



Australian Government
Registered Organisations Commission

28 October 2017

Mr David Randall
President
Australian Hotels Association, Western Australian Branch

By e-mail: exec@ahawa.asn.au

Dear Mr Randall

Australian Hotels Association, Western Australian Branch
Financial Report for the year ended 30 June 2017 - FR2017/165

I acknowledge receipt of the financial report for the year ended 30 June 2017 for the Australian Hotels Association, Western Australian Branch. The financial report was lodged with the Registered Organisations Commission on 11 October 2017.

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

Whilst the 2017 report has been filed the following should be addressed in the preparation of the next financial report.

1. General Purpose Financial Report (GPFR)

Accounting judgments and estimates

Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 122 requires that the notes to the financial statements include a discussion on the significant accounting judgments and estimates applied.

No such discussion has been included in the Notes.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at ken.morgan@roc.gov.au

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan'.

KEN MORGAN
Financial Reporting Advisor
Registered Organisations Commission



11th October 2017

The Commissioner
Registered Organisations Commission
GPO Box 2983
MELBOURNE VIC 3001

Dear Commissioner,

Designated Officer Certificate

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

- that the documents lodged herewith are copies of the full report for Australian Hotels Association (Western Australian Branch) for the period ended 30 June 2017 referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to the members on 7th September 2017 in accordance with s.265 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was presented to a general meeting of members of the reporting unit on 10th October 2017 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.

Yours sincerely

**DN Randall
President**



**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**FINANCIAL REPORT
30 JUNE 2017**

AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH

FINANCIAL REPORT
30 JUNE 2017

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**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**OPERATING REPORT
30 JUNE 2017**

The committee presents its report on the reporting unit for the financial year ended 30 June 2017.

Principal activities

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

Significant changes

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

Committee of Management

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

| | | |
|-----------------------|----------------------------------|--------------------|
| Neil Randall | President | 1/7/16 to 30/6/17 |
| Martin Peirson-Jones | Senior Vice President | 1/7/16 to 30/6/17 |
| Ashok Parekh | Vice President | 1/7/16 to 30/6/17 |
| Sean Reid | Treasurer | 1/7/16 to 30/6/17 |
| Andrew Hill | Accommodation Division President | 1/7/16 to 20/2/17 |
| Andrew Cairns | Accommodation Division President | 15/5/17 to 30/6/17 |
| Jaqueline O'Hara | Branch Committee of Management | 1/7/16 to 20/2/17 |
| Tim Osborne | Branch Committee of Management | 1/7/16 to 30/6/17 |
| Robert Ramage | Branch Committee of Management | 1/7/16 to 30/6/17 |
| Laurie Ayers | Divisional President | 1/7/16 to 30/6/17 |
| Nicholas Bond | Divisional President | 1/7/16 to 30/6/17 |
| Joe Drabble | Divisional President | 1/7/16 to 20/2/17 |
| John Gastev | Divisional President | 1/7/16 to 30/6/17 |
| Rob Gough | Divisional President | 1/7/16 to 30/6/17 |
| Sebastien Lepoittevin | Divisional President | 1/7/16 to 30/6/17 |
| Ben Rasheed | Divisional President | 1/7/16 to 30/6/17 |
| Michael Scott | Divisional President | 1/7/16 to 30/6/17 |
| Lyndon Waples | Divisional President | 1/7/16 to 30/6/17 |

Officers who are directors of a company that is a superannuation fund trustee

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

Number of members

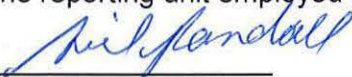
As at 30 June 2017, the number of members recorded in the Register of Members of the Branch was 574.

Right of members to resign

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

Employees

The reporting unit employed no employees at 30 June 2017.



DN Randall
President

Perth, WA
15th August 2017

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**COMMITTEE OF MANAGEMENT'S STATEMENT
30 JUNE 2017**

On 15th August 2017, the Branch Committee of Management of Australian Hotels Association, Western Australian Branch, passed the following resolution in relation to the general purpose financial report (GPFR) for the financial year ended 30 June 2017:

The Branch Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year ended 30 June 2017;
- (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 ended 30 June 2017 and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of the branch; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation; and
 - (v) no information has been sought by any member of the reporting unit or Commissioner under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (vi) there have been no requests to inspect the financial records made by the Registered Organisations Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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



DN Randall
President

Perth, WA
15th August 2017

INDEPENDENT AUDITOR'S REPORT

To the members of Australian Hotels Association Western Australian Branch

Opinion

We have audited the financial report of Australian Hotels Association Western Australian Branch (the Entity), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the committee of management's statement.

In our opinion, the accompanying financial report of the Entity is in accordance with the *Fair Work (Registered Organisations) Act 2009*, including:

- a) the general purpose financial report presents fairly, in all material respects, the financial position of Australian Hotels Association Western Australian Branch as of 30 June 2017 and of its financial performance for the year then ended in accordance with Australian Accounting Standards; and
- b) the general purpose financial report complies with the requirement imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*; and
- c) No revenue was derived by Australian Hotels Association Western Australian Branch from undertaking recovery of wages activity during the year ended 30 June 2017; and
- d) The use of the going concern basis of accounting in the preparation of these financial statements by Australian Hotels Association Western Australian Branch is appropriate.

Basis for Opinion

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

We confirm that the independence declaration required by the *Fair Work (Registered Organisations) Act 2009*, which has been given to the Committee of Management, would be in the same terms if given to the directors as at the time of this auditor's report.



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

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

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

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

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

Responsibilities of the Committee of Management for the Financial Report

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

In preparing the financial report, the Committee of Management are responsible for assessing the Entity'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 Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain



audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity'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 Entity 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.

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.

As required by the *Fair Work (Registered Organisations) Act 2009*, I declare that I am an approved auditor as defined in the act, I am a member of Chartered Accountants Australia and New Zealand, and that I hold a current certificate of public practice.

Alastair Abbott, CA

Registered Company Auditor number: 486826

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

Director

Australian Audit

Perth, Western Australia

Dated: 15 August 2017

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017**

| | Notes | 30 June 2017 \$ | 30 June 2016 \$ |
|--------------------------------|-------|-----------------------|-----------------------|
| REVENUE | | | |
| Membership subscriptions | 4 | 105,449 | 105,449 |
| Sundry income | | 1,550 | 1,300 |
| | | 106,999 | 106,749 |
| EXPENSES | | | |
| Audit fees | | 1,550 | 1,300 |
| Levies - National Body | 5 | 105,449 | 105,449 |
| | | 106,999 | 106,749 |
| NET SURPLUS / (DEFICIT) | | - | - |

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017**

| | Notes | 30 June 2017 \$ | 30 June 2016 \$ |
|----------------------------------|-------|-----------------------|-----------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 6a | 554 | 554 |
| Trade and other receivables | 6b | - | - |
| Accrued income | | <u>1,425</u> | <u>1,300</u> |
| TOTAL CURRENT ASSETS | | <u>1,979</u> | <u>1,854</u> |
| TOTAL ASSETS | | <u>1,979</u> | <u>1,854</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 8 | - | - |
| Accrued expenses | 8 | <u>1,425</u> | <u>1,300</u> |
| TOTAL CURRENT LIABILITIES | | <u>1,425</u> | <u>1,300</u> |
| TOTAL LIABILITIES | | <u>1,425</u> | <u>1,300</u> |
| NET ASSETS | | <u>554</u> | <u>554</u> |
| MEMBERS' FUNDS | | | |
| Accumulated funds | | 554 | 554 |
| Net surplus for period | | <u>-</u> | <u>-</u> |
| TOTAL MEMBERS' FUNDS | | <u>554</u> | <u>554</u> |

AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

| | Notes | 30 June 2017 \$ | 30 June 2016 \$ |
|---|-------|-----------------------|-----------------------|
| Total equity at the beginning of the financial year | | 554 | 554 |
| Net surplus for the financial year | | - | - |
| Total equity at the end of the financial year | 12 | <u>554</u> | <u>554</u> |

AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

| | Notes | 30 June 2017 \$ | 30 June 2016 \$ |
|---|-------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Receipts from customers | 13 | 106,874 | 105,449 |
| Payments to suppliers | 14 | <u>(106,874)</u> | <u>(105,449)</u> |
| Net cash from operating activities | 15 | <u>-</u> | <u>-</u> |
| Net increase/(decrease) in cash and cash equivalents | | - | - |
| Cash and cash equivalents at the beginning of the year | 6a | <u>554</u> | <u>554</u> |
| Cash and cash equivalents at the end of the year | | <u><u>554</u></u> | <u><u>554</u></u> |

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards and other authoritative pronouncements of the Australian Accounting Standards Board as well as the requirements of the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Amendment Act 2012.

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

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

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

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

(a) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

(b) Cash and cash equivalents

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

(c) Goods and Services Tax (GST)

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

(d) Trade and other receivables

Trade debtors are recognised and income is recorded on an accruals basis of accounting. All trade debtors are recognised at the amounts receivable, as they are due for settlement no more than 30 days from the date of recognition. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubt as to collection exists.

(e) Trade and other payables

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

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Interest rate risk exposure

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

(g) Capitation fees and levies

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

(h) Credit risk exposure

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

(i) Income tax

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

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

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

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

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

(j) New Accounting Standards for application in future periods

An assessment of Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the association and their potential impact on the association when adopted in future periods is discussed below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018). The Standard will be applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Association on initial application include certain simplifications to the classification of financial assets, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income.

The Branch Committee of Management anticipates that the adoption of AASB 9 will have no impact on the Association's financial instruments.

AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) New Accounting Standards for application in future periods (continued)

- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2019). When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

1. identify the contract(s) with a customer;
2. identify the performance obligations in the contract(s);
3. determine the transaction price;
4. allocate the transaction price to the performance obligations in the contract(s); and
5. recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

Although the Branch Committee of Management anticipate that the adoption of AASB 15 may have an impact on the Association's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The Branch Committee of Management anticipates that the adoption of AASB 16 will have no impact on the Association's financial statements.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) New Accounting Standards for application in future periods (continued)

- AASB 1058: *Income of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004: *Contributions*.

Although members of the committee anticipate that the adoption of AASB 1058 may have an impact on the association's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

2. GOING CONCERN

The reporting unit's ability to continue as a going concern is not reliant on the financial support of another reporting unit. Similarly, the reporting unit does not provide financial support to any other reporting unit.

3. EVENTS SUBSEQUENT TO REPORTING DATE

At the date of signing this report no known events have occurred subsequent to the reporting date which would have a material effect on the financial position of the Branch.

4. REVENUE

| | 30 June 2017 \$ | 30 June 2016 \$ |
|---|--------------------------------|--------------------------------|
| Membership subscriptions – WA Hotels & Hospitality Assoc Inc (Union of Employers) | 105,449 | 105,449 |
| Capitation fees | - | - |
| Other members levies | - | - |
| Donations or grants | - | - |
| Financial support from other reporting units | - | - |
| | 105,449 | 105,449 |

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

5. EXPENSES

| | 30 June 2017 \$ | 30 June 2016 \$ |
|--|--------------------------------|--------------------------------|
| Capitation fees – AHA National Body | 49,789 | 49,789 |
| Levies - Tourism Accommodation Australia | 55,660 | 55,660 |
| Expenses for payroll deductions | - | - |
| Affiliation fees to political parties | - | - |
| Donations or grants | - | - |
| Employee expenses of officeholders | - | - |
| Other employee expenses | - | - |
| Fees and allowances | - | - |
| Meeting expenses | - | - |
| Legal expenses | - | - |
| Penalties | - | - |
| | 105,449 | 105,449 |

6. CURRENT ASSETS

6a. Cash and cash equivalents

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

6b. Trade and other receivables

No amounts were receivable from another reporting unit at 30 June 2017.

7. ASSET AQUISITION

The reporting unit did not acquire any assets during the financial year.

8. CURRENT LIABILITIES

| | | |
|--------------------------------------|--------------|--------------|
| Trade and other payables | - | - |
| Accrued expenses | 1,425 | 1,300 |
| Employer payroll deductions | - | - |
| Legal expenses | - | - |
| Employee provisions of officeholders | - | - |
| Other employee provisions | - | - |
| | 1,425 | 1,300 |

No amounts were payable to another reporting unit at 30 June 2017.

9. RELATED PARTY TRANSACTIONS

The following persons have held office in the Australian Hotels Association, Western Australian Branch during the year:

| | |
|----------------------|----------------------------------|
| Neil Randall | President |
| Martin Peirson-Jones | Senior Vice President |
| Ashok Parekh | Vice President |
| Sean Reid | Treasurer |
| Andrew Hill | Accommodation Division President |

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

9. RELATED PARTY TRANSACTIONS (continued)

| | |
|-----------------------|----------------------------------|
| Andrew Cairns | Accommodation Division President |
| Jaqueline O'Hara | Branch Committee of Management |
| Tim Osborne | Branch Committee of Management |
| Robert Ramage | Branch Committee of Management |
| Laurie Ayers | Divisional President |
| Nicholas Bond | Divisional President |
| Joe Drabble | Divisional President |
| John Gastev | Divisional President |
| Rob Gough | Divisional President |
| Sebastien Lepoittevin | Divisional President |
| Ben Rasheed | Divisional President |
| Michael Scott | Divisional President |
| Lyndon Waples | Divisional President |

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

10. OFFICERS RELEVANT REMUNERATION

In accordance with Rule 46.6A of the Australian Hotels Association – National Body, the following disclosure is made:

Officers who received relevant remuneration during the disclosure period being 1 January to 31 December 2016, because the officer is a member of a board, only because the officer is an officer of the Branch of the Australian Hotels Association:

| Officer's Name | Board Office or Related Party | Remuneration from board position |
|-----------------------|--------------------------------------|---|
| Neil Randall | HostPlus | \$ 34,500 |

11. RELATIONSHIP WITH STATE REGISTERED ORGANISATION

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

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

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

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

As at 30 June 2017, no amount was payable to the National Body.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

12. CHANGES IN EQUITY

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

13. CASH INFLOWS FROM STATE REGISTERED ORGANISATION

| | 30 June 2017 | 30 June 2016 |
|--|-------------------------|-------------------------|
| | \$ | \$ |
| Western Australian Hotels & Hospitality Association Inc (Union of Employers) | <u>105,449</u> | <u>105,449</u> |

14. CASH OUTFLOWS TO ANOTHER REPORTING UNIT

| | | |
|---|----------------|----------------|
| Australian Hotels Association - National Body | <u>105,449</u> | <u>105,449</u> |
|---|----------------|----------------|

15. RECONCILIATION OF NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES TO EXCESS/(DEFICIT) OF INCOME OVER EXPENDITURE

| | | |
|---|--------------|----------|
| Surplus of income over expenditure | - | - |
| Increase in accrued expenses | 125 | - |
| (Increase)/Decrease in GST paid | - | - |
| Increase/(Decrease) in creditors and accruals | - | - |
| (Increase) in accrued income | <u>(125)</u> | <u>-</u> |
| Net cash from operating activities | <u>-</u> | <u>-</u> |

16. RECOVERY OF WAGES ACTIVITY

The reporting unit did not undertake any recovery of wages activity during the year.

17. AUDITOR'S REMUNERATION

| | | |
|------------|--------------|--------------|
| Audit fees | <u>1,300</u> | <u>1,300</u> |
|------------|--------------|--------------|

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

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

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

- (1) A member of the reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

18. SECTION 272 FAIR WORK (RO) ACT 2009 (continued)

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

19. SEGMENT REPORTING

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

20. CAPITAL AND LEASING COMMITMENTS

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

21. CONTINGENT LIABILITIES

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

22. ASSOCIATION DETAILS

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

DIRECTORS:

ROBERT CAMPBELL CA, CPA, RCA, MSW

VIRAL PATEL CA, CPA, FCCA (UK), RCA

ALASTAIR ABBOTT CA, RCA, M.FORENSIC ACCOUNTING

Australian Hotels Association Western Australian Branch

ABN: 68 902 522 451

Auditor's Independence Declaration

For the Year Ended 30 June 2017

Auditor's independence declaration to the Committee of Management of Australian Hotels Association Western Australian Branch

In relation to our audit of the financial report of Australian Hotels Association Western Australian Branch for the year ended 30 June 2017, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Fair Work (Registered Organisations) Act 2009 or any applicable code of professional conduct.



Alastair Abbott CA

Registered Company Auditor No. 486826

Australian Audit Pty Ltd

Level 8, 251 St Georges Terrace, PERTH, WA 6000

DATE: 15 August 2017