



FAIR WORK  
AUSTRALIA

27 April 2011

Mr Steven Fanner  
General Manager  
Australian Hotels Association - Australian Capital Territory Branch

Email: fanner@aha.org.au

Dear Mr Fanner

**Financial reports of the Australian Capital Territory Branch of the Australian Hotels Association for the years ended 31 December 2005, 2006, 2007, 2008 and 2009 (FR2005/620, 2006/538, 2007/594, 2008/619 and 2009/10295)**

Thank you for lodging the financial reports of the Australian Capital Territory Branch of the abovenamed organisation for the years ended 31 December 2005, 2006, 2007, 2008 and 2009. The documents were lodged in this office on 4 April 2011.

Examination of the financial report for the year ended 31 December 2005 has shown that matters requiring advice have either been corrected or repeated in relation to the organisation's financial report for the years ended 31 December 2006, 2007, 2008 and 2009. The following comments are in relation to the year ended 31 December 2009.

In light of the organisation's circumstances I propose on this occasion to file the financial reports.

In future, the various elements comprising the reporting process must be done in sequence as required by the relevant legislative requirements. Future financial reports will not be filed in the absence of full compliance with all the legislative requirements.

I direct your attention to the following comments concerning the above report and the financial reporting obligations under the Fair Work (Registered Organisations) Act 2009 (the RO Act). Please note that these matters are required to be addressed in the preparation of future financial reports. No further action is required in respect of the subject documents.

**1. Auditor's Report**

(a) Opinion

The opinion expressed by the auditor in their report has not fully met the requirements of the RO Act. Section 257(5) now sets out the matters on which an auditor is required to state an opinion. An acceptable wording would be as follows:

In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the RO Act.

(b) Auditor's qualifications

Regulation 4 of the Fair Work (Registered Organisations) Regulations 2009 (the RO Regulations) defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants, and holds a current Public Practice Certificate. In all likelihood the auditor is such a person. However, it is our preference that this is made explicit in future auditor's reports.

**2. Timescale Requirements**

As you are aware, reporting units are required to undertake their financial reporting obligations in accordance with specified timelines. As the 2009 report has been completed, the relevant timelines are incapable of being remedied. However it should be noted that the preparation and lodgment of future financial reports must occur within these timelines.

In particular, sections 253 and 254 of the RO Act require that a General Purpose Financial Report (GPFR) and an Operating Report be prepared as soon as practicable after the end of the financial year. Further, section 266 requires that the financial report be presented to a general meeting of members or a committee of management meeting within six months after the end of the financial year. In the absence of an extension of time for holding a general meeting [see section 265(5)] the latest possible date of lodgment with Fair Work Australia is six months and 14 days after the end of the financial year.

In future years the financial reports need to be prepared in sufficient time to enable presentation to a meeting within six months after the end of the financial year and lodged with Fair Work Australia no later than 14 days after that meeting.

**3. Entity**

Note 1 of the Notes to the Financial Statements states:

The financial report covers the Australian Hotels Association - ACT Branch Incorporated as an individual entity. Australian Hotels Association - Act Branch Incorporated is an Association registered in Australia under the Fair Work (Registered Organisations) Act 2009.

It should be noted that although a branch of a registered organisation can be a reporting unit under the RO Act (section 242) it does not have a discrete legal personality; it is a creation of the rules of the organisation only. The Australian Hotels Association is registered under the RO Act and the Branch is a reporting entity.

Also, the inclusion of the word "Incorporated" when referring to the ACT Branch should not be included as it does not form part of the name of the branch.

**4. Operating Report**

(a) Results of principal activities

I refer to the Operating Report, in particular to the "Operating results". I note that section 254(2)(a) of the RO Act requires the operating report to include a review of the principal activities of the reporting entity, the results of those activities and any significant changes in the nature of those activities.

The 'results of operation' requirement contemplates reference in the operating report to results directly related to the principal activities as opposed to the reporting entities

financial result, particularly as measured in dollar 'surplus' or 'loss' terms. Although this may not be stated explicitly in the text of the subsection, I think it is reasonable to infer this is what the legislators had in mind given that the subsection is referring primarily to the principal activities and secondly, the actual financial outcome is elaborated elsewhere in the financial documents, such as the Balance Sheet and/or the Profit and Loss statement.

(b) Right of members to resign

Subsection 254(2)(c) requires the operating report to 'give details' of the right of members to resign from the reporting unit under section 174 of the RO Act. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. It would appear in this case that rule 32 of the organisation's rules is applicable.

The information provided does not accurately reflect the resignation rule.

(c) Dating and signing of documents

It is noted that the Operating Report is undated.

All documents should be dated as a matter of course.

(d) Operating Report name

The document lodged is titled the Committee Member's Report rather than Operating Report as required by the RO Act.

Future financial documents should be identified in accordance with the RO Act provisions.

(e) Unnecessary information

It should be noted that the Operating Report need only provide information as required by the RO Act.

**5. Committee of Management Statement**

(a) Reporting Unit

The Committee of Management statement states that 'the organisation consists of one reporting unit'.

Section 242(3) of the RO Act provides that where an organisation is divided into branches each branch will be a reporting unit. As the Australian Hotels Association has several branches it consists of 2 or more reporting units.

Reporting guideline 25(e)(iv) requires the committee of management of a reporting unit to declare where the organisation consists of 2 or more reporting units, whether the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation.

The reporting unit should in future provide a declaration as mentioned above.

(b) Date of resolution

Item 26 of the Reporting Guidelines (the Guidelines) requires that the Committee of Management's statement must 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.

## **6. References**

I note the Committee of Management Statement contains references to the Industrial Registrar and Registrar. These references should be to the General Manager, Fair Work Australia. Also, the reference to Commission in paragraph (f) should read Fair Work Australia.

I also note that the Auditor's Report and paragraph (f) of the Committee of Management Statement refer to the Fair Work (Registered Organisations) Regulations 2009. Such reference should be to the Fair Work (Registered Organisations) Act 2009.

## **7. Notice to members**

There should be included in the financial report a notice drawing attention to provisions of the Act that prescribed information is available to members on request and which sets out a copy of subsections 272(1), (2) and (3) - refer subsection 272(5) of the RO Act and regulation 161(f) of the RO Regulations.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at [larry.powell@fwa.gov.au](mailto:larry.powell@fwa.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'L Powell'.

Larry Powell  
Tribunal Services and Organisations



# AUSTRALIAN HOTELS ASSOCIATION

## ACT BRANCH

PO Box 3250 Manuka ACT 2603 • 24 Brisbane Avenue, Barton ACT 2600 Australia  
Telephone: (02) 6273 6633 Facsimile: (02) 6273 7439 Email: [actaha@actaha.org.au](mailto:actaha@actaha.org.au)

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21 December 2010

Mr Larry Powell  
Tribunal Services & Organisations  
Fair Work Australia  
GPO Box 1994  
MELBOURNE VIC 3001  
Via Email: [larry.powell@fwa.gov.au](mailto:larry.powell@fwa.gov.au)

Dear Mr Powell

**Financial documents for the year ended 31 December 2007**

Please find enclosed:

1. Financial statements for the Branch as required for the year ended 31 December 2007 which were endorsed at a General Meeting of members on 15 December 2010; and
2. Designated Officer's certificate dated 15 December 2010.

Please contact me if further information is required.

Yours sincerely

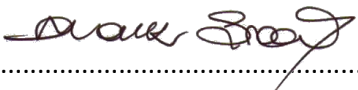
Steven Fanner  
General Manager

**Designated Officer's Certificate**  
**S268 Fair Work (Registered Organisations) Act 2009**

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I, Mark Sproat, being the Secretary/Treasurer of the Australian Hotels Association – Australian Capital Territory Branch, certify that:

1. The documents lodged herewith for the year ended 31 December 2007 are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
2. A copy of the full report was provided to members on 24 November 2010; and
3. The full report was presented to a General Meeting of members of the Branch on 15 December 2010 in accordance with Section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signed:  .....

Dated: 15 December 2010

**AUSTRALIAN HOTELS ASSOCIATION  
ACT BRANCH**

**FINANCIAL REPORT  
YEAR ENDED 31 DECEMBER 2007**

**CONTENTS**

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## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **OPERATING REPORT**

Your Committee Members present their report on the Australian Hotels Association – ACT Branch for the financial year ended 31 December 2007.

The names of the Executive Committee in office at any time during or since the end of the year are:

Michael Capezio – President  
Manuel Notaras – Vice - President  
Mark Sproat – Hon Secretary / Treasurer

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

No Committee Members were involved in trusteeships or directorships on behalf of the Association as Directors of any superannuation fund.

The Registered Rules of the Association provide that a member of the Association may resign their membership by notice in writing if:

- they cease to be an employer in the (hotel and hospitality) industry or ceases to be engaged therein;
- on giving the Association's Secretary notice of their intention so to do and payment of all dues to the date of their resignation.

The same Rules also provide for the vacation of and/or resignation from elected office by elected members.

The number of Branch Members as at 31 December 2007 was 97.

The number of Branch employees as at 31 December 2007 was 2.

The net result for the year ended 31 December 2007 was operating profit after income tax of \$22,487.64 (2006: \$25,678 loss).

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

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, of the state of affairs of the Association in future financial years.

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **OPERATING REPORT (cont'd)**

The principal activity of the Association during the financial was to represent and further the interests of the licensed hospitality industry of the Australian Capital Territory.

No significant change in the nature of these activities occurred during the year.

The Association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Association.

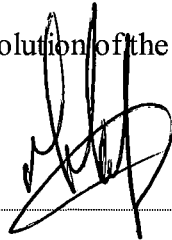
No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the Association is a party for the purpose of taking responsibility on behalf of the Association for all or any part of those proceedings.

The Association was not a party to any such proceedings during the year.

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

**Michael Capezio**

\_\_\_\_\_  
President



**Mark Sproat**

\_\_\_\_\_  
Secretary



**Dated this 8<sup>th</sup> day of December 2009**

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	2007 \$	2006 \$
<b>Revenues from ordinary activities</b>	<b>2</b>	<b>296,159.81</b>	<b>224,222.79</b>
Employee benefits expense		(104,228.66)	(63,397.49)
Depreciation and amortisation expenses		(537)	(895.00)
Other expenses from ordinary activities		<u>(168,906.51)</u>	<u>(185,608.30)</u>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>	<b>3</b>	<b>22,487.64</b>	<b>(25,678.00)</b>
Income tax expense		<u>-</u>	<u>-</u>
<b>NET OPERATING PROFIT</b>		<u><b>22,487.64</b></u>	<u><b>(25,678.00)</b></u>

# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## BALANCE SHEET AS AT 31 DECEMBER 2007

	Note	2007 \$	2006 \$
<b>CURRENT ASSETS</b>			
Cash	5	91,605.86	39,903.33
Receivables	6	1,371.62	8,800.00
Other	7	1,446.16	1,617.00
<b>TOTAL CURRENT ASSETS</b>		<u>94,423.64</u>	<u>50,320.33</u>
<b>NON-CURRENT ASSETS</b>			
Office Furniture & Equipment	8	1,301.69	1,838.69
<b>TOTAL NON-CURRENT ASSETS</b>		<u>1,301.69</u>	<u>1,838.69</u>
<b>TOTAL ASSETS</b>		<u>95,725.33</u>	<u>52,159.02</u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	9	23,876.12	23,639.00
Other	10	72,356.00	51,514.45
<b>TOTAL CURRENT LIABILITIES</b>		<u>96,232.12</u>	<u>75,153.45</u>
<b>TOTAL LIABILITIES</b>		<u>96,232.12</u>	<u>75,153.45</u>
<b>NET LIABILITIES</b>		<u>(506.79)</u>	<u>(22,994.43)</u>
<b>EQUITY</b>			
Retained Earnings		<u>(506.79)</u>	<u>(22,994.43)</u>

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**STATEMENT OF RECOGNISED INCOME AND EXPENSE**

**FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	Retained Earnings \$	Total \$
<b>Balance at 1 January 2006</b>		<b>3,148.11</b>	<b>3,148.11</b>
loss attributable to members		(25,678.00)	(25,678.00)
Prior year adjustment	4	<u>(464.54)</u>	<u>(464.54)</u>
<b>Balance at 31 December 2006</b>		<b>(22,994.43)</b>	<b>(22,994.43)</b>
Profit attributable to members		<u>22,487.64</u>	<u>22,487.64</u>
<b>Balance at 31 December 2007</b>		<u><b>(506.79)</b></u>	<u><b>(506.79)</b></u>

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	<b>Note</b>	<b>2007</b>	<b>2006</b>
		<b>\$</b>	<b>\$</b>
<hr/>			
<b>Cash Flow from Operating Activities:</b>			
Receipts from Subscriptions		89,839.00	80,638.00
Receipts from Sponsorships		164,614.49	108,860.00
Receipts from Promotional and Sundry Activities		92,480.22	36,280.98
Interest Received		970.39	1,412.25
Payments to and on behalf of Employees		(105,522.50)	(58,446.42)
Payments for Promotional and Other Expenses		<u>(190,679.07)</u>	<u>(203,698.18)</u>
<b>Net Cash Used in Operating Activities</b>	<b>12b</b>	<b>51,702.53</b>	<b>(34,953.37)</b>
<hr/>			
<b>Cash Flows from Investing Activities:</b>			
Payment for Property, Plant and Equipment		<u>-</u>	<u>-</u>
<b>Net Cash Used in Investing Activities</b>		<b>-</b>	<b>-</b>
<b>Net Decrease in Cash Held</b>		<b>51,702.53</b>	<b>(34,953.37)</b>
Cash at Beginning of Financial Year		<u>39,903.33</u>	<u>74,856.70</u>
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>12a</b>	<b><u>91,605.86</u></b>	<b><u>39,903.33</u></b>

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

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#### **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

The financial report covers the Australian Hotels Association – ACT Branch Incorporated as an individual entity. Australian Hotels Association – ACT Branch Incorporated is an Association registered in Australia under the Workplace Relations Act 1996.

The financial report of the Australian Hotels Association – ACT Branch Incorporated as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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

#### **Reporting Basis and Conventions**

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

##### **(a) Income Tax**

No taxation has been provided for as the Association is exempt from taxation under Section 50-45 of the Income Tax Assessment Act 1997.

##### **(b) Employee Entitlements**

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

##### **(c) Office Furniture & Equipment**

Office furniture & Equipment are brought to account at cost less, where applicable any accumulated depreciation. The carrying amount of plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The depreciable amount of

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

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#### **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)**

the fixed assets are depreciated on a straight line basis over their useful lives to the Association commencing from the time the asset is held ready for use.

##### **(d) Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investment in money market instruments maturing within less than two months, net of bank overdrafts.

##### **(e) Goods and Services Tax (GST)**

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

##### **(f) Comparative Figures**

Comparative figures, where appropriate, have been reclassified so as to be comparable with the figures presented for the current financial year.

##### **(g) Revenue**

Revenue from the provision of goods and services is recognised upon the delivery of the goods to the customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.



# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 \$	2006 \$
<b>NOTE 2: REVENUE</b>		
<b>Revenue from operating activities</b>		
AHIS Income	24,475.00	-
Awards For Excellence Income	29,287.75	26,477.27
Function Income	14,360.92	6,505.44
General Income	1,770.50	836.37
Interest Received	930.79	1,412.25
Reimbursements- AHA National Office Management Fees	8,333.39	-
Sponsorship	139,566.54	103,812.64
Subscriptions	71,589.46	80,808.82
Training Income	5,845.46	4,370.00
<b>Total Revenue</b>	<b><u>296,159.81</u></b>	<b><u>224,222.79</u></b>

## NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax expense  
has been determined after:

Auditors' Remuneration	2,500.00	2,500.00
Depreciation	537.00	895.00
Other administrative expenses	166,406.51	183,108.30
Salaries and benefits	104,228.66	63,397.49
<b>Total Expenses</b>	<b><u>273,672.17</u></b>	<b><u>249,900.79</u></b>

## NOTE 4: PRIOR PERIOD EQUITY ADJUSTMENTS

The Entity last year made a payment to the Australian Taxation Office relating to a 2005 financial year FBT amount payable. This amount should have been reportable on the balance sheet as a payable in the 2005 financial year; however, the error was not discovered and paid until the 2006 financial year. There are no prior period equity adjustments required for the current financial year.

## NOTE 5: CASH ASSETS

Cash Management Account	89,316.61	38,162.13
Maxi Direct Account	2,289.25	1,741.20
	<b><u>91,605.86</u></b>	<b><u>39,903.33</u></b>

# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 \$	2006 \$
<b>NOTE 6: RECEIVABLES</b>		
<b>CURRENT</b>		
Sundry Debtors	-	1,100.00
Trade Debtors	1,371.62	7,700.00
	<u>1,371.62</u>	<u>8,800.00</u>
<b>NOTE 7: OTHER ASSETS</b>		
<b>CURRENT</b>		
Prepayments	<u>1,446.16</u>	<u>1,617.00</u>
<b>NOTE 8: OFFICE FURNITURE &amp; EQUIPMENT</b>		
Office Furniture & Equipment – at cost	4,708.22	4,708.22
Less: Accumulated Depreciation	3,406.53	2,869.53
	<u>1,301.69</u>	<u>1,838.69</u>
<b>NOTE 8(b): OFFICE FURNITURE &amp; EQUIPMENT RECONCILIATION</b>		
Office Furniture & Equipment		
Carrying amount at beginning	1,838.69	2,733.69
Plus: Additions	-	-
Less: Depreciation	537.00	895.00
Less: Disposals	-	-
Carrying amount at end of year	<u>1,301.69</u>	<u>1,838.69</u>
<b>NOTE 9: ACCOUNTS PAYABLE</b>		
<b>CURRENT</b>		
Accrued Expenditure	2,500.00	2,500.00
Provision for Annual Leave	1,323.23	3,125.92
Net GST Payable	12,973.29	8,646.04
Superannuation Payable	2,137.50	3,562.50
Trade Creditors	4,942.10	5,804.54
	<u>23,876.12</u>	<u>23,639.00</u>
<b>NOTE 10: OTHER LIABILITIES</b>		
<b>CURRENT</b>		
Sponsorships in Advance	28,000.00	17,241.00
Subscriptions in Advance	44,356.00	34,273.45
	<u>72,356.00</u>	<u>51,514.45</u>

## AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

#### NOTE 11: SEGMENT REPORTING

The Association is the representative body for hotels and other associated hospitality entities in the Australian Capital Territory.

#### NOTE 12: NOTES TO THE STATEMENT OF CASH FLOWS

	2007 \$	2006 \$
<b>(a) Reconciliation of Cash</b>		
Cash at the end of financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash Management Account	89,316.61	38,162.13
Maxi Direct Account	2,289.25	1,741.20
	<u>91,605.86</u>	<u>39,903.33</u>
<b>(b) Reconciliation of Net Cash provided by Operating Activities to Operating Profit after Income Tax</b>		
Operating Profit (Loss) after Income Tax	22,487.64	(25,678.00)
Non Cash Flows in Operating Profit:		
ATO Prior year expense	-	(464.54)
Depreciation	537.00	895.00
Changes in Assets & Liabilities:		
Decrease (Increase) in Trade Debtors	6,328.38	(4,620.00)
Decrease (Increase) in Sundry Debtors	1,100.00	(1,100.00)
Decrease (Increase) in Prepayments	170.84	(47.00)
Increase (Decrease) in Trade Creditors	(862.44)	(995.76)
Increase (Decrease) in Provision for Annual Leave	(1,802.69)	2,594.17
Increase (Decrease) in Net GST Payable	4,327.25	4,134.81
Increase (Decrease) in Superannuation Payable	(1,425.00)	2,678.50
Increase (Decrease) in Income in Advance	20,841.55	(12,350.55)
<b>Net Cash Used by Operating Activities</b>	<u>51,702.53</u>	<u>(34,953.37)</u>

#### Credit stand-by and financing facilities

The Association has no credit stand-by or financing facilities in place.

#### Non-cash financing and investing activities

No non-cash financing or investing activities occurred during the financial year.

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

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#### **NOTE 13: PRESCRIBED INFORMATION NOTICE**

The following section of the Workplace Relations Act 1996 RAO Schedule is brought to the attention of members:

##### **Section 272 Information to be provided to members or Registrar**

- 1) A member of an reporting unit, or a Registrar, 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; and
- 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; and
- 3) A reporting unit must comply with an application made under subsection (1).

#### **NOTE 14: EVENTS SUBSEQUENT TO BALANCE DATE**

There were no events subsequent to 31 December 2007 and prior to the date of adoption of these financial statements which in the opinion of the Committee need to be included in these financial statements or referred to in the notes to the financial statements.

#### **NOTE 15: RELATED PARTIES**

Amounts were paid to Capital Link for both executive services. Executive services amounted to \$10,000 (\$28,350 last year).

General Levies and Affiliation fees paid to the National Office of \$8,218.11 were paid on normal commercial terms.

The Association rents office space within the National Office on Level 4, 24 Brisbane Avenue, Barton. The Association pays 20% of the rent and outgoings for the shared offices with National Office. The annual rent and outgoings amounted to \$7,845.20.

The Association entered into an office management service agreement with National Office for the provision of office management services to National Office, effective March 2007. The income received from National Office amounted to \$8,333.39 for the year.

Officers Insurance paid for the year is \$1,370.00

#### **NOTE 16: CAPITAL AND LEASING COMMITMENTS**

There is no capital or leasing commitments at year end.

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

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#### **NOTE 17: CONTINGENT LIABILITIES**

There were no material contingent liabilities as at the date of this report.

#### **NOTE 18: FINANCIAL INSTRUMENTS**

The nature of the financial instruments of the Association are such that no disclosure is made of their accounting policies, terms and conditions as such disclosure will not provide relevant information to the users of these financial statements.

#### **NOTE 19: ASSOCIATION DETAILS**

The registered office and principal place of business of the Association is:  
Australian Hotels Association – ACT Branch  
Commerce House  
Level 4, 24 Brisbane Avenue  
BARTON ACT 2600

## AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

### COMMITTEE OF MANAGEMENT'S STATEMENT

On 8 December 2009, the Committee of Management of the Australian Hotels Association - ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2007.

The Committee of Management declares in relation to the GPFR that in its opinion:

1. the financial statements and notes comply with the Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
4. there are reasonable grounds to believe that the Australian Hotels Association - ACT Branch will be able to pay its debts as and when they become due and payable;
5. during the financial year to which the GPFR relates and since the of that year:
  - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - b. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the of a branch concerned; and
  - c. the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - d. the organisation consists of one reporting unit;
  - e. the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
  - f. no orders for inspection of financial records have been made by the Commission under section 273 of the RAO Schedule.

For the Committee of Management

**Michael Capezio**

President

**Mark Sproat**

Secretary

**Dated this 8<sup>th</sup> day of December 2009**

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**CERTIFICATE OF SECRETARY/TREASURER**

I, Mark Sproat, being the Honorary Secretary/Treasurer of the Australian Hotels Organisation - ACT Branch (the Organisation) certify:

- (1) That the documents lodged herewith are copies of the full report referred to in Section 268 of the RAO Schedule; and
- (2) Financial reports were provided to members of the Association on 13 November 2009; and
- (3) That the full report was presented to a General Meeting of members of the Association on 8 December 2009 in accordance with section 266 of the RAO Schedule.

**Mark Sproat**

  
Secretary

**Dated this 8<sup>th</sup> day of December 2009**



Accountants  
& Business Advisors

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**SCOPE**

We have audited the accompanying financial report of the Australian Hotels Association – ACT Branch (the Association) for the financial year ended 31 December 2007. The Committee of the Association is responsible for the preparation and presentation of the financial report and the information they contain. We have conducted an independent audit of this financial report in order to express an opinion on them to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and evaluation of accounting policies and significant account estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations) and statutory requirements (the Workplace Relations Act 1996 (Cth)) so as to present a view which is consistent with our understanding of the Association's financial position and financial performance as represented by the results of their operations and cash flows.

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

We meet the definition of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003.

The audit opinion expressed in this report has been formed on the above basis.

**AUDIT OPINION**

In our opinion:

- (a) the financial report of the Australian Hotels Association – ACT Branch is in accordance with the Workplace Relations Act 1996, including:
  - (i) presenting fairly in all material respects the Associations' financial position as at 31 December 2007 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**WWP ACCOUNTING GROUP PTY LTD**  
**Certified Practising Accountants**

  
**Michael Papandrea**  
**Director**

Dated in Canberra on the 8<sup>th</sup> Day of December 2009





18 December 2009

Steven Fanner  
General Manager  
Australian Hotels Association  
Australian Capital Territory Branch  
PO Box 3250  
MANUKA ACT 2603

email: [actaha@actaha.org.au](mailto:actaha@actaha.org.au)

Dear Mr Fanner,

**Financial reports of the Australian Hotels Association – Australian Capital Territory Branch for financial years ended 31 December 2005, 2006, 2007 and 2008 (FR2005/620, 2006/538, 2007/594 and 2008/619)**

Thank you for lodging the financial reports of the Australian Capital Territory Branch of the Australian Hotels Association for the years ended 31 December 2005, 2006, 2007 and 2008. The documents were lodged in this office on 14 December 2009 in response to my letter of 1 September 2009.

Examination of the financial report for the year ended 31 December 2005 has shown that matters requiring advice have either been corrected or repeated in relation to the Branch's financial reports for the years ended 31 December 2006, 31 December 2007 and 31 December 2008.

I direct your attention to the following comments concerning the above financial reports and the financial reporting obligations under Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule) [now Fair Work (Registered Organisations) Act 2009]. Please note that the financial reports will not be filed until the requested information has been lodged in this office.

**1. Timescale Requirements**

Financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in this office within certain timescale requirements. For your assistance I have enclosed a Diagrammatic summary of the reporting process.

As you will note from the enclosed diagram the reporting process begins with a meeting of the committee of management. At that meeting a resolution is passed authorising the making of a statement by the committee in which it makes certain declarations with respect to the reporting unit's compliance with various aspects of Schedule 1 and the Reporting Guidelines. This Committee of Management Statement and the General Purpose Financial Report are then audited.

The General Purpose Financial Report, including the Committee of Management Statement, the Operating Report and the Auditor's Report – known as the full report – are then provided to members. Depending on the rules of the reporting unit, a copy of the full report must be provided to members at least 21 days before they are presented to a General Meeting, or, if the rules allow for the full report to be presented to the committee of management, then the documents must be provided within 5 months of the end of the financial year.

The full report, accompanied by a Designated Officer's Certificate, must be lodged with this office within 14 days of its presentation to an appropriate meeting.

From the information available, the full reports which included the Committee of Management Statements, the Operating Reports and the Auditor's Reports (which are all dated 8 December 2009) were supplied to members on 12 November 2009 and presented to a General Meeting of members on 8 December 2009. If the dates on the documents are correct, it would appear that the Committee of Management Statements, the Operating Reports and the Auditor's Reports supplied to members were unsigned and undated.

Under these circumstances, this office cannot file the reports. Moreover, if the dates on the documents are accurate, I advise the Branch will need to repeat certain steps in the reporting process.

Specifically, the Branch is required to do the following:

- The reporting unit should supply the full reports to members.
- Present the full reports to a General Meeting of members at least 21 days after the provision of the full reports to members.
- Lodge the full reports in the Registry within 14 days of the relevant meeting accompanied by a Designated Officer's Certificate (s.268).

Should you wish to discuss this letter, I may be contacted on (03) 8661 7993 or by email at [larry.powell@air.gov.au](mailto:larry.powell@air.gov.au).

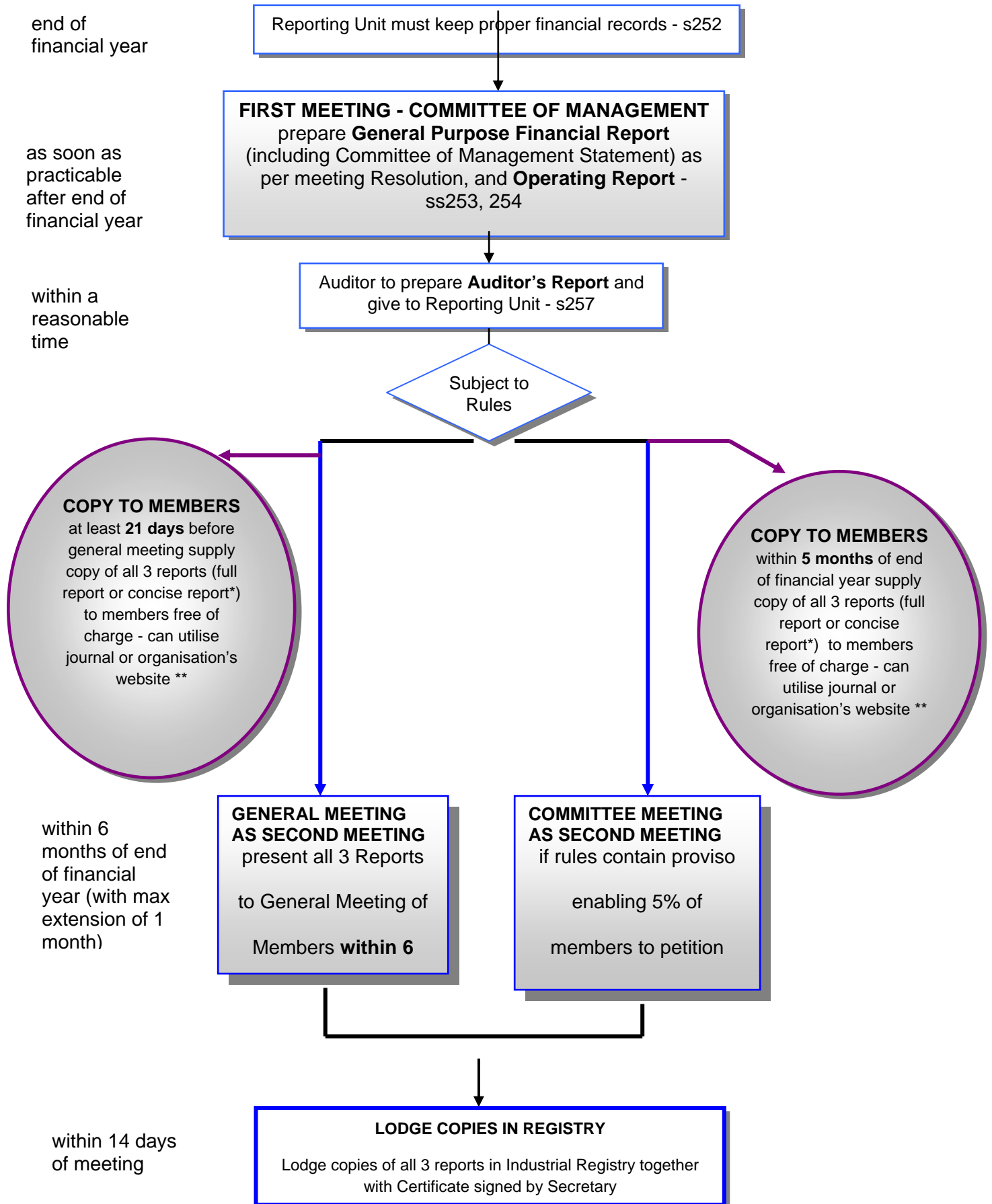
Yours sincerely

A handwritten signature in black ink, appearing to read 'L Powell', with a large, stylized 'L' and 'P'.

Larry Powell

Tribunal Services and Organisations

# Financial Reporting Timeline (RAO Schedule)



\* concise report may be provided if s265(1)-(4) complied with. \*\* report may be supplied through organisation's journal or on organisation's website subject to particular specifications as per RAO



# AUSTRALIAN HOTELS ASSOCIATION

## ACT BRANCH

PO Box 3250 Manuka ACT 2603 • 24 Brisbane Avenue, Barton ACT 2600 Australia  
Telephone: (02) 6273 6633 Facsimile: (02) 6273 7439 Email: [actaha@actaha.org.au](mailto:actaha@actaha.org.au)  
[www.actaha.org.au](http://www.actaha.org.au)

---

8 December 2009

Mr Larry Pell  
Statutory Services Branch  
Australian Industrial Registry  
GPO Box 1994  
MELBOURNE VIC 3001

Dear Mr Pell

**Financial documents for the year ended 31 December 2007**

Please find enclosed:

1. Financial statements for the Branch as required for the year ended 31 December 2007 which were endorsed at a General Meeting of members on 8 December 2009; and
2. Designated Officer's certificate dated 8 December 2009.

Please contact me if further information is required.

Yours sincerely

Steven Fanner  
General Manager

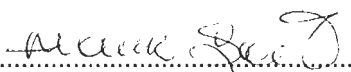
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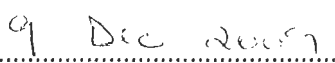
**Designated Officer's Certificate**  
**S268 Fair Work (Registered Organisations) Act 2009**

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I, Mark Sproat, being the Secretary/Treasurer of the Australian Hotels Association – Australian Capital Territory Branch, certify that:

1. The documents lodged herewith for the year ended 31 December 2007 are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
2. A copy of the full report was provided to members on 12 November 2009; and
3. The full report was presented to a General Meeting of members of the Branch on 8 December 2009 in accordance with Section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signed: .....

Dated: .....

**WILSON WATT PAPANDREA**

CERTIFIED PRACTISING ACCOUNTANTS

**BUSINESS CONSULTANTS**



WWP Accounting Group Pty Ltd  
ABN 18 096 138 331  
72 Dundas Court  
Phillip ACT 2606  
PO Box 1975  
Woden ACT 2606  
Australia

phone: 02 6285 2766  
fax: 02 6285 2833

email: [info@wwp.net.au](mailto:info@wwp.net.au)  
web: [www.wwp.net.au](http://www.wwp.net.au)

**inspiring business**

**CPA**



**AUSTRALIAN HOTELS ASSOCIATION  
ACT BRANCH**

**FINANCIAL REPORT  
YEAR ENDED 31 DECEMBER 2007**

## **CONTENTS**

**Operating Report**

**Income Statement**

**Balance Sheet**

**Statement of Recognised Income and Expense**

**Statement of Cash Flows**

**Notes to the Financial Statements**

**Statement by Members of the Committee**

**Certificate of Secretary/Treasurer**

**Independent Audit Report**



## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **OPERATING REPORT**

Your Committee Members present their report on the Australian Hotels Association – ACT Branch for the financial year ended 31 December 2007.

The names of the Executive Committee in office at any time during or since the end of the year are:

Michael Capezio – President  
Manuel Notaras – Vice - President  
Mark Sproat – Hon Secretary / Treasurer

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

No Committee Members were involved in trusteeships or directorships on behalf of the Association as Directors of any superannuation fund.

The Registered Rules of the Association provide that a member of the Association may resign their membership by notice in writing if:

- they cease to be an employer in the (hotel and hospitality) industry or ceases to be engaged therein;
- on giving the Association's Secretary notice of their intention so to do and payment of all dues to the date of their resignation.

The same Rules also provide for the vacation of and/or resignation from elected office by elected members.

The number of Branch Members as at 31 December 2007 was 97.

The number of Branch employees as at 31 December 2007 was 2.

The net result for the year ended 31 December 2007 was operating profit after income tax of \$22,487.64 (2006: \$25,678 loss).

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

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, of the state of affairs of the Association in future financial years.

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **OPERATING REPORT (cont'd)**

The principal activity of the Association during the financial was to represent and further the interests of the licensed hospitality industry of the Australian Capital Territory.

No significant change in the nature of these activities occurred during the year.

The Association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Association.

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the Association is a party for the purpose of taking responsibility on behalf of the Association for all or any part of those proceedings.

The Association was not a party to any such proceedings during the year.

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

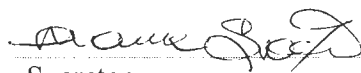
**Michael Capezio**

President



**Mark Sproat**

Secretary



**Dated this 8<sup>th</sup> day of December 2009**

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	<b>Note</b>	<b>2007 \$</b>	<b>2006 \$</b>
<hr/>			
<b>Revenues from ordinary activities</b>	<b>2</b>	<b>296,159.81</b>	<b>224,222.79</b>
Employee benefits expense		(104,228.66)	(63,397.49)
Depreciation and amortisation expenses		(537)	(895.00)
Other expenses from ordinary activities		<u>(168,906.51)</u>	<u>(185,608.30)</u>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>	<b>3</b>	<b>22,487.64</b>	<b>(25,678.00)</b>
Income tax expense		<u>-</u>	<u>-</u>
<b>NET OPERATING PROFIT</b>		<u><b>22,487.64</b></u>	<u><b>(25,678.00)</b></u>

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**BALANCE SHEET  
AS AT 31 DECEMBER 2007**

	<b>Note</b>	<b>2007 \$</b>	<b>2006 \$</b>
<b>CURRENT ASSETS</b>			
Cash	<b>5</b>	91,605.86	39,903.33
Receivables	<b>6</b>	1,371.62	8,800.00
Other	<b>7</b>	1,446.16	1,617.00
<b>TOTAL CURRENT ASSETS</b>		<b>94,423.64</b>	<b>50,320.33</b>
<b>NON-CURRENT ASSETS</b>			
Office Furniture & Equipment	<b>8</b>	1,301.69	1,838.69
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,301.69</b>	<b>1,838.69</b>
<b>TOTAL ASSETS</b>		<b>95,725.33</b>	<b>52,159.02</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	<b>9</b>	23,876.12	23,639.00
Other	<b>10</b>	72,356.00	51,514.45
<b>TOTAL CURRENT LIABILITIES</b>		<b>96,232.12</b>	<b>75,153.45</b>
<b>TOTAL LIABILITIES</b>		<b>96,232.12</b>	<b>75,153.45</b>
<b>NET LIABILITIES</b>		<b>(506.79)</b>	<b>(22,994.43)</b>
<b>EQUITY</b>			
Retained Earnings		<b>(506.79)</b>	<b>(22,994.43)</b>

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**STATEMENT OF RECOGNISED INCOME AND EXPENSE  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	<b>Note</b>	<b>Retained Earnings \$</b>	<b>Total \$</b>
<b>Balance at 1 January 2006</b>		<b>3,148.11</b>	<b>3,148.11</b>
loss attributable to members		(25,678.00)	(25,678.00)
Prior year adjustment	<b>4</b>	<u>(464.54)</u>	<u>(464.54)</u>
<b>Balance at 31 December 2006</b>		<b>(22,994.43)</b>	<b>(22,994.43)</b>
Profit attributable to members		<u>22,487.64</u>	<u>22,487.64</u>
<b>Balance at 31 December 2007</b>		<u><u>(506.79)</u></u>	<u><u>(506.79)</u></u>

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	<b>Note</b>	<b>2007</b>	<b>2006</b>
		<b>\$</b>	<b>\$</b>
<b>Cash Flow from Operating Activities:</b>			
Receipts from Subscriptions		89,839.00	80,638.00
Receipts from Sponsorships		164,614.49	108,860.00
Receipts from Promotional and Sundry Activities		92,480.22	36,280.98
Interest Received		970.39	1,412.25
Payments to and on behalf of Employees		(105,522.50)	(58,446.42)
Payments for Promotional and Other Expenses		<u>(190,679.07)</u>	<u>(203,698.18)</u>
<b>Net Cash Used in Operating Activities</b>	<b>12b</b>	<b>51,702.53</b>	<b>(34,953.37)</b>
<b>Cash Flows from Investing Activities:</b>			
Payment for Property, Plant and Equipment		<u>-</u>	<u>-</u>
<b>Net Cash Used in Investing Activities</b>		<b>-</b>	<b>-</b>
<b>Net Decrease in Cash Held</b>		<b>51,702.53</b>	<b>(34,953.37)</b>
Cash at Beginning of Financial Year		<u>39,903.33</u>	<u>74,856.70</u>
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>12a</b>	<b><u>91,605.86</u></b>	<b><u>39,903.33</u></b>

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

---

#### **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

The financial report covers the Australian Hotels Association – ACT Branch Incorporated as an individual entity. Australian Hotels Association – ACT Branch Incorporated is an Association registered in Australia under the Workplace Relations Act 1996.

The financial report of the Australian Hotels Association – ACT Branch Incorporated as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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

#### **Reporting Basis and Conventions**

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

##### **(a) Income Tax**

No taxation has been provided for as the Association is exempt from taxation under Section 50-45 of the Income Tax Assessment Act 1997.

##### **(b) Employee Entitlements**

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

##### **(c) Office Furniture & Equipment**

Office furniture & Equipment are brought to account at cost less, where applicable any accumulated depreciation. The carrying amount of plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The depreciable amount of

## AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

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#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)

the fixed assets are depreciated on a straight line basis over their useful lives to the Association commencing from the time the asset is held ready for use.

##### **(d) Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investment in money market instruments maturing within less than two months, net of bank overdrafts.

##### **(e) Goods and Services Tax (GST)**

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

##### **(f) Comparative Figures**

Comparative figures, where appropriate, have been reclassified so as to be comparable with the figures presented for the current financial year.

##### **(g) Revenue**

Revenue from the provision of goods and services is recognised upon the delivery of the goods to the customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.



# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 \$	2006 \$
<b>NOTE 2: REVENUE</b>		
<b>Revenue from operating activities</b>		
AHIS Income	24,475.00	-
Awards For Excellence Income	29,287.75	26,477.27
Function Income	14,360.92	6,505.44
General Income	1,770.50	836.37
Interest Received	930.79	1,412.25
Reimbursements- AHA National Office Management Fees	8,333.39	-
Sponsorship	139,566.54	103,812.64
Subscriptions	71,589.46	80,808.82
Training Income	5,845.46	4,370.00
<b>Total Revenue</b>	<b><u>296,159.81</u></b>	<b><u>224,222.79</u></b>

## NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax expense  
has been determined after:

Auditors' Remuneration	2,500.00	2,500.00
Depreciation	537.00	895.00
Other administrative expenses	166,406.51	183,108.30
Salaries and benefits	104,228.66	63,397.49
<b>Total Expenses</b>	<b><u>273,672.17</u></b>	<b><u>249,900.79</u></b>

## NOTE 4: PRIOR PERIOD EQUITY ADJUSTMENTS

The Entity last year made a payment to the Australian Taxation Office relating to a 2005 financial year FBT amount payable. This amount should have been reportable on the balance sheet as a payable in the 2005 financial year; however, the error was not discovered and paid until the 2006 financial year. There are no prior period equity adjustments required for the current financial year.

## NOTE 5: CASH ASSETS

Cash Management Account	89,316.61	38,162.13
Maxi Direct Account	2,289.25	1,741.20
	<b><u>91,605.86</u></b>	<b><u>39,903.33</u></b>

# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 \$	2006 \$
<b>NOTE 6: RECEIVABLES</b>		
<b>CURRENT</b>		
Sundry Debtors	-	1,100.00
Trade Debtors	1,371.62	7,700.00
	<u>1,371.62</u>	<u>8,800.00</u>
<b>NOTE 7: OTHER ASSETS</b>		
<b>CURRENT</b>		
Prepayments	<u>1,446.16</u>	<u>1,617.00</u>
<b>NOTE 8: OFFICE FURNITURE &amp; EQUIPMENT</b>		
Office Furniture & Equipment – at cost	4,708.22	4,708.22
Less: Accumulated Depreciation	3,406.53	2,869.53
	<u>1,301.69</u>	<u>1,838.69</u>
<b>NOTE 8(b): OFFICE FURNITURE &amp; EQUIPMENT RECONCILIATION</b>		
Office Furniture & Equipment		
<b>Carrying amount at beginning</b>	1,838.69	2,733.69
Plus: Additions	-	-
Less: Depreciation	537.00	895.00
Less: Disposals	-	-
<b>Carrying amount at end of year</b>	<u>1,301.69</u>	<u>1,838.69</u>
<b>NOTE 9: ACCOUNTS PAYABLE</b>		
<b>CURRENT</b>		
Accrued Expenditure	2,500.00	2,500.00
Provision for Annual Leave	1,323.23	3,125.92
Net GST Payable	12,973.29	8,646.04
Superannuation Payable	2,137.50	3,562.50
Trade Creditors	4,942.10	5,804.54
	<u>23,876.12</u>	<u>23,639.00</u>
<b>NOTE 10: OTHER LIABILITIES</b>		
<b>CURRENT</b>		
Sponsorships in Advance	28,000.00	17,241.00
Subscriptions in Advance	44,356.00	34,273.45
	<u>72,356.00</u>	<u>51,514.45</u>

# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

### NOTE 11: SEGMENT REPORTING

The Association is the representative body for hotels and other associated hospitality entities in the Australian Capital Territory.

### NOTE 12: NOTES TO THE STATEMENT OF CASH FLOWS

	2007 \$	2006 \$
<b>(a) Reconciliation of Cash</b>		
Cash at the end of financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash Management Account	89,316.61	38,162.13
Maxi Direct Account	2,289.25	1,741.20
	<u>91,605.86</u>	<u>39,903.33</u>
<b>(b) Reconciliation of Net Cash provided by Operating Activities to Operating Profit after Income Tax</b>		
Operating Profit (Loss) after Income Tax	22,487.64	(25,678.00)
Non Cash Flows in Operating Profit:		
ATO Prior year expense	-	(464.54)
Depreciation	537.00	895.00
Changes in Assets & Liabilities:		
Decrease (Increase) in Trade Debtors	6,328.38	(4,620.00)
Decrease (Increase) in Sundry Debtors	1,100.00	(1,100.00)
Decrease (Increase) in Prepayments	170.84	(47.00)
Increase (Decrease) in Trade Creditors	(862.44)	(995.76)
Increase (Decrease) in Provision for Annual Leave	(1,802.69)	2,594.17
Increase (Decrease) in Net GST Payable	4,327.25	4,134.81
Increase (Decrease) in Superannuation Payable	(1,425.00)	2,678.50
Increase (Decrease) in Income in Advance	20,841.55	(12,350.55)
<b>Net Cash Used by Operating Activities</b>	<u>51,702.53</u>	<u>(34,953.37)</u>

#### **Credit stand-by and financing facilities**

The Association has no credit stand-by or financing facilities in place.

#### **Non-cash financing and investing activities**

No non-cash financing or investing activities occurred during the financial year.

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

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#### **NOTE 13: PRESCRIBED INFORMATION NOTICE**

The following section of the Workplace Relations Act 1996 RAO Schedule is brought to the attention of members:

##### **Section 272 Information to be provided to members or Registrar**

- 1) A member of an reporting unit, or a Registrar, 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; and
- 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; and
- 3) A reporting unit must comply with an application made under subsection (1).

#### **NOTE 14: EVENTS SUBSEQUENT TO BALANCE DATE**

There were no events subsequent to 31 December 2007 and prior to the date of adoption of these financial statements which in the opinion of the Committee need to be included in these financial statements or referred to in the notes to the financial statements.

#### **NOTE 15: RELATED PARTIES**

Amounts were paid to Capital Link for both executive services. Executive services amounted to \$10,000 (\$28,350 last year).

General Levies and Affiliation fees paid to the National Office of \$8,218.11 were paid on normal commercial terms.

The Association rents office space within the National Office on Level 4, 24 Brisbane Avenue, Barton. The Association pays 20% of the rent and outgoings for the shared offices with National Office. The annual rent and outgoings amounted to \$7,845.20.

The Association entered into an office management service agreement with National Office for the provision of office management services to National Office, effective March 2007. The income received from National Office amounted to \$8,333.39 for the year.

Officers Insurance paid for the year is \$1,370.00

#### **NOTE 16: CAPITAL AND LEASING COMMITMENTS**

There is no capital or leasing commitments at year end.

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

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#### **NOTE 17: CONTINGENT LIABILITIES**

There were no material contingent liabilities as at the date of this report.

#### **NOTE 18: FINANCIAL INSTRUMENTS**

The nature of the financial instruments of the Association are such that no disclosure is made of their accounting policies, terms and conditions as such disclosure will not provide relevant information to the users of these financial statements.

#### **NOTE 19: ASSOCIATION DETAILS**

The registered office and principal place of business of the Association is:  
Australian Hotels Association – ACT Branch  
Commerce House  
Level 4, 24 Brisbane Avenue  
BARTON ACT 2600

## AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

### COMMITTEE OF MANAGEMENT'S STATEMENT

On 8 December 2009, the Committee of Management of the Australian Hotels Association - ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2007.

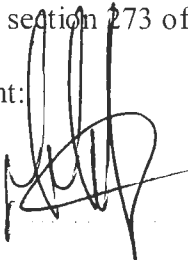
The Committee of Management declares in relation to the GPFR that in its opinion:

1. the financial statements and notes comply with the Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
4. there are reasonable grounds to believe that the Australian Hotels Association - ACT Branch will be able to pay its debts as and when they become due and payable;
5. during the financial year to which the GPFR relates and since the of that year:
  - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - b. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the of a branch concerned; and
  - c. the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - d. the organisation consists of one reporting unit;
  - e. the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
  - f. no orders for inspection of financial records have been made by the Commission under section 273 of the RAO Schedule.

For the Committee of Management:

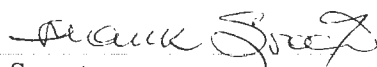
**Michael Capezio**

President



**Mark Sproat**

Secretary



**Dated this 8<sup>th</sup> day of December 2009**

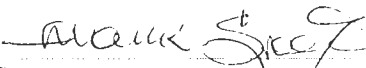
**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**CERTIFICATE OF SECRETARY/TREASURER**

I, Mark Sproat, being the Honorary Secretary/Treasurer of the Australian Hotels Organisation - ACT Branch (the Organisation) certify:

- (1) That the documents lodged herewith are copies of the full report referred to in Section 268 of the RAO Schedule; and
- (2) Financial reports were provided to members of the Association on 13 November 2009; and
- (3) That the full report was presented to a General Meeting of members of the Association on 8 December 2009 in accordance with section 266 of the RAO Schedule.

**Mark Sproat**

  
Secretary

**Dated this 8<sup>th</sup> day of December 2009**



Accountants  
& Business Advisors

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**SCOPE**

We have audited the accompanying financial report of the Australian Hotels Association – ACT Branch (the Association) for the financial year ended 31 December 2007. The Committee of the Association is responsible for the preparation and presentation of the financial report and the information they contain. We have conducted an independent audit of this financial report in order to express an opinion on them to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and evaluation of accounting policies and significant account estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations) and statutory requirements (the Workplace Relations Act 1996 (Cth)) so as to present a view which is consistent with our understanding of the Association's financial position and financial performance as represented by the results of their operations and cash flows.

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

We meet the definition of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003.

The audit opinion expressed in this report has been formed on the above basis.

**AUDIT OPINION**

In our opinion:

- (a) the financial report of the Australian Hotels Association – ACT Branch is in accordance with the Workplace Relations Act 1996, including:
  - (i) presenting fairly in all material respects the Associations' financial position as at 31 December 2007 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**WWP ACCOUNTING GROUP PTY LTD**  
**Certified Practising Accountants**

  
**Michael Papandrea**  
**Director**

Dated in Canberra on the 8<sup>th</sup> Day of December 2009





# Fair Work Australia

1 September 2009

Steven Fanner  
General Manger  
Australian Hotels Association  
Australian Capital Territory Branch  
PO Box 3250  
Manuka ACT 2603  
By email: [actaha@actaha.org.au](mailto:actaha@actaha.org.au)

Dear Mr Fanner,

**Financial reports of the Australian Hotels Association – Australian Capital Territory Branch for financial years ended 31 December 2005, 2006, 2007 and 2008 (FR2005/620, 2006/538, 2007/594 and 2008/619)**

Thank you for lodging the financial reports of the Australian Capital Territory Branch of the Australian Hotels Association for the years ended 31 December 2005, 2006, 2007 and 2008. The documents were lodged in this office on 19 August 2009.

As you would be aware, the Workplace Relations (Registration and Accountability of Organisations) legislation came into operation on 12 May 2003. The accounts for the period covered by the abovementioned documents should have been prepared in accordance with the relevant provisions of Schedule 1 of the Workplace Relations Act 1996 "the RAO Schedule", the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003 and the Reporting Guidelines.

An examination of the above financial reports reveals substantial non-compliance with the RAO Schedule. Indeed it appears from the Scope of the Auditor's Report(s) that the financial reports have been prepared in order to satisfy the requirements of the Association Incorporations Act 1991. Whilst that legislation may make provisions which coincidentally traverse similar or identical subject matter, the Branch, as a reporting unit under the RAO Schedule, is required to comply with the obligations referred to in the preceding paragraph.

I have identified a variety of shortcomings in the reports lodged. The Branch should prepare fresh reports in keeping with the relevant legislative requirements and lodge those reports in due course. In order to assist the Branch I advise this Office is always prepared to examine documentation in draft form.

Finally, I note our letter of 10 January 2006 in relation to the Branch's financial report for the year ended 31 December 2004 advised you of deficiencies in relation to those documents. A search of our records suggests the branch has yet to respond to that correspondence.

If you wish to discuss any matters further, I can be contacted on (03) 8661 7993 or by email at [larry.powell@fwa.gov.au](mailto:larry.powell@fwa.gov.au)

Yours sincerely

Larry Powell  
Tribunal Services and Organisations  
Fair Work Australia

## 1. Operating report

The financial reports did not contain an operating report. Financial documents lodged must contain an operating report. The Committee of Management must as soon as practicable after the end of each financial year cause an operating report to be prepared in relation to the financial year - refer s254 of the RAO Schedule and regulation 159 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003. The operating report must contain the following:

### **(a) Review of principal activities:**

The report must contain a review of the reporting unit's principal activities during the financial year, the results of those activities and any significant changes in the nature of those activities during the year.

### **(b) Significant changes in financial affairs:**

The report must give details of any significant changes in the reporting unit's financial affairs during the year.

### **(c) Right of members to resign:**

Subsection 254(2)(c) requires the operating report to "give details" of the right of members to resign from the reporting unit under section 174 of the RAO Schedule. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. It would appear in this case that rule 32 of the organisation's rules is applicable.

### **(d) Trustees of superannuation entities:**

The report must give details (including details of the position held) of any officer or member of the reporting unit who is:

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation

### **(e) Number of members and number of employees:**

Subsection 254(2)(f) of the RAO Schedule and regulation 159(a) and (b) of the RAO Regulations require the operating report to contain information pertaining to the number of persons that were members and the number of persons who were employees of the reporting unit at the end of the financial year.

### **(f) Membership of Committee of Management:**

The operating report is required 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 - refer regulation 159(c) of the RAO Regulations.

## 2. Accounting Officer's Certificate

There is no requirement under the RAO Schedule to lodge an accounting officer's certificate. Such certificate was previously required by section 273(2) of the RAO Schedule and regulation 109(1)(a) of the *Workplace Relations Regulations*.

## 3. Committee of Management Statement

It would appear that the document titled "Committee's Certificate" appears to have been produced in accordance with regulation 109(1)(b) of the superseded *Workplace Relations Regulations*.

A Committee of Management Statement should comply with the reporting guidelines issued for the purposes of s253 of the RAO Schedule. Under item 25 of the reporting guidelines, the committee of management statement must include declarations as to whether in the opinion of the committee of management:

- (a) the financial statements and notes comply with the Australian Accounting Standards;*
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;*
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;*
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and*
- (e) during the financial year to which the GPFR relates and since the end of that year:*
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and*
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and*
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and*
  - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and*
  - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and*
  - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.*

In addition to these requirements, the committee of management statement must be made in accordance with such resolution passed by the committee in relation to the matters requiring declaration. The statement must also specify the date of the resolution.

Please note that under paragraph 26(d) of the guidelines, for the purposes of s253, this Statement need only be signed by the designated officer. The expression "designated officer" is defined by s243(a) of the RAO Schedule to be "an officer who, under the rules of the reporting unit, is responsible (whether alone or with others) for undertaking the functions necessary to enable the reporting unit to comply with this Part". In the present case that officer would appear to be the Secretary/Treasurer.

A Committee of Management Statement should be prepared in accordance with the above.

#### **4. Auditor's Report**

- (a) The opinion expressed by the auditor in their report has not fully met the requirements of the RAO Schedule. Section 257(5) of the RAO Schedule now sets out the matters on which an auditor is required to state an opinion. An acceptable wording would be as follows:

*"In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996."*

- (b) It is not clear from the Report whether or not the Auditor is an approved auditor. In this regard I draw your attention to the definition of approved auditor in regulation 4 of the RAO Regulations. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

## **5. Auditor's Disclaimer to Detailed Income Statement**

I note that the financial reports contain a disclaimer which precedes the reporting unit's Detailed Income Statement. Such document was prepared for the members of the Branch.

Section 252 of the RAO Schedule requires that a reporting unit must cause a general purpose financial report to be prepared. Such report must consist of, among other things, financial statements containing a profit and loss statement.

The accounts and other statements should contain certain disclosures (as prescribed by the Reporting Guidelines).

As the information contained in the Detailed Income Statement does not appear to form part of the audited "accounts and statements" the financial documents as lodged do not satisfy the requirements of s253 of the RAO Schedule.

So as to ensure compliance with subsection 253, future documents should include an Income and Expenditure Statement setting out particulars of all relevant disclosure requirements of the Reporting Guidelines

## **6. Timescale Requirements**

Financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged with Fair Work Australia within certain timescale requirements. I have for your information enclosed a diagrammatic summary of the financial reporting process and timelines (Attachment B).

I note that the Committee of Management Statement for each financial year is dated after the date of the Auditor's Report. As the Auditor must take the Committee of Management Statement into account in the preparation of their report such documents should be prepared before the Auditor has made their report.

I also note that the financial reports were not provided to members at least 21 days before the General Meetings of members as required by s265(5)(a) of the RAO Schedule.

Also, unless an extension is granted, financial reports should be lodged with Fair Work Australia within 14 days of the meeting at which they were presented - refer subsection 268.

## **7. Notice to members**

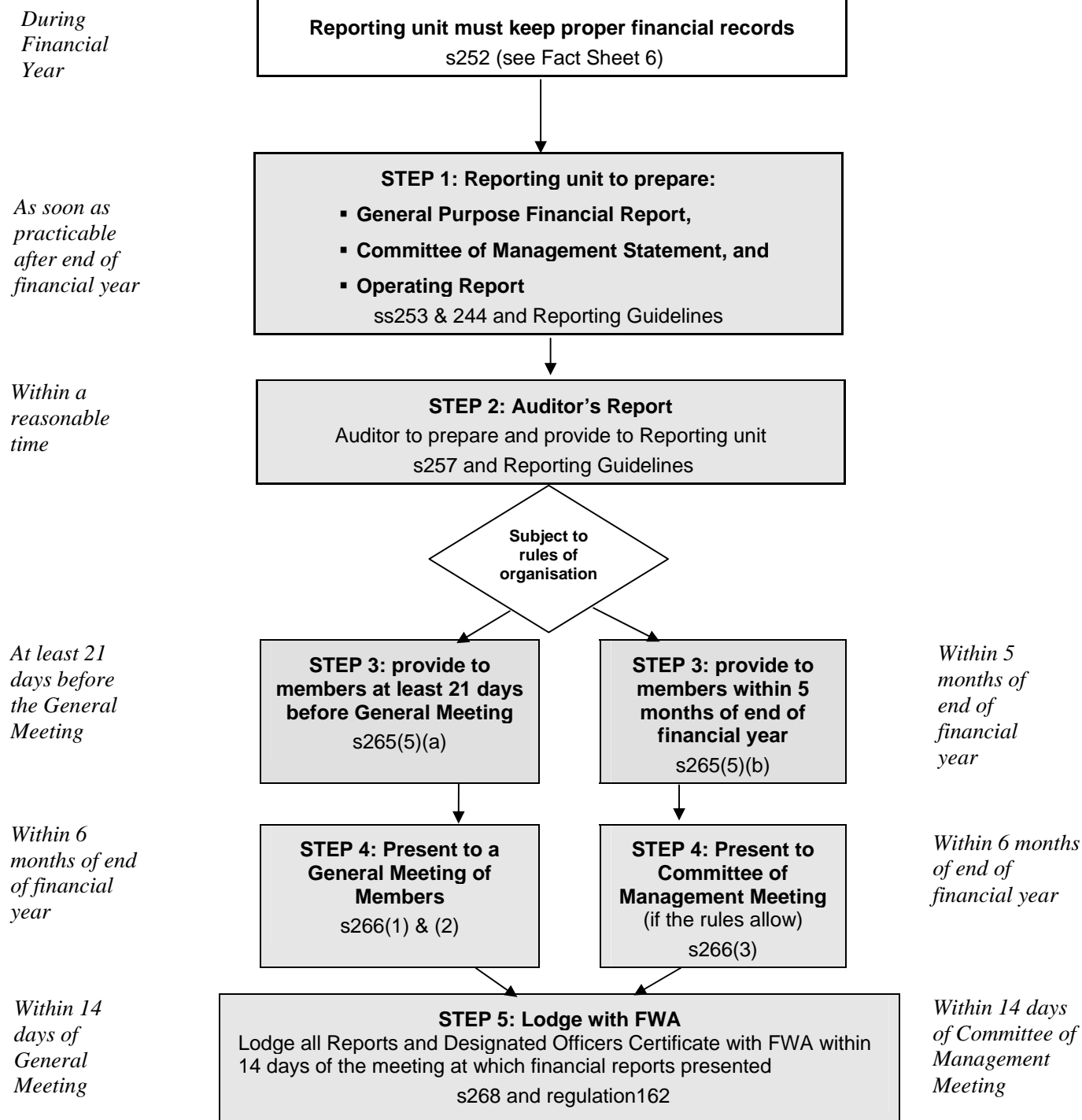
I note that the notice to members provides the provisions of section 274 of the Workplace Relations Act 1996. The accounts should set out the provisions of subsections 272(1), (2) and (3) of the RAO Schedule.

## RO Fact Sheet No. 09/2009 1 July 2009

## Fair Work (Registered Organisations) Act 2009 Legislation Fact Sheet

## Diagrammatic Summary of Financial Reporting Time-lines

Financial reports are to be lodged with FWA within 6½ months of end of financial year by completing the steps as outlined below. See Fact Sheet 8 for an explanation of each of these steps.





# AUSTRALIAN HOTELS ASSOCIATION

## ACT BRANCH

PO Box 3250 Manuka ACT 2603 • 24 Brisbane Avenue, Barton ACT 2600 Australia  
Telephone: (02) 6273 6633 Facsimile: (02) 6273 7439 Email: [actaha@actaha.org.au](mailto:actaha@actaha.org.au)  
[www.actaha.org.au](http://www.actaha.org.au)

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28 July 2009

Mr Larry Pell  
Statutory Services Branch  
Australian Industrial Registry  
GPO Box 1994  
MELBOURNE VIC 3001

Dear Mr Pell

**Financial documents for the year ended 31 December 2007**

Please find enclosed:

1. Financial statements for the Branch as required for the year ended 31 December 2007 which were endorsed by members at the Annual General Meeting on 31 October 2008; and
2. Designated Officer's certificate dated 28 July 2009.

Please contact me if further information is required.

Yours sincerely

Steven Fanner  
General Manager

SFJul12-5.3

**Designated Officer's Certificate**  
**S268 Fair Work (Registered Organisations) Act 2009**

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I, Mark Sproat, being the Secretary/Treasurer of the Australian Hotels Association – Australian Capital Territory Branch, certify that:

1. The documents lodged herewith for the year ended 31 December 2007 are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
2. A copy of the full report was made available to members on 16 October 2008; and
3. The full report was presented to the Annual General Meeting of members of the Branch on 31 October 2008 in accordance with Section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signed: Mark Sproat

Dated: 28<sup>th</sup> July 2009

**AUSTRALIAN HOTELS ASSOCIATION  
ACT BRANCH**

**FINANCIAL REPORT  
YEAR ENDED 31 DECEMBER 2007**



## **CONTENTS**

**Certificate of Principal Accounting Officer**

**Committee's Certificate**

**Independent Audit Report**

**Income Statement**

**Balance Sheet**

**Statement of Recognised Income and Expense**

**Statement of Cash Flows**

**Notes to the Financial Statements**

**Auditors Disclaimer**

**Detailed Income Statement**

## AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

### CERTIFICATE OF PRINCIPAL ACCOUNTING OFFICER

I, Mark Sproat, being the Honorary Secretary/Treasurer, the officer responsible for keeping the accounting records of the Australian Hotels Association - ACT Branch (the Association) certify that as at 31 December 2007, the number of members of the Association was 97.

In my opinion:

1. The accompanying Financial Statements show a true and fair view of the financial affairs of the Association as at 31 December 2007;
2. A record has been kept of all monies paid by, or collected from members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Association;
3. Before any expenditure was incurred by the Association approval of the incurring of the expenditure was obtained in accordance with the rules of the Association;
4. With regard to funds of the Association raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
5. All loans or other financial benefits granted to persons holding office in the Association were authorised in accordance with the Rules of the Association and are disclosed in the attached financial statements; and
6. The register of members of the Association was maintained in accordance with Section 268 of the Workplace Relations Act 1996 (Cth).

Mark Sproat



Dated this 10<sup>th</sup> Day of October 2008.

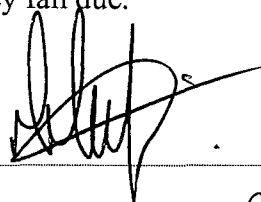
## AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

### COMMITTEE'S CERTIFICATE

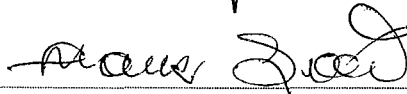
We, Michael Capezio and Mark Sproat, being two members of the Committee of the Australian Hotels Association - ACT Branch do state on behalf of the Committee and in accordance with a resolution passed by the Committee, that:

1. In the opinion of the Committee, the accompanying Financial Statements show a true and fair view of the financial affairs of the Association as at 31 December 2007;
2. In the opinion of the Committee, meetings of the Committee were held during the year ended 31 December 2007 in accordance with the rules of the Association;
3. The requirements under the Workplace Relations Act 1996 (Cth) in relation to Regulation 109 for the preceding year had been satisfied;
4. To the knowledge of any members of the Committee, there have been during the financial year to which the financial statements relate, no instances where the records of the Association or other documents, not being documents containing information available to a member of the Association have not been furnished, or made available, to members in accordance with the requirements of the Workplace Relations Act 1996 (Cth), the Regulations thereto or the rules of the Association;
5. The Association has complied with subsections 279(1) and 279(6) of the Workplace Relations Act 1996 (Cth) in relation to the financial accounts in respect of the year ended 31 December 2007 and the Independent Audit Report thereon; and
6. There are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Michael Capezio



Mark Sproat



Dated this .....13..... Day of.....October..... 2008.

CWP

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

WWP Accounting Group Pty Ltd  
ABN 18 096 138 331  
72 Dundas Court  
Phillip ACT 2606  
PO Box 1975  
Woden ACT 2606  
Australia

phone: 02 6285 2766  
fax: 02 6285 2833

email: info@wwp.net.au  
web: www.wwp.net.au

**SCOPE**

We have audited the accompanying financial report of the Australian Hotels Association – ACT Branch (the Association) for the financial year ended 31 December 2007 as set out on pages 6 to 16. The Committee of the Association is responsible for the preparation and presentation of the financial report and the information they contain. We have conducted an independent audit of this financial report in order to express an opinion on them to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and evaluation of accounting policies and significant account estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations) and statutory requirements (the Workplace Relations Act 1996 (Cth)) so as to present a view which is consistent with our understanding of the Association's financial position and financial performance as represented by the results of their operations and cash flows.

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

The audit opinion expressed in this report has been formed on the above basis.

**AUDIT OPINION**

In our opinion:

- (i) satisfactory accounting records were kept by the Association during the financial year including records of the sources and nature of income and of the nature and purpose of expenditure of the Association; and
- (ii) the accompanying financial report set out on pages 2 to 16, are properly drawn up in accordance with the Section 273 of the Workplace Relations Act 1996 (Cth), and applicable accounting standards (including the Australian Accounting Interpretations) so as to give a true and fair view of:
  - (a) the financial position of the Association at 31 December 2006 and of its performance for the year ended on that date; and
  - (ii) all of the information and explanations that officers or employees of the Association were required to provide pursuant to Section 276(2) of the Workplace Relations Act 1996 (Cth) were provided.

**WWP ACCOUNTING GROUP PTY LTD**

**Michael Papandrea**

Dated in Canberra this 7th Day of October 2008.

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	2007 \$	2006 \$
<b>Revenues from ordinary activities</b>	<b>2</b>	<b>296,159.81</b>	<b>224,222.79</b>
Employee benefits expense		(104,228.66)	(63,397.49)
Depreciation and amortisation expenses		(537)	(895.00)
Other expenses from ordinary activities		<u>(168,906.51)</u>	<u>(185,608.30)</u>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>	<b>3</b>	<b>22,487.64</b>	<b>(25,678.00)</b>
Income tax expense		<u>-</u>	<u>-</u>
<b>NET OPERATING PROFIT</b>		<u><u>22,487.64</u></u>	<u><u>(25,678.00)</u></u>

# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## BALANCE SHEET AS AT 31 DECEMBER 2007

	Note	2007 \$	2006 \$
<b>CURRENT ASSETS</b>			
Cash	5	91,605.86	39,903.33
Receivables	6	1,371.62	8,800.00
Other	7	1,446.16	1,617.00
<b>TOTAL CURRENT ASSETS</b>		<u><b>94,423.64</b></u>	<u><b>50,320.33</b></u>
<b>NON-CURRENT ASSETS</b>			
Office Furniture & Equipment	8	1,301.69	1,838.69
<b>TOTAL NON-CURRENT ASSETS</b>		<u><b>1,301.69</b></u>	<u><b>1,838.69</b></u>
<b>TOTAL ASSETS</b>		<u><b>95,725.33</b></u>	<u><b>52,159.02</b></u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	9	23,876.12	23,639.00
Other	10	72,356.00	51,514.45
<b>TOTAL CURRENT LIABILITIES</b>		<u><b>96,232.12</b></u>	<u><b>75,153.45</b></u>
<b>TOTAL LIABILITIES</b>		<u><b>96,232.12</b></u>	<u><b>75,153.45</b></u>
<b>NET LIABILITIES</b>		<u><b>(506.79)</b></u>	<u><b>(22,994.43)</b></u>
<b>EQUITY</b>			
Accumulated losses		<u><b>(506.79)</b></u>	<u><b>(22,994.43)</b></u>

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**  
**STATEMENT OF RECOGNISED INCOME AND EXPENSE**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	Retained Earnings \$	Total \$
<b>Balance at 1 January 2006</b>		3,148.11	3,148.11
loss attributable to members		(25,678.00)	(25,678.00)
Prior year adjustment	4	(464.54)	(464.54)
<b>Balance at 31 December 2006</b>		(22,994.43)	(22,994.43)
Profit attributable to members		22,487.64	22,487.64
<b>Balance at 31 December 2007</b>		(506.79)	(506.79)

**AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

**STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	<b>Note</b>	<b>2007</b>	<b>2006</b>
		<b>\$</b>	<b>\$</b>
<hr/>			
<b>Cash Flow from Operating Activities:</b>			
Receipts from Subscriptions		89,839.00	80,638.00
Receipts from Sponsorships		164,614.49	108,860.00
Receipts from Promotional and Sundry Activities		92,480.22	36,280.98
Interest Received		970.39	1,412.25
Payments to and on behalf of Employees		(105,522.50)	(58,446.42)
Payments for Promotional and Other Expenses		<u>(190,679.07)</u>	<u>(203,698.18)</u>
<b>Net Cash Used in Operating Activities</b>	<b>12b</b>	<b>51,702.53</b>	<b>(34,953.37)</b>
<hr/>			
<b>Cash Flows from Investing Activities:</b>			
Payment for Property, Plant and Equipment		-	-
<b>Net Cash Used in Investing Activities</b>		-	-
<hr/>			
<b>Net Decrease in Cash Held</b>		<b>51,702.53</b>	<b>(34,953.37)</b>
Cash at Beginning of Financial Year		<u>39,903.33</u>	<u>74,856.70</u>
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>12a</b>	<b><u>91,605.86</u></b>	<b><u>39,903.33</u></b>



## AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

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#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the *Associations Incorporation Act 1991*.

The financial report covers the Australian Hotels Association – ACT Branch Incorporated as an individual entity. Australian Hotels Association – ACT Branch Incorporated is an Association incorporated in the ACT under the *Association Incorporations Act 1991*.

The financial report of the Australian Hotels Association – ACT Branch Incorporated as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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

#### **Reporting Basis and Conventions**

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

##### **(a) Income Tax**

No taxation has been provided for as the Association is exempt from taxation under Section 50-45 of the *Income Tax Assessment Act 1997*.

##### **(b) Employee Entitlements**

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

##### **(c) Office Furniture & Equipment**

Office furniture & Equipment are brought to account at cost less, where applicable any accumulated depreciation. The carrying amount of plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The depreciable amount of

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

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#### **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont)**

the fixed assets are depreciated on a straight line basis over their useful lives to the Association commencing from the time the asset is held ready for use.

#### **(d) Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investment in money market instruments maturing within less than two months, net of bank overdrafts.

#### **(e) Goods and Services Tax (GST)**

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

#### **(f) Comparative Figures**

Comparative figures, where appropriate, have been reclassified so as to be comparable with the figures presented for the current financial year.

#### **(g) Revenue**

Revenue from the provision of goods and services is recognised upon the delivery of the goods to the customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 \$	2006 \$
<b>NOTE 2: REVENUE</b>		
<b>Revenue from operating activities</b>		
AHIS Income	24,475.00	-
Awards For Excellence Income	29,287.75	26,477.27
Function Income	14,360.92	6,505.44
General Income	1,770.50	836.37
Interest Received	930.79	1,412.25
Reimbursements- AHA National Office Management Fees	8,333.39	-
Sponsorship	139,566.54	103,812.64
Subscriptions	71,589.46	80,808.82
Training Income	5,845.46	4,370.00
<b>Total Revenue</b>	<b><u>296,159.81</u></b>	<b><u>224,222.79</u></b>

## NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax expense  
has been determined after:

Auditors' Remuneration	2,500.00	2,500.00
Depreciation	537.00	895.00
Other administrative expenses	166,406.51	183,108.30
Salaries and benefits	104,228.66	63,397.49
<b>Total Expenses</b>	<b><u>273,672.17</u></b>	<b><u>249,900.79</u></b>

## NOTE 4: PRIOR PERIOD EQUITY ADJUSTMENTS

The Entity last year made a payment to the Australian Taxation Office relating to a 2005 financial year FBT amount payable. This amount should have been reportable on the balance sheet as a payable in the 2005 financial year; however, the error was not discovered and paid until the 2006 financial year. There are no prior period equity adjustments required for the current financial year.

## NOTE 5: CASH ASSETS

Cash Management Account	89,316.61	38,162.13
Maxi Direct Account	2,289.25	1,741.20
	<b><u>91,605.86</u></b>	<b><u>39,903.33</u></b>

# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 \$	2006 \$
<b>NOTE 6: RECEIVABLES</b>		
<b>CURRENT</b>		
Sundry Debtors	-	1,100.00
Trade Debtors	1,371.62	7,700.00
	<u>1,371.62</u>	<u>8,800.00</u>
<b>NOTE 7: OTHER ASSETS</b>		
<b>CURRENT</b>		
Prepayments	<u>1,446.16</u>	<u>1,617.00</u>
<b>NOTE 8: OFFICE FURNITURE &amp; EQUIPMENT</b>		
Office Furniture & Equipment – at cost	4,708.22	4,708.22
Less: Accumulated Depreciation	3,406.53	2,869.53
	<u>1,301.69</u>	<u>1,838.69</u>
<b>NOTE 8(b): OFFICE FURNITURE &amp; EQUIPMENT RECONCILIATION</b>		
Office Furniture & Equipment Carrying amount at beginning	1,838.69	2,733.69
Plus: Additions	-	-
Less: Depreciation	537.00	895.00
Less: Disposals	-	-
Carrying amount at end of year	<u>1,301.69</u>	<u>1,838.69</u>
<b>NOTE 9: ACCOUNTS PAYABLE</b>		
<b>CURRENT</b>		
Accrued Expenditure	2,500.00	2,500.00
Provision for Annual Leave	1,323.23	3,125.92
Net GST Payable	12,973.29	8,646.04
Superannuation Payable	2,137.50	3,562.50
Trade Creditors	4,942.10	5,804.54
	<u>23,876.12</u>	<u>23,639.00</u>
<b>NOTE 10: OTHER LIABILITIES</b>		
<b>CURRENT</b>		
Sponsorships in Advance	28,000.00	17,241.00
Subscriptions in Advance	44,356.00	34,273.45
	<u>72,356.00</u>	<u>51,514.45</u>

# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

### NOTE 11: SEGMENT REPORTING

The Association is the representative body for hotels and other associated hospitality entities in the Australian Capital Territory.

### NOTE 12: NOTES TO THE STATEMENT OF CASH FLOWS

	2007 \$	2006 \$
<b>(a) Reconciliation of Cash</b>		
Cash at the end of financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash Management Account	89,316.61	38,162.13
Maxi Direct Account	2,289.25	1,741.20
	<u>91,605.86</u>	<u>39,903.33</u>
<b>(b) Reconciliation of Net Cash provided by Operating Activities to Operating Profit after Income Tax</b>		
Operating Profit (Loss) after Income Tax	22,487.64	(25,678.00)
Non Cash Flows in Operating Profit:		
ATO Prior year expense	-	(464.54)
Depreciation	537.00	895.00
Changes in Assets & Liabilities:		
Decrease (Increase) in Trade Debtors	6,328.38	(4,620.00)
Decrease (Increase) in Sundry Debtors	1,100.00	(1,100.00)
Decrease (Increase) in Prepayments	170.84	(47.00)
Increase (Decrease) in Trade Creditors	(862.44)	(995.76)
Increase (Decrease) in Provision for Annual Leave	(1,802.69)	2,594.17
Increase (Decrease) in Net GST Payable	4,327.25	4,134.81
Increase (Decrease) in Superannuation Payable	(1,425.00)	2,678.50
Increase (Decrease) in Income in Advance	20,841.55	(12,350.55)
<b>Net Cash Used by Operating Activities</b>	<u>51,702.53</u>	<u>(34,953.37)</u>

#### **Credit stand-by and financing facilities**

The Association has no credit stand-by or financing facilities in place.

#### **Non-cash financing and investing activities**

No non-cash financing or investing activities occurred during the financial year.

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

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#### **NOTE 13: INFORMATION TO BE PROVIDED TO THE MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996 (Cth), the attention of the members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 274 which reads:

- 1) A member of an Association, or a Registrar, may apply to the Association for specified prescribed information in relation to the Association;
- 2) An Association shall, on the application made under subsection (1) by a member of the Association or a Registrar, make the specified information available to the member or Registrar in such a manner, and within such time as prescribed; and
- 3) A Registrar may only make an application under subsection (1) at the request of a member of the Association concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

#### **NOTE 14: EVENTS SUBSEQUENT TO BALANCE DATE**

There were no events subsequent to 31 December 2007 and prior to the date of adoption of these financial statements which in the opinion of the Committee need to be included in these financial statements or referred to in the notes to the financial statements.

#### **NOTE 15: RELATED PARTIES**

Amounts were paid to Capital Link for both executive services. Executive services amounted to \$10,000 (\$28,350 last year).

General Levies and Affiliation fees paid to the National Office of \$8,218.11 were paid on normal commercial terms.

The Association rents office space within the National Office on Level 4, 24 Brisbane Avenue, Barton. The Association pays 20% of the rent and outgoings for the shared offices with National Office. The annual rent and outgoings amounted to \$7,845.20.

The Association entered into an office management service agreement with National Office for the provision of office management services to National Office, effective March 2007. The income received from National Office amounted to \$8,333.39 for the year.

Officers Insurance paid for the year is \$1,370.00

#### **NOTE 16: CAPITAL AND LEASING COMMITMENTS**

There is no capital or leasing commitments at year end.

## **AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007**

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#### **NOTE 17: CONTINGENT LIABILITIES**

There were no material contingent liabilities as at the date of this report.

#### **NOTE 18: FINANCIAL INSTRUMENTS**

The nature of the financial instruments of the Association are such that no disclosure is made of their accounting policies, terms and conditions as such disclosure will not provide relevant information to the users of these financial statements.

#### **NOTE 19: ASSOCIATION DETAILS**

The registered office and principal place of business of the Association is:  
Australian Hotels Association – ACT Branch  
Commerce House  
Level 4, 24 Brisbane Avenue  
BARTON ACT 2600

WWP Accounting Group Pty Ltd  
ABN 18 096 138 331  
72 Dundas Court  
Phillip ACT 2606  
PO Box 1975  
Woden ACT 2606  
Australia

phone: 02 6285 2766  
fax: 02 6285 2833

email: [info@wwp.net.au](mailto:info@wwp.net.au)  
web: [www.wwp.net.au](http://www.wwp.net.au)

## AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

FOR THE YEAR ENDED 31 DECEMBER 2007

### AUDITOR'S DISCLAIMER

#### TO THE MEMBERS

AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

The additional financial data presented in the following page is in accordance with the books and records of the Australian Hotels Association – ACT Branch, which have been subjected to the auditing procedures applied to our audit of the Association for the year ended 31 December 2007. It will be appreciated that our audit did not cover all details of the additional financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes any responsibility in any way whatsoever to any person (other than Australian Hotels Association – ACT Branch.) in respect of such data including any errors or omissions therein however caused.

WWP ACCOUNTING GROUP PTY LTD

  
Michael Papandrea

Dated in Canberra this 7th Day of October 2008.



# AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

## DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2007

	2007 \$	2006 \$
<b>INCOME</b>		
Awards For Excellence Income	29,287.75	26,477.27
Function Income	14,360.92	6,505.44
General Income	1,770.50	836.37
Interest Received	930.79	1,412.25
Sponsorship	139,566.54	103,812.64
Subscriptions	71,589.46	80,808.82
Training Income	5,845.46	4,370.00
AHIS Income	24,475.00	-
Management fees	8,333.39	-
	<b>296,159.81</b>	<b>224,222.79</b>
<b>EXPENDITURE</b>		
Accounting Fees	2,925.00	1,785.00
Accrued Annual Leave	(1,802.69)	2,594.17
ACTive Hospitality	11,810.00	14,007.19
Affiliation Fees	300.00	330.00
Annual Members & Sponsors Christmas Party	2,807.81	2,416.09
AHIS Management Fee	9,790.00	-
Auditor's Remuneration	2,500.00	2,500.00
Awards for Excellence	37,996.61	31,078.04
Bank Charges	1,739.51	2,518.89
Consultancy Fees	16,627.27	32,008.73
Depreciation	537.00	895.00
Donations	181.82	290.91
Golf Day Expenses	7,559.36	5,283.91
Honorariums	14,827.45	24,621.46
Insurance	2,966.15	2,358.00
Legal Costs	1,379.00	1,378.01
Office Expenses	159.30	796.88
Postage & Freight	984.13	1,787.29
PPCA Levy	-	300.00
Printing & Stationery	3,384.19	2,701.84
Publications	194.12	336.67
Rent	7,845.20	5,824.00
Repairs & Maintenance	-	90.00
Representations	2,560.74	1,577.28
Salaries, Benefits and On Costs	104,228.66	63,397.49
Seminars	1,566.85	3,721.17
State Capitulations Fees	7,585.93	7,585.96
Subscriptions	731.81	781.36
Telephone	9,820.97	12,766.67
Tourism Lunch Expenses	-	77.27
Travel & Meetings	22,465.98	24,091.51
	<b>273,672.17</b>	<b>249,900.79</b>
<b>NET OPERATING PROFIT</b>	<b>22,487.64</b>	<b>(25,678.00)</b>