



**Australian Government**  
**Registered Organisations Commission**

4 April 2019

Paul Jubb  
Branch President  
Australian Hotels Association-Tasmanian Hospitality Association

By e-mail: [leanne@tha.asn.au](mailto:leanne@tha.asn.au)

Dear Paul Jubb

**Australian Hotels Association-Tasmanian Hospitality Association  
Financial Report for the year ended 30 June 2018 - FR2018/168**

I acknowledge receipt of the amended financial report for the year ended 30 June 2018 for the Australian Hotels Association-Tasmanian Hospitality Association (**the reporting unit**). The financial report was lodged with the Registered Organisations Commission (**ROC**) on 26 December 2018.

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

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](mailto:ken.morgan@roc.gov.au)

Yours faithfully

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

**KEN MORGAN**  
Financial Reporting Specialist  
Registered Organisations Commission



## TASMANIAN HOSPITALITY ASSOCIATION

25/93 Salamanca Place, Hobart TAS 7000 T: 03 6220 7300 F: 03 6220 7317

PO Box 191, Battery Point TAS 7004

E: [enquiries@tha.asn.au](mailto:enquiries@tha.asn.au) W: [www.tha.asn.au](http://www.tha.asn.au)

### Designated Officer's Certificate or other Authorised Officer

S268 Fair Work (Registered Organisations) Act 2009

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

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009: and
- That the full report was provided to members on 14/3/19; and
- That the full report was presented to the committee of management on 26/3/19; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signature:

A handwritten signature in black ink, appearing to be 'Paul Jubb', written over a large, faint, circular watermark or stamp.

Paul Jubb

Date: 26/3/19



Australian Hotels  
Association  
Tasmanian Branch  
Financials  
30 June 2018

## Australian Hotels Association Tasmanian Branch Operating Report For the year ended 30 June 2018

The Committee of Management presents its operating report on the Australian Hotels Association Tasmanian Branch for the year ended 30 June 2018.

### **Principal activities**

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

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

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

The loss from ordinary activities amounted to \$4,448 for the year ended 30 June 2018 (2017: loss \$68,571).

### **Financial Affairs**

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

### **Right to Resign**

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

A member may resign from membership of the Association by written notice addressed to and delivered to the treasurer of the Branch.

### **Superannuation Trustees/Directors**

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

### **Number of members**

The Association had 397 members at the end of the reporting period (2017: 424).

### **Number of employees**

The Association employed 12 staff, expressed as 11.00 FTE, as at 30 June 2018 (2017: 12 employees, expressed as 10.00 FTE).

### **Payments to employers**

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



Australian Hotels Association Tasmanian Branch  
Operating Report  
For the year ended 30 June 2018

Names and positions of the Committee of Management for the financial year  
1 July 2017 to 30 June 2018 were:

President  
Paul Jubb

Committee of Management

Colin McGillivray (Vice President)

Philip Fuglsang (Treasurer)

Margaret Burt (Councillor, North)

John Dabner (Councillor, North West & Division President)

Dominic Baker (Councillor, South)

Angelo Fraraccio (Councillor, South & Division President)

Martin Kelly (Councillor, South)

Shelley Richards (Councillor, South)

Naomi Walsh (Councillor, North)

Julian Jacobs (Councillor, South)

Peter Scollard (Casual Member – Non voting rights)

Dave Gunton (Casual Member – Non voting rights)

Michael Acquarola (Resigned 13/12/2017 AGM by not recontesting position)

Darren Brown (Resigned 13/12/2017 AGM by not recontesting position)

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

Paul Jubb  
President

Dated: 22.2.19


Australian Hotels Association Tasmanian Branch  
Branch Executive Declaration  
For the year ended 30 June 2018

On 8/10/2018 the Branch Executive of the Association passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2018:

The Branch Executive of the Association 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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Association for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the Association have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the Association have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or 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.



Paul Jubb  
Branch President

Dated: 22.2.19

Australian Hotels Association Tasmanian Branch  
Statement of Comprehensive Income  
For the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Revenue	3	3,008,084	1,504,388
		<u>3,008,084</u>	<u>1,504,388</u>
<b>Expenses</b>			
Employee expenses	4(a)	905,996	572,511
Capitation fees and other expense to another reporting unit	4(b)	27,721	22,808
Affiliation fees	4(c)	-	3,133
Administration expenses	4(d)	1,783,985	949,516
Grants and donations	4(e)	284,342	5,005
Depreciation and amortisation	4(f)	10,350	12,760
Legal costs	4(g)	138	7,226
Other expenses	4(h)	-	-
Total expenses		<u>3,012,532</u>	<u>1,572,959</u>
Profit / (Loss) for the year		<u>(4,448)</u>	<u>(68,571)</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>(4,448)</u>	<u>(68,571)</u>

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

Australian Hotels Association Tasmanian Branch  
Statement of Financial Position  
As at 30 June 2018

	Notes	2018 \$	2017 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5(a)	228,941	336,177
Trade and other receivables	5(b)	350,508	132,377
Inventory		1,916	330
<b>Total Current Assets</b>		<b>581,365</b>	<b>468,884</b>
<b>Non-Current Assets</b>			
Plant and equipment	6	30,989	33,947
Loan to Tasmanian Hospitality Property Association		793,092	793,092
<b>Total Non-Current Assets</b>		<b>824,081</b>	<b>827,039</b>
<b>Total Assets</b>		<b>1,405,446</b>	<b>1,295,923</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade payables	7(a)	656,814	621,612
Other payables	7(b)	121,920	58,083
Employee provisions	8	117,349	57,357
<b>Total Current Liabilities</b>		<b>896,083</b>	<b>737,052</b>
<b>Non-Current Liabilities</b>			
Employee provisions	8	2,687	47,747
<b>Total Non-Current Liabilities</b>		<b>2,687</b>	<b>47,747</b>
<b>Total Liabilities</b>		<b>898,770</b>	<b>784,799</b>
<b>Net Assets</b>		<b>506,676</b>	<b>511,124</b>
<b>Equity</b>			
Retained profits	9(a)	506,676	511,124
<b>Total Equity</b>		<b>506,676</b>	<b>511,124</b>

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

Australian Hotels Association Tasmanian Branch  
Statement of Changes in Equity  
For the year ended 30 June 2018

	Retained Profits \$	Total Equity \$
Closing balance as at 30 June 2016	579,695	579,695
Profit / (Loss) for the year	(68,571)	(68,571)
Other comprehensive income	-	-
<b>Closing balance as at 30 June 2017</b>	<b>511,124</b>	<b>511,124</b>
Profit / (Loss) for the year	(4,448)	(4,448)
Other comprehensive income	-	-
<b>Closing balance as at 30 June 2018</b>	<b>506,676</b>	<b>506,676</b>

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

Australian Hotels Association Tasmanian Branch  
Statement of Cash Flows  
For the year ended 30 June 2018

	Notes	2018 \$	2017 \$
<b>Operating Activities</b>			
<b>Cash received</b>			
Receipts from members and customers		2,197,945	1,169,804
Grants received		694,097	532,296
Interest		546	1,505
<b>Cash used</b>			
Suppliers and employees		(2,992,432)	(1,613,062)
<b>Net cash from / (used by) operating activities</b>	<b>10</b>	<b>(99,844)</b>	<b>90,543</b>
<b>Investing Activities</b>			
<b>Cash used</b>			
Purchase of plant and equipment		(7,392)	(6,604)
Loan to Tasmanian Hospitality Property Association		-	(105)
<b>Net cash from / (used by) investing activities</b>		<b>(7,392)</b>	<b>(6,709)</b>
<b>Net increase / (decrease) in cash held</b>		<b>(107,236)</b>	<b>83,834</b>
Cash and cash equivalents at the beginning of the reporting period		336,177	252,343
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>5(a)</b>	<b>228,941</b>	<b>336,177</b>

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

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies**

**Basis of Preparation of the Financial Statements**

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

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

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

**Comparative Amounts**

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

**New Australian Accounting Standards**

***Adoption of New Australian Accounting Standard Requirements***

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

The accounting policies adopted are consistent with those of the previous financial year.

***Future Australian Accounting Standards Requirements***

Certain new accounting standards and Australian Accounting Interpretations have been published that are not mandatory for the 30 June 2018 reporting period. The Committee of Management have given due consideration to new and revised standards and interpretations issued by the AASB that are not yet effective and do not believe they will have any material impact on the financial statements.

- The Association is required to comply with AASB 1058: *Income of Not-for-Profit Entities* and AASB 9: *Financial Instruments* for the 30 June 2019 financial year. An assessment has been completed and the revised Standards will not impact the financial statements of the Association.
- 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. All lessee leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets) will be required to be recorded on the Statement of Financial Position, recognising a 'right-of-use' asset and a liability to pay the lease.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effective of retrospective application as an adjustment to opening equity on the date of initial application.



**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies (Cont'd)**

Although the Committee of Management anticipate that the adoption of AASB 16 will impact the Association's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

**(a) Plant and Equipment**

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight line or diminishing value basis over their useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

<b>Class of fixed assets</b>	<b>Depreciation Rate</b>
Plant and Equipment	7.5 – 100% Straight Line or Diminishing Value

**(b) Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the term lease.

**(c) Cash and Cash Equivalents**

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



**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies (Cont'd)**

**(d) 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.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

**(e) Government Grants**

Government grants are not recognised until there is reasonable assurance that the Association will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Association recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Association with no future related costs are recognised in profit or loss in the period in which they become receivable.

**(f) Capitation Fees and Levies**

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

**(g) 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. 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 statement of cash flows on a net basis. The GST component of cash flows arising from investing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

**(h) Trade and Other Receivables**

Trade receivables, which generally have a 30-60 day term, are recognised initially at fair value, less an allowance for impairment.

The collectability of debts is assessed at balance date. A provision is raised against this balance to cover any accounts considered doubtful.

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies (Cont'd)**

**(i) Trade and Other Payables**

Payables represent liabilities for goods and services provided to the Association prior to the end of the financial year that are unpaid. Payables are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received, the amounts are unsecured and usually paid within 30 days from recognition.

**(j) Employee Benefits**

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

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

Provision is made for separation and redundancy benefit payments. The Association recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

**(k) Interest Bearing Liabilities**

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains or losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

**(l) Income Tax**

The Association is exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*.

**(m) Inventory**

Inventories are measured at lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

**(n) Financial Instruments**

***Recognition***

Financial instruments are initially measured at cost, which includes transaction costs, when the related contractual rights or obligations are created. Subsequent to initial recognition these instruments are measured as set out below.

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies (Cont'd)**

**(n) Financial Instruments (Cont'd)**

***Loans and Receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

***Financial Assets***

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

***Financial Liabilities***

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

***Impairment***

At each reporting date, the Association reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

**(o) Information to be provided to Members or Commissioner**

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

- (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).

**Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies (Cont'd)**

**(p) Critical Accounting Estimates and Judgements**

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

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

**Note 2 Events After the Reporting Period**

There were no events that occurred after 30 June 2018, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Association.

Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018

	2018	2017
	\$	\$
<b>Note 3 Revenue</b>		
<b>Revenue from Operating Activities</b>		
AHA NSW Funding	25,000	-
Capitation fees and other revenue from another reporting unit	-	-
Commissions	1,774	1,999
Donations received	208,545	-
Levies	-	-
Membership subscription	917,610	755,649
Other functions and events	46,321	43,254
Promotions – Awards for Excellence	117,354	128,692
State Conference	95,770	-
THAT Foundation funding	25,906	38,482
<b>Total Revenue from Operating Activities</b>	<b>1,438,280</b>	<b>968,076</b>
<b>Revenue from Non-Operating Activities</b>		
Corporate sponsorship	247,455	-
Grant income	694,097	532,296
Interest revenue	546	1,505
Love Your Local Campaign	619,380	-
Other	8,326	2,511
Revenue from recovery of wages activity	-	-
<b>Total Revenue from Non-Operating Activities</b>	<b>1,569,804</b>	<b>536,312</b>
<b>Total Revenue</b>	<b>3,008,084</b>	<b>1,504,388</b>

**Note 4 Expenses**

**(a) Employee Expenses**

**Holders of Office**

Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Executive expenses	-	-
Separation and redundancies	-	-

**Subtotal Employee Expenses Holders of Office**

	-	-
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**Employees Other than Office Holders**

Wages and salaries	813,348	499,263
Superannuation	59,046	45,169
Leave and other entitlements	15,831	14,335
Executive expenses	17,771	13,744
Separation and redundancies	-	-

**Subtotal Employee Expenses Employees Other than Office Holders**

	905,996	572,511
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**Total Employee Expenses**

	905,996	572,511
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Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018

	2018 \$	2017 \$
<b>Note 4 Expenses (Cont'd)</b>		
<b>(b) Capitation Fees and Other Expense to Another Reporting Unit</b>		
<b>Capitation Fees</b>		
Australian Hotels Association	27,721	22,808
<b>Other Expense to Another Reporting Unit</b>	-	-
<b>Total Capitation Fees and Other Expense to Another Reporting Unit</b>	<b>27,721</b>	<b>22,808</b>
<b>(c) Affiliation Fees</b>		
Australian Hotels Association	-	3,133
<b>Total Affiliation Fees</b>	<b>-</b>	<b>3,133</b>
<b>(d) Administration Expenses</b>		
Accounting and bookkeeping services	49,580	12,335
Auditing services	11,050	10,750
Awards for Excellence expenses	120,841	131,241
Bad debts expense	10,505	-
Bank charges	1,060	2,866
Client entertainment expenses	38,726	24,624
Great Customer Experience expenses	179,254	117,425
Hospitality Awareness expenses	34,271	-
Insurance	9,624	10,458
IT expenses	4,506	7,762
Love Your Local Campaign expenses	619,380	-
Meeting expenses	1,637	947
Motor vehicle expenses	51,209	39,595
Other expenses	28,863	84,819
Other functions and events	55,445	66,339
Postage, printing & stationery	8,628	12,189
Property expenses	26,074	23,302
Publications	2,834	4,868
Strategic planning expenses	236,977	265,194
State Budget expenses	66,844	-
State conference expenses	82,734	-
Telephone and internet	2,756	1,636
THAT Foundation expenses	25,906	16,563
Training	145	572
Travel	27,698	20,978
Workforce Development KPIs expenses	87,438	95,053
Fair Work disclosures:		
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances – meeting and conferences	-	-
<b>Total Administration Expenses</b>	<b>1,783,985</b>	<b>949,516</b>

Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018

	2018	2017
	\$	\$
<b>Note 4 Expenses (Cont'd)</b>		
<b>(e) Grants and Donations</b>		
Grants:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations:		
Total expensed that were \$1,000 or less	4,537	3,905
Total expensed that exceeded \$1,000	279,805	1,100
<b>Total Grants and Donations</b>	<b>284,342</b>	<b>5,005</b>

In the 2018 financial year, the Association received substantial amount of donations in order to carry out state election campaigns. Funding received to campaign for poker machines was remitted to the Liberal Party of Tasmania.

Donations are recognised net of GST.

<b>(f) Depreciation and Amortisation</b>		
Plant and equipment	10,350	12,760
<b>Total Depreciation and Amortisation</b>	<b>10,350</b>	<b>12,760</b>
<b>(g) Legal Costs</b>		
Litigation	-	-
Other legal costs	138	7,226
<b>Total Legal Costs</b>	<b>138</b>	<b>7,226</b>
<b>(h) Other Expenses</b>		
Bad debts	-	-
Penalties – via RO Act or the <i>Fair Work Act 2009</i>	-	-
<b>Total Other Expenses</b>	<b>-</b>	<b>-</b>

**Note 5 Current Assets**

<b>(a) Cash and Cash Equivalents</b>		
WBC trading account	223,211	205,822
WBC cash reserve	5,520	130,145
Cash on hand	210	210
<b>Total Cash and Cash Equivalents</b>	<b>228,941</b>	<b>336,177</b>

Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018

	2018	2017
	\$	\$
<b>(b) Trade and Other Receivables</b>		
Trade debtors	322,047	118,903
Prepayments	26,291	13,118
Other receivables	2,170	356
Receivables from other reporting units	-	-
<b>Total Trade and Other Receivables</b>	<b>350,508</b>	<b>132,377</b>
Less provision for doubtful debts	-	-
<b>Total Trade and Other Receivables (Net)</b>	<b>350,508</b>	<b>132,377</b>

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

**Note 6 Non-Current Assets**

**Plant & Equipment**

Plant and equipment at cost	125,241	117,849
Less accumulated depreciation	(94,252)	(83,902)
<b>Total Plant &amp; Equipment</b>	<b>30,989</b>	<b>33,947</b>

**Reconciliation of Opening and Closing Balances of Plant and Equipment**

<b>Net Book Value 1 July</b>	33,947	40,103
Additions	7,392	6,604
Disposals	-	-
Depreciation expense	(10,350)	(12,760)
<b>Net Book Value 30 June</b>	<b>30,989</b>	<b>33,947</b>

**Note 7 Current Liabilities**

**(a) Trade Payables**

Trade creditors	64,371	72,806
Income received in advance	583,659	541,390
Accrued expenses	8,784	7,416
Payables to other reporting units	-	-
<b>Total Trade Payables</b>	<b>656,814</b>	<b>621,622</b>

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



Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018

	2018	2017
	\$	\$
<b>(b) Other Payables</b>		
GST payable	65,866	18,673
Payable to employers for making payroll deductions of membership subscriptions	-	-
Sundry creditors	25,393	-
PAYG withholding tax	16,184	34,144
Superannuation payable	10,364	-
FBT instalment	4,113	5,266
Legal costs		
Litigation	-	-
Other legal costs	-	-
<b>Total Other Payables</b>	<b>121,920</b>	<b>58,083</b>

**Note 8 Employee Provisions**

**Office Holders**

**Current**

Annual leave	-	-
Long service leave	-	-
	-	-

**Non-Current**

Long service leave	-	-
	-	-

**Employees Other than Office Holders**

**Current**

Annual leave	68,120	57,357
Long service leave	49,229	-
	<b>117,349</b>	<b>57,357</b>

**Non-Current**

Long service leave	2,687	47,747
	<b>2,687</b>	<b>47,747</b>

There are no other provisions relating to redundancies or other liabilities for office holders and other employees of the Association.

Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018

	2018	2017
	\$	\$
<b>Note 9 Equity</b>		
<b>(a) Retained Profits</b>		
Balance at the beginning of the year	511,124	579,695
Net profit / (loss) attributable to members	(4,448)	(68,571)
<b>Balance at End of Year</b>	<b>506,676</b>	<b>511,124</b>
 <b>(b) Other Specific Disclosures – Funds</b>		
Compulsory levy / voluntary contribution fund – if invested in assets	-	-
Other fund(s) required by rules	-	-
<b>Total Other Specific Disclosures – Funds</b>	<b>-</b>	<b>-</b>
 <b>Note 10 Cash Flow Reconciliation</b>		
<b>Profit / (Loss) for the year</b>	(4,448)	(68,571)
<b>Adjustments for Non-Cash Items</b>		
Depreciation	10,350	12,760
<b>Changes in Assets and Liabilities</b>		
(Increase) / decrease in trade and other receivables	(218,131)	52,065
(Increase) / decrease in inventory	(1,586)	2,150
Increase / (decrease) in trade payables	35,202	54,319
Increase / (decrease) in other payables	63,837	24,393
Increase / (decrease) in employee provisions	14,932	13,427
<b>Net Cash from / (used by) Operating Activities</b>	<b>(99,844)</b>	<b>90,543</b>

**Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018**

**Note 11 Related Party Disclosures**

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

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

Colin McGillivray (Vice President)  
Philip Fuglsang (Treasurer)  
Margaret Burt (Councillor, North)  
John Dabner (Councillor, North West & Division President)  
Dominic Baker (Councillor, South)  
Angelo Fraraccio (Councillor, South & Division President)  
Martin Kelly (Councillor, South)  
Shelley Richards (Councillor, South)  
Naomi Walsh (Councillor, North)  
Julian Jacobs (Councillor, South)

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

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

	2018 \$	2017 \$
Customs House Hotel	1,614	1,183
Da' Angelos Ristorante	620	-
Gateway	-	1,200
Grape	46	672
Rosevears Tavern	620	555
Salamanca Inn	2,154	1,927
Stanley Hotel	830	-
Starbar	420	672
Tall Timbers Hotel / Motel	2,275	2,035
Vantage Group	280	-
Wrest Point Hotel Casino	1,900	-

**Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018**

**Note 11 Related Party Disclosures (Cont'd)**

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

	2018	2017
	\$	\$
<b>Net Cash Flows (to) / from Other Reporting Units</b>		
Australian Hotels Association	-	-
Australian Hotels Association – ACT	(24,398)	(24,137)
Australian Hotels Association – NSW	-	-
Australian Hotels Association – NT	-	-
Australian Hotels Association – SA	-	-
Australian Hotels Association – VIC	-	1,636
Australian Hotels Association – WA	(2,420)	(4,546)
Queensland Hotels Association	-	-

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

**Note 12 Remuneration of Auditors**

**Value of the Services Provided by WLF Accounting & Advisory**

Audit service and financial statement preparation	10,350	9,950
<b>Total Remuneration of Auditors</b>	<b>10,350</b>	<b>9,950</b>

Other services relate to the preparation of the financial statements in the Fair Work Australia model financial statements format.

**Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018**

**Note 13 Financial Instruments**

The entity's principle financial assets comprise cash, trade debtors and loans whilst its principle financial liabilities comprise trade payables and income received in advance.

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

**(a) Liquidity Risk and Maturity Analysis**

**2018**

	0-6 months	6-12 months	1-5 years	> 5 years	Total
<b>Financial Assets:</b>					
Cash and cash equivalents	228,941	-	-	-	228,941
Trade debtors	340,742	-	-	-	340,742
Loan to Tasmanian Hospitality Property Association	-	-	-	793,092	793,092
<b>Total Financial Assets</b>	<b>569,683</b>	<b>-</b>	<b>-</b>	<b>793,092</b>	<b>1,362,775</b>
<b>Financial Liabilities:</b>					
Trade and other creditors and accruals	164,414	-	-	-	164,414
<b>Total Financial Liabilities</b>	<b>164,414</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>164,414</b>

**2017**

	0-6 months	6-12 months	1-5 years	> 5 years	Total
<b>Financial Assets:</b>					
Cash and cash equivalents	336,177	-	-	-	336,177
Trade debtors	118,903	-	-	-	118,903
Loan to Tasmanian Hospitality Property Association	-	-	-	793,092	793,092
<b>Total Financial Assets</b>	<b>455,080</b>	<b>-</b>	<b>-</b>	<b>793,092</b>	<b>1,248,172</b>
<b>Financial Liabilities:</b>					
Trade and other creditors and accruals	117,911	-	-	-	117,911
<b>Total Financial Liabilities</b>	<b>117,911</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117,911</b>

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 13 Financial Instruments (Cont'd)**

**(b) Interest rate risk**

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

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

An increase / (decrease) in interest rates of 1% will have a corresponding effect on revenue of \$2,289 (2017: \$3,362).

**Note 14 Association Details**

The principal place of business of the Association is:

25/93 Salamanca Place

Hobart TAS 7000

**Note 15 Section 272 Fair Work (Registered Organisations) Act 2009**

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).

**Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018**

	2018 \$	2017 \$
<b>Note 16 Capital and Leasing Commitments</b>		
Lease Expenditure Commitments		
Minimum lease payments not later than one year	39,854	41,174
Later than one year and not later than five years	88,625	130,091
Aggregate lease expenditure contracted at reporting date	128,479	171,265

The commitment relates to the Association's four motor vehicle leases which began in 2016 and 2017.

**Note 17 Key Management Personnel Remuneration**

	Short-term employee benefits	Post- employment benefits	Long term benefits	Other	Total
<b>2018</b>					
Total income paid or payable to all Executives of the Association	230,000	-	-	-	230,000
<b>2017</b>					
Total income paid or payable to all Executives of the Association	180,100	-	-	-	180,100

**Note 18 Segment Reporting**

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

**Note 19 Events Subsequent to Reporting Date**

The Committee of Management are not aware of any significant events since the end of the reporting period.

**Note 20 Reliance and Provision of Financial Support**

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

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

**Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018**

**Note 21 Recovery of Wages**

There was no recovery of wages activity for the 2017 or 2018 financial year.

**Note 22 Acquisition of Assets and or Liabilities that do not Constitute a Business Combination**

There were no assets or liabilities acquired either during the 2017 or 2018 financial years as a result of an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the branches of the Association, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.



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

In relation to our audit of the financial report of Australian Hotels Association for the financial year ended 30 June 2018, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



JOANNE DOYLE  
Partner  
Wise Lord & Ferguson

Date: 22 February 2019

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Australian Hotels Association Tasmanian Branch

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of the Australian Hotels Association Tasmanian Branch (the Association), which comprises the Statement of Financial Position as at 30 June 2018, the Statement of 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; the Branch Executive Declaration and the subsection 255(2A) report.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Association as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

#### 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 Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Responsibilities of Committee of Management for the Financial Report

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

Liability limited by a scheme approved under Professional Standards Legislation.



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

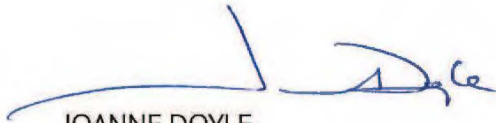
#### **Auditor's Responsibilities for the Audit of the Financial Report**

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

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



JOANNE DOYLE

Partner

Wise Lord & Ferguson

Fellow of the Institute of Chartered Accountants Australia & New Zealand CAANZ

Registered Company Auditor: 217468

Registered Organisation Auditor no. AA2017/121

Holder of Public Practice Certificate

160 Collins Street

Hobart TAS 7001

Date: 22 February 2019





**Australian Government**  
**Registered Organisations Commission**

31 January 2019

Mr Paul Jubb  
Branch President  
Australian Hotels Association-Tasmanian Hospitality Association

By e-mail: [leanne@tha.asn.au](mailto:leanne@tha.asn.au)

Dear Mr Jubb

**Australian Hotels Association-Tasmanian Hospitality Association  
Financial Report for the year ended 30 June 2018 - FR2018/168**

I acknowledge receipt of the financial report for the year ended 30 June 2018 for the Australian Hotels Association-Tasmanian Hospitality Association (AHA-TAS). The financial report was lodged with the Registered Organisations Commission (ROC) on 12 December 2018.

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 operating report, committee of management statement, general purpose financial report (GPFR) and auditor's statement will require amendments. The amended reports will need to be provided to members, presented to a committee of management meeting, republished on the AHA-TAS website and lodged with the ROC.

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 5th edition of the Reporting Guidelines (RG) made under section 255 of the RO Act and Australian Accounting Standards.

**1. Operating report**

Prescribed information in Operating report

Regulation 159(c) requires an operating report to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position. The ROC takes the words "at any time" to mean that all persons, whether they held their position for the full year or for part of the year, must be included.

I note that the names of Michael Acquarola, John Dabner, Peter Scollard, Darren Brown and Dave Gunton appeared in the previous year's operating report but did not appear in this year's operating report. There was no indication that these persons had resigned during, or at the end

of, the previous year, and without any such indication the question arises whether their names have been inadvertently omitted.

If necessary, please amend the operating report to ensure that all members of the committee of management are included in the operating report.

## **2. Committee of management statement**

### Date of resolution

Item 27 of the reporting guidelines requires that the committee of management statement be made in accordance with such resolution as is passed by the committee of management. Such statement must also specify the date of passage of the resolution. I note that the date of the resolution was not provided.

Please amend the committee of management statement to include this date and resubmit to the ROC.

### Reference to s.272

Following the enactment of the *Fair Work (Registered Organisations) Amendment Act 2016*, with effect from 1 May 2017, section 272 refers to Commissioner of the ROC instead of the General Manager, Fair Work Commission.

The AHA-TAS committee of management statement, at reference (e)(v), twice refers to 'General Manager'.

Please amend this reference in the committee of management statement to 'Commissioner'.

## **3. General Purpose Financial Report (GPFR)**

### Future Australian Accounting Standards

Australian Accounting Standard *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors* paragraph 30 requires that the entity disclose Australian Accounting Standards issued but not yet effective with an assessment of the future impact on the entity.

The statement in Note 1 on page 9 of the GPFR does not list the particular future accounting standards that could be relevant to the reporting unit and whether or not the future impact is known or reasonably estimable. In this regard the information outlined in paragraph 31 of AASB 108 is considered relevant to members.

Please amend the GPFR accordingly.

### Notice setting out sections 272(1), (2) & (3)

Following the enactment of the *Fair Work (Registered Organisations) Amendment Act 2016*, the Registered Organisations Commission (ROC) is the new regulator for registered organisations, with effect from 1 May 2017. From this date references to the General Manager (Fair Work Commission) should be changed to Commissioner.

Note 1(o) to the AHA-TAS GPFR twice refers to General Manager.

Please amend accordingly.



#### Reporting guideline activities – not disclosed

Reporting guideline 21 states that if any activity described within items 10-20 of the reporting guidelines has not occurred in the reporting period, a statement to this effect must be included in the GPFRR or in an officer's declaration statement.

The notes/officer's declaration statement contained nil activity information for all prescribed reporting guideline categories except the following:

- Item 10 – agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- Item 11 – 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)

If no undertaking to provide financial support has been received/provided the following statements should be included:

The [Reporting Unit's] ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit.

The [Reporting Unit] has not agreed to provide financial support to ensure another reporting unit has the ability to continue as a going concern.

- Item 12 - acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- Item 20 - make a payment to a former related party of the reporting unit

#### **4. Auditor's statement**

##### Audit scope to include subsection 255(2A) report

A general purpose financial report prepared under section 253 of the RO Act includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by reporting guideline 22.

Please note that the subsection 255(2A) report must be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

A subsection 255(2A) report was included in the documents lodged with the ROC but the auditor did not refer to the report in the auditor's report.

The auditor's report must be amended to include reference to the subsection 255(2A) report.

##### Auditor's qualifications

Item 29(b) of the reporting guidelines states that the auditor's statement must specify the registered auditor's name and registration number. The auditor's statement provided states the name of the registered auditor but not the registration number.

The auditor's statement will require amendment to include this information.

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](mailto:ken.morgan@roc.gov.au)

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan', written in a cursive style.

**KEN MORGAN**  
Financial Reporting Specialist  
Registered Organisations Commission





## TASMANIAN HOSPITALITY ASSOCIATION

25/93 Salamanca Place, Hobart TAS 7000 T: 03 6220 7300 F: 03 6220 7317

PO Box 191, Battery Point TAS 7004

E: [enquiries@tha.asn.au](mailto:enquiries@tha.asn.au) W: [www.tha.asn.au](http://www.tha.asn.au)

### **Designated Officer's Certificate or other Authorised Officer**

S268 Fair Work (Registered Organisations) Act 2009

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

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009: and
- That the full report was provided to members on 29<sup>th</sup> October 2018 and
- That the full report was presented to a general meeting of members of the reporting unit on 11<sup>th</sup> December 2018; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signature:

A handwritten signature in black ink, appearing to read 'P Jubb', written in a cursive style.

Paul Jubb

Date: 11<sup>th</sup> December 2018



Australian Hotels  
Association  
Tasmanian Branch  
Financials  
30 June 2018

**Australian Hotels Association Tasmanian Branch**  
**Operating Report**  
**For the year ended 30 June 2018**

The Committee of Management presents its operating report on the Australian Hotels Association Tasmanian Branch for the year ended 30 June 2018.

**Principal activities**

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

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

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

The loss from ordinary activities amounted to \$4,448 for the year ended 30 June 2018 (2017: loss \$68,571).

**Financial Affairs**

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

**Right to Resign**

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

A member may resign from membership of the Association by written notice addressed to and delivered to the treasurer of the Branch.

**Superannuation Trustees/Directors**

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

**Number of members**

The Association had 397 members at the end of the reporting period (2017: 424).

**Number of employees**

The Association employed 12 staff, expressed as 11.00 FTE, as at 30 June 2018 (2017: 12 employees, expressed as 10.00 FTE).

**Payments to employers**

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

Australian Hotels Association Tasmanian Branch  
Operating Report  
For the year ended 30 June 2018

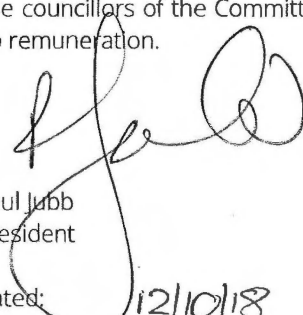
Names and positions of the Committee of Management for the financial year  
1 July 2017 to 30 June 2018 were:

President  
Paul Jubb

Committee of Management  
Colin McGillivray (Vice President)  
Philip Fuglsang (Treasurer)

Margaret Burt (Councillor, North)  
John Dabner (Councillor, North West & Division President)  
Dominic Baker (Councillor, South)  
Angelo Fraraccio (Councillor, South & Division President)  
Martin Kelly (Councillor, South)  
Shelley Richards (Councillor, South)  
Naomi Walsh (Councillor, North)  
Julian Jacobs (Councillor, South)

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



Paul Jubb  
President

Dated: 12/10/18

Australian Hotels Association Tasmanian Branch  
Branch Executive Declaration  
For the year ended 30 June 2018

On 7 / 2018 the Branch Executive of the Association passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2018:

The Branch Executive of the Association 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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Association for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the Association have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the Association have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; 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.



Paul Jubb  
Branch President

Dated: 12/10/18

Australian Hotels Association Tasmanian Branch  
Statement of Comprehensive Income  
For the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Revenue	3	3,008,084	1,504,388
		<u>3,008,084</u>	<u>1,504,388</u>
<b>Expenses</b>			
Employee expenses	4(a)	905,996	572,511
Capitation fees and other expense to another reporting unit	4(b)	27,721	22,808
Affiliation fees	4(c)	-	3,133
Administration expenses	4(d)	1,783,985	949,516
Grants and donations	4(e)	284,342	5,005
Depreciation and amortisation	4(f)	10,350	12,760
Legal costs	4(g)	138	7,226
Other expenses	4(h)	-	-
Total expenses		<u>3,012,532</u>	<u>1,572,959</u>
Profit / (Loss) for the year		<u>(4,448)</u>	<u>(68,571)</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>(4,448)</u>	<u>(68,571)</u>

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

Australian Hotels Association Tasmanian Branch  
Statement of Financial Position  
As at 30 June 2018

	Notes	2018 \$	2017 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5(a)	228,941	336,177
Trade and other receivables	5(b)	350,508	132,377
Inventory		1,916	330
<b>Total Current Assets</b>		<b>581,365</b>	<b>468,884</b>
<b>Non-Current Assets</b>			
Plant and equipment	6	30,989	33,947
Loan to Tasmanian Hospitality Property Association		793,092	793,092
<b>Total Non-Current Assets</b>		<b>824,081</b>	<b>827,039</b>
<b>Total Assets</b>		<b>1,405,446</b>	<b>1,295,923</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade payables	7(a)	656,814	621,612
Other payables	7(b)	121,920	58,083
Employee provisions	8	117,349	57,357
<b>Total Current Liabilities</b>		<b>896,083</b>	<b>737,052</b>
<b>Non-Current Liabilities</b>			
Employee provisions	8	2,687	47,747
<b>Total Non-Current Liabilities</b>		<b>2,687</b>	<b>47,747</b>
<b>Total Liabilities</b>		<b>898,770</b>	<b>784,799</b>
<b>Net Assets</b>		<b>506,676</b>	<b>511,124</b>
<b>Equity</b>			
Retained profits	9(a)	506,676	511,124
<b>Total Equity</b>		<b>506,676</b>	<b>511,124</b>

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

Australian Hotels Association Tasmanian Branch  
Statement of Changes in Equity  
For the year ended 30 June 2018

	Retained Profits \$	Total Equity \$
Closing balance as at 30 June 2016	579,695	579,695
Profit / (Loss) for the year	(68,571)	(68,571)
Other comprehensive income	-	-
Closing balance as at 30 June 2017	511,124	511,124
Profit / (Loss) for the year	(4,448)	(4,448)
Other comprehensive income	-	-
Closing balance as at 30 June 2018	506,676	506,676

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



Australian Hotels Association Tasmanian Branch  
Statement of Cash Flows  
For the year ended 30 June 2018

	Notes	2018 \$	2017 \$
<b>Operating Activities</b>			
<b>Cash received</b>			
Receipts from members and customers		2,197,945	1,169,804
Grants received		694,097	532,296
Interest		546	1,505
<b>Cash used</b>			
Suppliers and employees		(2,992,432)	(1,613,062)
<b>Net cash from / (used by) operating activities</b>	<b>10</b>	<b>(99,844)</b>	<b>90,543</b>
<b>Investing Activities</b>			
<b>Cash used</b>			
Purchase of plant and equipment		(7,392)	(6,604)
Loan to Tasmanian Hospitality Property Association		-	(105)
<b>Net cash from / (used by) investing activities</b>		<b>(7,392)</b>	<b>(6,709)</b>
<b>Net increase / (decrease) in cash held</b>		<b>(107,236)</b>	<b>83,834</b>
Cash and cash equivalents at the beginning of the reporting period		336,177	252,343
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>5(a)</b>	<b>228,941</b>	<b>336,177</b>

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

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies**

**Basis of Preparation of the Financial Statements**

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

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

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

**Comparative Amounts**

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

**New Australian Accounting Standards**

***Adoption of New Australian Accounting Standard Requirements***

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

The accounting policies adopted are consistent with those of the previous financial year.

***Future Australian Accounting Standards Requirements***

Certain new accounting standards and Australian Accounting Interpretations have been published that are not mandatory for the 30 June 2018 reporting period. The Committee of Management have given due consideration to new and revised standards and interpretations issued by the AASB that are not yet effective and do not believe they will have any material impact on the financial statements.

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies (Cont'd)**

**(a) Plant and Equipment**

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight line or diminishing value basis over their useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

<b>Class of fixed assets</b>	<b>Depreciation Rate</b>
Plant and Equipment	7.5 – 100% Straight Line or Diminishing Value

**(b) Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the term lease.

**(c) Cash and Cash Equivalents**

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

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies (Cont'd)**

**(d) 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.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

**(e) Government Grants**

Government grants are not recognised until there is reasonable assurance that the Association will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Association recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Association with no future related costs are recognised in profit or loss in the period in which they become receivable.

**(f) Capitation Fees and Levies**

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

**(g) 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. 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 statement of cash flows on a net basis. The GST component of cash flows arising from investing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

**(h) Trade and Other Receivables**

Trade receivables, which generally have a 30-60 day term, are recognised initially at fair value, less an allowance for impairment.

The collectability of debts is assessed at balance date. A provision is raised against this balance to cover any accounts considered doubtful.

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies (Cont'd)**

**(i) Trade and Other Payables**

Payables represent liabilities for goods and services provided to the Association prior to the end of the financial year that are unpaid. Payables are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received, the amounts are unsecured and usually paid within 30 days from recognition.

**(j) Employee Benefits**

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

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

Provision is made for separation and redundancy benefit payments. The Association recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

**(k) Interest Bearing Liabilities**

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains or losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

**(l) Income Tax**

The Association is exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*.

**(m) Inventory**

Inventories are measured at lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

**(n) Financial Instruments**

***Recognition***

Financial instruments are initially measured at cost, which includes transaction costs, when the related contractual rights or obligations are created. Subsequent to initial recognition these instruments are measured as set out below.

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies (Cont'd)**

**(n) Financial Instruments (Cont'd)**

***Loans and Receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

***Financial Assets***

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

***Financial Liabilities***

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

***Impairment***

At each reporting date, the Association reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

**(o) Information to be provided to Members or General Manager**

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

- (1) A member of a reporting unit, or the General Manager, 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).

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 1 Summary of Significant Accounting Policies (Cont'd)**

**(p) Critical Accounting Estimates and Judgements**

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

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

**Note 2 Events After the Reporting Period**

There were no events that occurred after 30 June 2018, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Association.

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

	2018	2017
	\$	\$
<b>Note 3 Revenue</b>		
<b>Revenue from Operating Activities</b>		
AHA NSW Funding	25,000	-
Capitation fees and other revenue from another reporting unit	-	-
Commissions	1,774	1,999
Donations received	208,545	-
Levies	-	-
Membership subscription	917,610	755,649
Other functions and events	46,321	43,254
Promotions – Awards for Excellence	117,354	128,692
State Conference	95,770	-
THAT Foundation funding	25,906	38,482
<b>Total Revenue from Operating Activities</b>	<b>1,438,280</b>	<b>968,076</b>
<b>Revenue from Non-Operating Activities</b>		
Corporate sponsorship	247,455	-
Grant income	694,097	532,296
Interest revenue	546	1,505
Love Your Local Campaign	619,380	-
Other	8,326	2,511
Revenue from recovery of wages activity	-	-
<b>Total Revenue from Non-Operating Activities</b>	<b>1,569,804</b>	<b>536,312</b>
<b>Total Revenue</b>	<b>3,008,084</b>	<b>1,504,388</b>

**Note 4 Expenses**

**(a) Employee Expenses**

**Holders of Office**

Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Executive expenses	-	-
Separation and redundancies	-	-

**Subtotal Employee Expenses Holders of Office**

	-	-
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**Employees Other than Office Holders**

Wages and salaries	813,348	499,263
Superannuation	59,046	45,169
Leave and other entitlements	15,831	14,335
Executive expenses	17,771	13,744
Separation and redundancies	-	-

**Subtotal Employee Expenses Employees Other than Office Holders**

	905,996	572,511
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**Total Employee Expenses**

	905,996	572,511
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Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018

	2018 \$	2017 \$
<b>Note 4 Expenses (Cont'd)</b>		
<b>(b) Capitation Fees and Other Expense to Another Reporting Unit</b>		
<i>Capitation Fees</i>		
Australian Hotels Association	27,721	22,808
<i>Other Expense to Another Reporting Unit</i>	-	-
<b>Total Capitation Fees and Other Expense to Another Reporting Unit</b>	<b>27,721</b>	<b>22,808</b>
<b>(c) Affiliation Fees</b>		
Australian Hotels Association	-	3,133
<b>Total Affiliation Fees</b>	<b>-</b>	<b>3,133</b>
<b>(d) Administration Expenses</b>		
Accounting and bookkeeping services	49,580	12,335
Auditing services	11,050	10,750
Awards for Excellence expenses	120,841	131,241
Bad debts expense	10,505	-
Bank charges	1,060	2,866
Client entertainment expenses	38,726	24,624
Great Customer Experience expenses	179,254	117,425
Hospitality Awareness expenses	34,271	-
Insurance	9,624	10,458
IT expenses	4,506	7,762
Love Your Local Campaign expenses	619,380	-
Meeting expenses	1,637	947
Motor vehicle expenses	51,209	39,595
Other expenses	28,863	84,819
Other functions and events	55,445	66,339
Postage, printing & stationery	8,628	12,189
Property expenses	26,074	23,302
Publications	2,834	4,868
Strategic planning expenses	236,977	265,194
State Budget expenses	66,844	-
State conference expenses	82,734	-
Telephone and internet	2,756	1,636
THAT Foundation expenses	25,906	16,563
Training	145	572
Travel	27,698	20,978
Workforce Development KPIs expenses	87,438	95,053
Fair Work disclosures:		
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances – meeting and conferences	-	-
<b>Total Administration Expenses</b>	<b>1,783,985</b>	<b>949,516</b>

Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018

	2018	2017
	\$	\$
<b>Note 4 Expenses (Cont'd)</b>		
<b>(e) Grants and Donations</b>		
Grants:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations:		
Total expensed that were \$1,000 or less	4,537	3,905
Total expensed that exceeded \$1,000	279,805	1,100
<b>Total Grants and Donations</b>	<b>284,342</b>	<b>5,005</b>
In the 2018 financial year, the Association received substantial amount of donations in order to carry out state election campaigns. Funding received to campaign for poker machines was remitted to the Liberal Party of Tasmania.		
Donations are recognised net of GST.		
<b>(f) Depreciation and Amortisation</b>		
Plant and equipment	10,350	12,760
<b>Total Depreciation and Amortisation</b>	<b>10,350</b>	<b>12,760</b>
<b>(g) Legal Costs</b>		
Litigation	-	-
Other legal costs	138	7,226
<b>Total Legal Costs</b>	<b>138</b>	<b>7,226</b>
<b>(h) Other Expenses</b>		
Bad debts	-	-
Penalties – via RO Act or the <i>Fair Work Act 2009</i>	-	-
<b>Total Other Expenses</b>	<b>-</b>	<b>-</b>
<b>Note 5 Current Assets</b>		
<b>(a) Cash and Cash Equivalents</b>		
WBC trading account	223,211	205,822
WBC cash reserve	5,520	130,145
Cash on hand	210	210
<b>Total Cash and Cash Equivalents</b>	<b>228,941</b>	<b>336,177</b>

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

	2018	2017
	\$	\$
<b>(b) Trade and Other Receivables</b>		
Trade debtors	322,047	118,903
Prepayments	26,291	13,118
Other receivables	2,170	356
Receivables from other reporting units	-	-
<b>Total Trade and Other Receivables</b>	<b>350,508</b>	<b>132,377</b>
Less provision for doubtful debts	-	-
<b>Total Trade and Other Receivables (Net)</b>	<b>350,508</b>	<b>132,377</b>

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

**Note 6 Non-Current Assets**

**Plant & Equipment**

Plant and equipment at cost	125,241	117,849
Less accumulated depreciation	(94,252)	(83,902)
<b>Total Plant &amp; Equipment</b>	<b>30,989</b>	<b>33,947</b>

**Reconciliation of Opening and Closing Balances of Plant and Equipment**

<b>Net Book Value 1 July</b>	33,947	40,103
Additions	7,392	6,604
Disposals	-	-
Depreciation expense	(10,350)	(12,760)
<b>Net Book Value 30 June</b>	<b>30,989</b>	<b>33,947</b>

**Note 7 Current Liabilities**

**(a) Trade Payables**

Trade creditors	64,371	72,806
Income received in advance	583,659	541,390
Accrued expenses	8,784	7,416
Payables to other reporting units	-	-
<b>Total Trade Payables</b>	<b>656,814</b>	<b>621,622</b>

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

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

	2018	2017
	\$	\$
<b>(b) Other Payables</b>		
GST payable	65,866	18,673
Payable to employers for making payroll deductions of membership subscriptions	-	-
Sundry creditors	25,393	-
PAYG withholding tax	16,184	34,144
Superannuation payable	10,364	-
FBT instalment	4,113	5,266
Legal costs		
Litigation	-	-
Other legal costs	-	-
<b>Total Other Payables</b>	<b>121,920</b>	<b>58,083</b>
 <b>Note 8 Employee Provisions</b>		
<b>Office Holders</b>		
<b>Current</b>		
Annual leave	-	-
Long service leave	-	-
	-	-
<b>Non-Current</b>		
Long service leave	-	-
	-	-
 <b>Employees Other than Office Holders</b>		
<b>Current</b>		
Annual leave	68,120	57,357
Long service leave	49,229	-
	<b>117,349</b>	<b>57,357</b>
<b>Non-Current</b>		
Long service leave	2,687	47,747
	<b>2,687</b>	<b>47,747</b>

There are no other provisions relating to redundancies or other liabilities for office holders and other employees of the Association.

Australian Hotels Association Tasmanian Branch  
Notes to the Financial Statements  
For the year ended 30 June 2018

	2018	2017
	\$	\$
<b>Note 9 Equity</b>		
<b>(a) Retained Profits</b>		
Balance at the beginning of the year	511,124	579,695
Net profit / (loss) attributable to members	(4,448)	(68,571)
<b>Balance at End of Year</b>	<b>506,676</b>	<b>511,124</b>
 <b>(b) Other Specific Disclosures – Funds</b>		
Compulsory levy / voluntary contribution fund – if invested in assets	-	-
Other fund(s) required by rules	-	-
<b>Total Other Specific Disclosures – Funds</b>	<b>-</b>	<b>-</b>
 <b>Note 10 Cash Flow Reconciliation</b>		
<b>Profit / (Loss) for the year</b>	(4,448)	(68,571)
<b>Adjustments for Non-Cash Items</b>		
Depreciation	10,350	12,760
<b>Changes in Assets and Liabilities</b>		
(Increase) / decrease in trade and other receivables	(218,131)	52,065
(Increase) / decrease in inventory	(1,586)	2,150
Increase / (decrease) in trade payables	35,202	54,319
Increase / (decrease) in other payables	63,837	24,393
Increase / (decrease) in employee provisions	14,932	13,427
<b>Net Cash from / (used by) Operating Activities</b>	<b>(99,844)</b>	<b>90,543</b>

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 11 Related Party Disclosures**

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

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

Colin McGillivray (Vice President)  
 Philip Fuglsang (Treasurer)  
 Margaret Burt (Councillor, North)  
 John Dabner (Councillor, North West & Division President)  
 Dominic Baker (Councillor, South)  
 Angelo Fraraccio (Councillor, South & Division President)  
 Martin Kelly (Councillor, South)  
 Shelley Richards (Councillor, South)  
 Naomi Walsh (Councillor, North)  
 Julian Jacobs (Councillor, South)

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

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

	2018	2017
	\$	\$
Customs House Hotel	1,614	1,183
Da' Angelos Ristorante	620	-
Gateway	-	1,200
Grape	46	672
Rosevears Tavern	620	555
Salamanca Inn	2,154	1,927
Stanley Hotel	830	-
Starbar	420	672
Tall Timbers Hotel / Motel	2,275	2,035
Vantage Group	280	-
Wrest Point Hotel Casino	1,900	-

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 11 Related Party Disclosures (Cont'd)**

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

	<b>2018</b>	<b>2017</b>
	\$	\$
<b>Net Cash Flows (to) / from Other Reporting Units</b>		
Australian Hotels Association	-	-
Australian Hotels Association – ACT	(24,398)	(24,137)
Australian Hotels Association – NSW	-	-
Australian Hotels Association – NT	-	-
Australian Hotels Association – SA	-	-
Australian Hotels Association – VIC	-	1,636
Australian Hotels Association – WA	(2,420)	(4,546)
Queensland Hotels Association	-	-

**Note 12 Remuneration of Auditors**

**Value of the Services Provided by WLF Accounting & Advisory**

Audit service and financial statement preparation	10,350	9,950
<b>Total Remuneration of Auditors</b>	<b>10,350</b>	<b>9,950</b>

Other services relate to the preparation of the financial statements in the Fair Work Australia model financial statements format.



**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 13 Financial Instruments**

The entity's principle financial assets comprise cash, trade debtors and loans whilst its principle financial liabilities comprise trade payables and income received in advance.

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

**(a) Liquidity Risk and Maturity Analysis**

**2018**

	0-6 months	6-12 months	1-5 years	> 5 years	Total
<b>Financial Assets:</b>					
Cash and cash equivalents	228,941	-	-	-	228,941
Trade debtors	340,742	-	-	-	340,742
Loan to Tasmanian Hospitality Property Association	-	-	-	793,092	793,092
<b>Total Financial Assets</b>	<b>569,683</b>	<b>-</b>	<b>-</b>	<b>793,092</b>	<b>1,362,775</b>
<b>Financial Liabilities:</b>					
Trade and other creditors and accruals	164,414	-	-	-	164,414
<b>Total Financial Liabilities</b>	<b>164,414</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>164,414</b>

**2017**

	0-6 months	6-12 months	1-5 years	> 5 years	Total
<b>Financial Assets:</b>					
Cash and cash equivalents	336,177	-	-	-	336,177
Trade debtors	118,903	-	-	-	118,903
Loan to Tasmanian Hospitality Property Association	-	-	-	793,092	793,092
<b>Total Financial Assets</b>	<b>455,080</b>	<b>-</b>	<b>-</b>	<b>793,092</b>	<b>1,248,172</b>
<b>Financial Liabilities:</b>					
Trade and other creditors and accruals	117,911	-	-	-	117,911
<b>Total Financial Liabilities</b>	<b>117,911</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117,911</b>

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 13 Financial Instruments (Cont'd)**

**(b) Interest rate risk**

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

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

An increase / (decrease) in interest rates of 1% will have a corresponding effect on revenue of \$2,289 (2017: \$3,362).

**Note 14 Association Details**

The principal place of business of the Association is:

25/93 Salamanca Place

Hobart TAS 7000

**Note 15 Section 272 Fair Work (Registered Organisations) Act 2009**

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

	2018	2017
	\$	\$
<b>Note 16 Capital and Leasing Commitments</b>		
Lease Expenditure Commitments		
Minimum lease payments not later than one year	39,854	41,174
Later than one year and not later than five years	88,625	130,091
Aggregate lease expenditure contracted at reporting date	128,479	171,265

The commitment relates to the Association's four motor vehicle leases which began in 2016 and 2017.

**Note 17 Key Management Personnel Remuneration**

	Short-term employee benefits	Post- employment benefits	Long term benefits	Other	Total
<b>2018</b>					
Total income paid or payable to all Executives of the Association	230,000	-	-	-	230,000
<b>2017</b>					
Total income paid or payable to all Executives of the Association	180,100	-	-	-	180,100

**Note 18 Segment Reporting**

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

**Note 19 Events Subsequent to Reporting Date**

The Committee of Management are not aware of any significant events since the end of the reporting period.

**Note 20 Reliance and Provision of Financial Support**

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

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

**Australian Hotels Association Tasmanian Branch**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2018**

**Note 21 Recovery of Wages**

There was no recovery of wages activity for the 2017 or 2018 financial year.

**Note 22 Acquisition of Assets and Liabilities**

There were no assets or liabilities acquired either during the 2017 or 2018 financial years as a result of a business combination or due to either a restructure, an amalgamation or from a determination or revocation of the General Manager under the *Fair Work (Registered Organisations) Act 2009*.

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Australian Hotels Association Tasmanian Branch

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of the Australian Hotels Association Tasmanian Branch (the Association), which comprises the Statement of Financial Position as at 30 June 2018, the Statement of 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 Branch Executive Declaration.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Association as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

#### 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 Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Responsibilities of Committee of Management for the Financial Report

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



In preparing the financial report, the Committee of Management is responsible for assessing the Association'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 Association 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

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



JOANNE DOYLE

Partner

Wise Lord & Ferguson

Registered Company Auditor Number 217468

Fellow of the Institute of Chartered Accountants in Australia and New Zealand

Holder of Public Practice Certificate

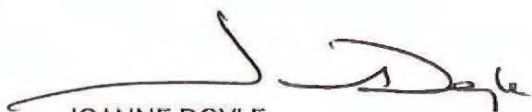
160 Collins Street

Hobart TAS 7001

Date: 12 October 2018

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

In relation to our audit of the financial report of Australian Hotels Association for the financial year ended 30 June 2018, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



JOANNE DOYLE  
Partner  
Wise Lord & Ferguson

Date: 12 October 2018