>		
Revenue received in advance	118,843	157,470
	<u>118,843</u>	<u>157,470</u>

Note 12. Borrowings

	2025	2024
	\$	\$
<i>Current liabilities</i>		
<i>Bank loans</i>	400,000	-
<i>Non-current liabilities</i>		
Bank loans	-	446,018
	<u>400,000</u>	<u>446,018</u>

Note 13. Provisions

	2025	2024
	\$	\$
Current		
Provision for annual leave - employees	113,657	117,594
Provision for long service leave - employees	255,886	265,835
	<u>369,543</u>	<u>383,429</u>
Non-current		
Long service leave - employees	-	78,983
	<u>-</u>	<u>78,983</u>
	<u>369,543</u>	<u>462,412</u>

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 13. Provisions (continued)

Note 14. Lease liabilities

	2025	2024
	\$	\$
<i>Maturity analysis</i>		
Less than 1 year	43,891	56,226
1 - 5 years	157,208	142,170
> 5 years	-	-
	<u>201,099</u>	<u>198,396</u>
Less unexpended interest	<u>(24,684)</u>	<u>(22,058)</u>
	<u><u>176,415</u></u>	<u><u>176,338</u></u>
	2025	2024
	\$	\$
Lease liabilities comprise:		
Current	34,125	48,663
Non-current	<u>142,291</u>	<u>127,675</u>
	<u><u>176,416</u></u>	<u><u>176,338</u></u>

Note 15. Tax

Deferred income tax

	Opening	Charged to	Charged	Closing
	Balance	profit or	directly	balance
	\$	loss	to equity	\$
		\$	\$	
2025				
Deferred tax asset on:				
Lease liabilities	25,596	(1,372)	-	24,224
Provisions	67,120	(16,377)	-	50,743
Accruals	42,859	(29,754)	-	13,105
	<u>135,575</u>	<u>(47,503)</u>	<u>-</u>	<u>88,072</u>
Deferred tax liability on:				
Fair value gain on buildings	636,829	-	(30,678)	606,151
Right-of-use assets	22,135	(3,130)	-	19,005
	<u>658,964</u>	<u>(3,130)</u>	<u>(30,678)</u>	<u>625,156</u>
Net deferred tax asset/(liability)	<u><u>(523,389)</u></u>	<u><u>(44,373)</u></u>	<u><u>30,678</u></u>	<u><u>(537,084)</u></u>

There are no unused tax losses at 30 June 2025.

Note 16. Reserves

a Asset Revaluation Reserve

The asset revaluation reserve records revaluations of property, plant and equipment.

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 17. Cash flow information

a Reconciliation of net profit after tax to cash flows from operating activities

	2025	2024
	\$	\$
Net profit after tax	(494,022)	(254,766)
Non-cash movements in profit or loss:		
- Depreciation and amortisation	330,555	287,906
- Lease interest expense	11,081	7,262
- Gain on disposal of property, plant and equipment	-	(83,973)
Changes in assets and liabilities		
- (Increase)/decrease in receivables	511,255	457,360
- (Increase)/decrease in other assets	91,235	(120,201)
- Increase/(decrease) in payables	(190,036)	(74,306)
- Increase/(decrease) in contract liabilities	(38,628)	26,485
- Increase/(decrease) in deferred taxes	48,303	(7,794)
- Increase/(decrease) in provisions	(92,869)	(15,819)
Cash flow from operating activities	<u>176,874</u>	<u>222,154</u>

	1-Jul-24	Cash	Non-cash	Non-cash	30-Jun-25
	\$	Flows	interest	interest	\$
		\$	expense	expense	
Lease liabilities	176,338	(59,124)	48,120	11,081	176,415
Borrowings	446,018	(46,018)	-	-	400,000
Total	<u>622,356</u>	<u>(105,142)</u>	<u>48,120</u>	<u>11,081</u>	<u>576,415</u>

Note 18. Related parties

a Key management personnel remuneration

Short-term employee benefits		
- Salaries and wages (including annual leave taken)	383,180	513,719
- Annual leave accrued	58,951	29,745
- Honorariums paid to officers	65,000	65,000
	<u>507,131</u>	<u>608,464</u>
Post-employment benefits		
- Superannuation	29,932	27,399
	<u>29,932</u>	<u>27,399</u>
Other long-term benefits		
- Long service leave accrued	7,043	32,761
	<u>7,043</u>	<u>32,761</u>
	<u>544,106</u>	<u>668,624</u>

b Other related parties

Capitation fee paid to Australia Hotels Association (National)	<u>360,503</u>	<u>305,626</u>
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Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 18. Related parties (continued)

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees or loans provided or received for any related party receivable or payable.

For the year ended 30 June 2025, Australian Hotels Association Victorian Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body.

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 18. Related parties (continued)

The following related party transactions occurred during the reporting period. All transactions were at normal commercial terms.

	2025	2024
	\$	\$
Albert Park Hotel	-	17,416
Alpine Retreat Hotel WARBURTON	-	3,677
Belgian Beer Cafe Melbourne SOUTHBANK	3,500	-
Bellevue on the Lakes	-	542
Bendigo Hotel	-	1,182
Brougham Arms Hotel BENDIGO	-	2,159
Builders Arms Hotel FITZROY	3,725	5,195
Carlton Brewhouse	-	1,273
Comfort Inn May Park	1,174	-
Corner Hotel RICHMOND	2,082	-
Criterion Hotel Sale	4,044	-
Cross Keys Hotel ESSENDON	-	12,000
Crown SOUTHBANK	358,687	501,391
Cumberland Hotel CASTLEMAINE	3,847	-
Exchange Hotel HORSHAM.	1,041	-
FANCY HANK'S & GOOD HEAVENS & SPRINGROCK	24,459	-
Flying Horse Bar & Brewery WARRNAMBOOL	-	2,400
Grand Hotel	1,495	-
Grand Hyatt Melbourne	-	4,816
Hotel Railway	11,700	-
Hotel Warrnambool	-	1,319
Huntly Hotel	-	3,910
Hyatt Centric Melbourne	-	7,621
Hyde Melbourne Place	3,439	-
Imperial Hotel MELBOURNE	1,818	-
Langham Hotel Melbourne	5,676	-
Le Meridien Melbourne	-	33,249
London Tavern Hotel RICHMOND	2,817	-
Ludlow Bar & Dining Room SOUTH MELBOURNE	14,250	-
Mail Exchange Hotel MELBOURNE	15,081	-
Metropolitan Hotel MELBOURNE	13,328	-
Morris House	-	3,544
Mount Erica Hotel PRAHRAN	-	10,200
Mountain View Hotel RICHMOND	2,612	-
Novotel Geelong	-	1,113
Oakwood Premier Melbourne	3,097	-
Pan Pacific Melbourne	4,165	-
QUEST WARRNAMBOOL	-	759
RACV Club	19,738	11,706
Royal Oak Hotel	5,711	-
Rydges Melbourne	25,081	54,987
Sheraton Melbourne Hotel	-	5,100
Sofitel Melbourne on Collins	3,800	3,168
Star Hotel SALE	1,462	-
The Old Town 'N' Country Tavern WANGARATTA	4,545	-
The Skinny Dog Hotel KEW	-	14,773
Trawool Estate	13,903	3,548
Union Club Hotel	-	1,257
United Refrigeration Australia	6,176	-
Victoria Hotel HORSHAM	2,545	-
VOCO Melbourne Central	-	3,015
W Melbourne	41,825	43,746
Yarra Valley Grand Hotel	-	2,000

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 18. Related parties (continued)

The following transactions occurred between the Australian Hotels Association Victorian Branch and other related reporting units for the period.

Transactions (to) / From Other Reporting Units & Controlled Entities

	2025	2024
	\$	\$
Accommodation Australia (National)		
Income	(1,110)	67,561
Expense	(230,591)	(185,681)
Total Accommodation Australia (National)	<u>(231,701)</u>	<u>(118,120)</u>
AHA National Office		
Income	3,613	10,644
Expense	(134,048)	(170,115)
Total AHA National Office	<u>(130,435)</u>	<u>(159,471)</u>
AHA Western Australia		
Expense	(5,703)	(5,484)
Total AHA Western Australia	<u>(5,703)</u>	<u>(5,484)</u>
Hotel Care Foundation (VIC)		
Income	10,996	10,979
Expense	(16,700)	(12,210)
Total Hotel Care Foundation (VIC)	<u>(5,704)</u>	<u>(1,231)</u>
Tasmanian Hospitality Association		
Income	-	2,591
Expense	(1,990)	(1,950)
Total Tasmanian Hospitality Association	<u>(1,990)</u>	<u>641</u>

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 19. Financial risk management

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, loans to and from related parties, and leases.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	2025	2024
	\$	\$
Financial assets		
Financial assets at amortised cost		
- Cash and cash equivalents	1,133,911	1,212,379
- Trade and other receivables	17,404	528,657
	<u>1,151,315</u>	<u>1,741,036</u>
	2025	2024
	\$	\$
Financial liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	194,238	384,274
- Borrowings	400,000	446,018
- Lease liabilities	176,416	176,338
	<u>770,654</u>	<u>1,006,630</u>

Financial Risk Management Policies

The Group's treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the Group. The treasurer monitors the Group's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held bi-monthly and minuted by the committee of management.

The treasurer's overall risk management strategy seeks to ensure that the Group meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk, and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the committee's objectives, policies and processes for managing or measuring the risks from the previous period.

Note 19. Financial risk management (continued)

a Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintaining of procedures (such as the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise assessed as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions).

There is no collateral held by the Group securing trade and other receivables.

The Association has no significant concentrations of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of accounts receivable and other debtors are provided in Note 6.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality.

b Liquidity risk

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

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions

The following table reflects an undiscounted contractual maturity analysis for the Group's financial liabilities

	Within 1 Year 2025	2024	1 to 5 Years 2025	2024	Over 5 Years 2025	2024	Total 2025	2024
Financial liabilities due for payment								
Trade and other payables	194,238	374,272	-	-	-	-	194,238	374,272
Lease liabilities	34,125	56,226	142,291	142,170	-	-	176,416	198,396
Borrowings	-	-	400,000	446,018	-	-	400,000	446,018
Total expected outflows	<u>228,363</u>	<u>430,498</u>	<u>542,291</u>	<u>588,188</u>	<u>-</u>	<u>-</u>	<u>770,654</u>	<u>1,018,686</u>

Note 19. Financial risk management (continued)

c Market Risk

i Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is exposed to earnings volatility on floating rate instruments. The financial instruments that expose the Group to interest rate risk are limited to lease liabilities, borrowings and cash on hand.

The Group also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

Sensitivity analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in interest rates.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Current Surplus \$	Equity \$
Year ended 30 June 2025 +/- 2% in interest rates	22,678	22,678
Year ended 30 June 2024 +/- 2% in interest rates	24,248	24,248

d Fair values

Refer to Note 20 for detailed disclosures regarding the fair value measurement of the Group's financial assets and financial liabilities. The carrying amounts of the Group's financial instruments are a reasonable approximation to their fair values.

Note 20. Fair value measurements

The Group measures and recognises buildings at fair value on a recurring basis after initial recognition.

The Group does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

a Valuation techniques

The Group selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The Group applies the market approach to determine the fair value of its buildings.

The market approach uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.

The following tables provide the fair values of the Group's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 20. Fair value measurements (continued)

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30-June-25				
Recurring fair value measurements				
<i>Non-financial assets</i>				
- Buildings	-	-	7,839,765	7,839,765
	-	-	7,839,765	7,839,765
30-Jun-24				
Recurring fair value measurements				
<i>Non-financial assets</i>				
- Buildings	-	-	8,000,000	8,000,000
	-	-	8,000,000	8,000,000

b Valuation techniques and unobservable inputs used to measure level 3 fair values

The Group's buildings at fair value are measured using the market approach which relies upon recent observable market data such as prices for similar properties. The key unobservable input is value per square metre per annum. The capitalisation method has been used as a secondary valuation sense check.

c Sensitivity analysis

The Group has performed a sensitivity analysis on both valuation methods to assess the impact of reasonable, possible changes in value.

The key variable for the direct sales comparison method is the value per square metre per annum. The value per square metre per annum adopted is \$10,250. A \$250 increase would result in a \$8.2m valuation and a \$250 decrease would result in a \$7.8m valuation.

The key variable for the capitalisation method of valuation is the capitalisation rate. The estimated fair value would increase if the capitalisation rate was lower, and the estimated fair value would increase if the total income was higher. An increase of 25 basis points would result in a valuation of \$7.4m and an increase of 50 basis points would result in a valuation of \$7.1m.

Note 21. Parent information

	2025 \$	2024 \$
Statement of Financial Position		
Assets		
Current assets	-	-
Non-current assets	-	-
Total Assets	-	-
Liabilities		
Current liabilities	-	-
Non-current liabilities	-	-
Total liabilities	-	-
Net Assets	-	-

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 21. Parent information (continued)

Equity

Issued capital	-	-
Retained earnings	-	-
Revaluation surplus	-	-
Total equity	-	-

Statement of Profit or Loss and Other Comprehensive Income

Total profit	-	-
Total comprehensive income	-	-

Guarantees

Australian Hotels Association (Victoria Branch) has not entered into any guarantees, in the current or previous financial years, in relation to the debts of its subsidiaries.

Contractual commitments

The Reporting Unit has no contractual commitments at 30 June 2025 (2024: Nil).

Note 22. Auditors remuneration

	2025	2024
	\$	\$
Remuneration of the auditor for:		
- Auditing the Reporting Unit's financial statements	5,250	5,000
- Auditing the Association's financial statements	42,401	48,000
	47,651	53,000

Note 23. Contingencies

In June 2025, The Company received a legal letter from a third-party claimant alleging potential liability. The Company engaged legal counsel in July 2025, and, as of the date of this report, legal proceedings have not commenced. The matter has since been referred to the Company's insurer, who has appointed legal representation on behalf of the Company.

As the legal process remains at a preliminary stage and no formal proceedings have been filed, the Company is unable to reliably estimate the financial impact, if any. Accordingly, no provision has been recognised as of 30 June 2025.

Management will continue to monitor the matter and update disclosures as appropriate.

Apart from the above matter, the Group has no other contingent liabilities or assets at 30 June 2025 (2024: Nil).

Note 24. Events after the reporting date

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, of the Group's state of affairs in future financial years.

Note 25. Company details

The Group's registered office and principal place of business is:

Australian Hotels Association (Victoria Branch)
Level 1, 1 Little Collins Street
Melbourne VIC 3000

Australian Hotels Association (Victoria Branch)
Notes to the consolidated financial statements
30 June 2025

Note 26. Additional Disclosures - S253 of 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:

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

Note 27. Administration of financial affairs by a third party

Australian Hotels and Hospitality Association Inc. provides Australian Hotels Association (Victoria Branch) with all administrative and advocacy services. The services are governed by a services agreement between the two entities. The fee for services provided in 2025 is \$1,307,348 (2024: \$1,176,366).

**Australian Hotels Association (Victoria Branch)
Committee of Management Statement
30 June 2025**

Officer Declaration Statement

I, David Canny, being the President of Australian Hotels Association (Victoria Branch), declare that the following activities did not occur during the reporting period ending 30 June 2025.

- 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
- 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 affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay superannuation to holders of office
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- pay wages and salaries to employees (other than holders of office)
- pay superannuation to employees (other than holders of office)
- pay leave and other entitlements to employees (other than holders of office)
- pay separation and redundancy to employees (other than holders of office)
- pay other employee expenses to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(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 a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting unit and/or controlled entity
- make a payment to a former related party of the reporting unit

Signed by the Officer:



Dated: 15 September 2025

**Australian Hotels Association (Victoria Branch)
Committee of Management Statement
30 June 2025**

Committee of Management Statement

On 15 September 2025, the Members of the Committee of Management (Board of Directors) of the Australian Hotels Association (Victoria Branch) passed the following resolution in relation to the general-purpose financial report (GPFR) for the financial year ended 30 June 2025:

The Board of Directors declares in relation to the general purpose financial report that in its opinion:

- a The consolidated financial statements and notes comply with the Australian Accounting Standards;
- b The consolidated financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- c The consolidated 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;
- e During the financial year to which the GPFR relates and since the end of that year:
 - i. meetings of the board of directors were held in accordance with the rules of the organisation including the rules of a branch concerned;
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act;
 - 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;
 - v. where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance

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

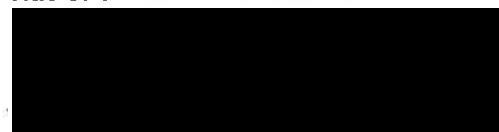
Name: David Canny

Title of office held: President



Name: Rachel Checinski

Title of office held: Treasurer



Dated: 15 September 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)

Opinion

We have audited the financial report of the Australian Hotels Association (Victoria Branch) (the Reporting Unit) and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the committee of management statement, the subsection 255(2A) report and the officer declaration statement (the Financial Report).

In our opinion, the accompanying Financial Report presents fairly, in all material aspects, the financial position of the Group as at 30 June 2025, 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 Act).

I declare that management's use of the going concern basis in the preparation of the Financial Report of the Group is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the relevant ethical requirements of the Accounting Professional & 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.

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

The committee of management are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, 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 accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee of Management for the Financial Report

The committee of management of the Group is responsible for the preparation of the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the 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 are responsible for assessing the Group'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 Group 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

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

- Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 Group to express an opinion on the Financial Report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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



SW Audit

Chartered Accountants



Hayley Underwood
Partner

Melbourne, 15 September 2025

Registration number: AA2017/54

Australian Hotels Association (Victoria Branch)

Certificate by Prescribed Designated Officer For the year ended 30 June 2025

I, David Canny, being the President of the Australian Hotels Association (Victoria Branch) certify:

- That the documents lodged herewith are copies of the full report for the Australian Hotels Association (Victoria Branch) for the period referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- Approval of the full report by the Committee of Management occurred on 15th of September 2025;
- That the full report was provided to members of the Reporting Unit on 19th of September 2025 and
- That the full report was presented to a general meeting of members of the reporting unit on 14th October 2025 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



David Canny, President

Dated this 14th day of October 2025