

14 November 2013

Mr Brad Watts
General Manager
Australian Hotels Association (AHA) ACT Branch
PO Box 3250
MANUKA ACT 2603



Dear Mr Watts,

Re: Lodgement of Financial Statements and Accounts - Australian Hotels Association (AHA), ACT Branch - for year ended 31 December 2012 (FR2012/584)

I refer to the above financial statements and accounts which were lodged with the Fair Work Commission on 1 November 2013.

The documents reflect the matters I raised in correspondence in relation to last year's report and have been filed.

Please note the clerical or typographical error at Note 4 "Other Assets (Current)" which does not correspond to the equivalent balance sheet entry. This will need to be noted in next year's report.

Also note that new reporting guidelines were issued on 26 June 2013 that will apply to the next report for the year ended 31 December 2013. I attach a copy and urge you to read and apply them closely.

Finally, the report was lodged four months after the expiry of the ordinary prescribed period. Mr Pfeiffer of this office sought the Branch's explanation for the delay which I understand you provided today. The Commission has decided to file the report without further delay in view of the closeness of the end of the current financial year.

Please note however, that the requirement to lodge a financial report in accordance with sections 266 and 268 is a civil penalty provision. The Commission's view is that the time-frames must be complied with. Where they are not, formal investigations may be instigated.

If the Branch anticipates that it may not be able to provide the audited report to its members within the period defined in section 265(5) or present the report within the six month period prescribed under section 266, it must formally apply to the General Manager under section 265(5). A maximum extension of 1 month may be available.

If you wish to discuss any aspect of the financial reporting requirements for the future, please do not hesitate to contact me on (02) 6723 7237.

Yours sincerely



Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

1 November 2013

Mr Stephen Kellett
Senior Adviser, Regulatory Compliance Branch
Fair Work Commission
GPO Box 1994
MELBOURNE VIC 3001

Via Email: stephen.kellett@fwc.gov.au

Dear Mr Kellett,

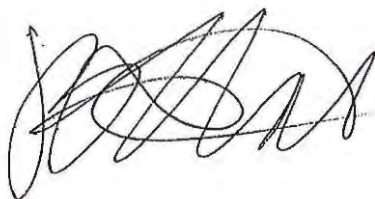
AHA ACT financial documents for the year ended 31 December 2012

Please find enclosed:

1. Financial statements for the Branch as required for the year ended 31 December 2012 which were endorsed at an Annual General Meeting (AGM) of members on 25 October 2013; and
2. Designated Officer's certificate dated 1 November 2013.

Please contact me if further information is required.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brad Watts', is written over a faint, circular watermark or background graphic.

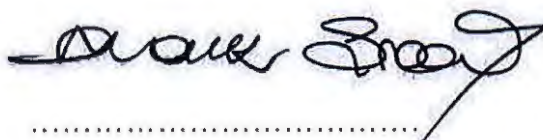
Brad Watts
General Manager
AHA ACT Branch

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

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

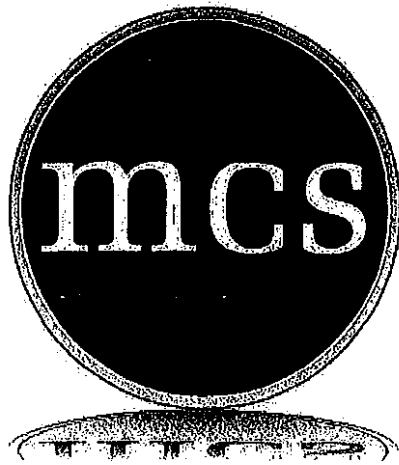
1. The documents lodged herewith for the year ended 31 December 2012 are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
2. A copy of the full financial report was provided to AHA-ACT Branch members on September 25, 2013; and
3. The full report was presented to a General Meeting of members of the Branch on 25 October 2013 in accordance with Section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signed,



Mark Sproat
Secretary/Treasurer
AHA ACT Branch

1 November 2013



audit Pty Ltd
authorised audi+ company

**AUSTRALIAN HOTELS
ASSOCIATION
– ACT BRANCH
FINANCIAL REPORT**

**FOR THE YEAR ENDED
31 DECEMBER 2012**

Phone 02 6260 3588

Fax 02 6281 7708

Address Level 1, 2/2 Napier Close,
Deakin, ACT 2600

www.mcsaudit.com.au

Australian Hotels Association - ACT Branch
ABN 37 315 422 917

Contents

Operating Report	1
Statement by Members of the Committee	5
Balance Sheet	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Income and Expenditure Statement	15
Independent Auditor's Report to the Members	17

**Australian Hotels Association – ACT Branch
ABN 37 315 422 917**

**OPERATING REPORT
FOR THE YEAR ENDED 31 December 2012**

In accordance with sec 254 of Fair Work (Registered Organisations) Act 2009, your Committee of Management report as follows:

Principal Activities

During the year the principal continuing activities of the Association was to represent and further the interests of the licensed hospitality industry of the Australian Capital Territory.

Results of the Principal Activities

Firstly, as a federally registered employer association, the AHA provides a wide range of industrial relations services to assist members to comply with employment issues, regulatory and legislative matters.

Secondly, the AHA's services as a lobby group on behalf of the industry provide the only voice for the collective interests of business owners in the hospitality industry.

Thirdly, the Association has developed strong relationships with key local and federal parliamentary figures, and with senior public servants in relevant government departments and agencies.

Significant changes in the nature of the principal activities

In the opinion of the committee members there were no significant changes in the nature of these principal activities that occurred during the financial year under review.

Financial Operating Result

The operating surplus of the Association amounted to \$14,790 (2011: surplus of \$41,575). This figure represents a true and fair view of the results achieved during the reporting period.

Non-Financial Operating Result

1. The AHA ACT is one of Australia's leading industry advocacy associations, which represents and advocates for the interests of the licensed hospitality and accommodation hotel sector in Canberra.
2. At both a national and territory level, the AHA provides leadership and advocates for the industry in a variety of ways, including providing advice to assist members in areas such as regulations, minimising their impact on the environment, the responsible service of alcohol, responsible service of gaming, employment matters and how to integrate new products and technologies into their businesses. The AHA ACT works and consults with a wide spectrum of stakeholders in the ACT

**Australian Hotels Association – ACT Branch
ABN 37 315 422 917**

**OPERATING REPORT
FOR THE YEAR ENDED 31 December 2012**

including Government agencies, police, political leaders from all sides of politics and other key industry groups.

3. In the political arena during 2012, the AHA ACT was actively involved in advocating industry's policy platform in the lead-up to the ACT election on October 20.
4. During the election 2012 campaign, Chief Minister Katy Gallagher responded in a letter to the AHA's 10-point pre-election policy platform containing key policy industry recommendations. The Chief Minister outlined the Government's position on issues facing industry, including food safety, liquor licensing, regulation and tourism.
5. The AHA ACT was actively involved in the food safety issue during 2012 by sitting on an advisory Board with the Health Protection Service (HPS) after several restaurants were closed due to poor hygiene standards. The AHA ACT continued to advocate on this important issue to ensure hospitality businesses remain open and viable.
6. On alcohol and liquor licensing, AHA ACT pushed the Government for further consideration on the impacts of pre-loading and alcohol-related problem behaviour across the city, which has received support from senior police officers.
7. During 2012, AHA ACT welcomed the opening of several new hotels including East Hotel (140 contemporary new rooms) and Abode Tuggeranong (82 rooms). These hotels became AHA ACT members and the industry welcomed the Canberra hotel 'room boom' with more than 220 top-end hotel rooms being opened in 2012 – an excellent example of the recent regeneration and investment in the ACT accommodation industry.
8. The AHA ACT also held the annual AHA ACT Hospitality Awards in March 2012, attended by more than 400 industry leaders, politicians and industry staff.

Significant changes in the state of affairs

In the opinion of the committee members there were no significant changes in the state of affairs that occurred during the financial year under review.

Rights of Members

All members of the Union have the right to resign from the Union in accordance with Rule 17(e) of the Union Rules, (and section 174 of the Fair Work (Registered Organisations) Act 2009); namely, by providing written notice addressed:

Australian Hotels Association – ACT Branch
ABN 37 315 422 917

OPERATING REPORT
FOR THE YEAR ENDED 31 December 2012

- they cease to be an employer in the (hotel and hospitality) industry or cease to be engaged therein;
- on giving the Association's Board or Executive 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.

Information on the Executive Committee

The following persons comprised the Executive Committee of the Association during the whole of the year and up to the date of this report:

Michael Capezio – President

Manuel Notaras – Vice President

Mark Sproat – Honorary Secretary / Treasurer

Superannuation Office-holders

No members were involved in trusteeships or directorships on behalf of the Association as directors of any superannuation fund where the criterion for the officer or member to be the trustee is that the person is an officer or member of a registered organisation.

Other Prescribed Information

In accordance with Regulation 159 of the Fair Work (Registered Organisation) Regulation 2009

- (a) the number of persons that were at the end of financial year recorded in the register of members for sec. 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the Branch under sec. 244 of the Fair Work (Registered Organisations) Act 2009 was 79.
- (b) a register of members of the Branch has been kept and maintained during the immediately preceding calendar year (2012) as required by ss230 (1) (a) and (2).
- (c) two full-time equivalent employees were employed by the ACT Branch between the financial reporting period.
- (d) the name of those who have been officers of the Committee of Management of the branch during the whole of the year and up to the date of this report for which he or she held office were –

Mr Michael Capezio
President / Representative to the National Board

Australian Hotels Association – ACT Branch
ABN 37 315 422 917

OPERATING REPORT
FOR THE YEAR ENDED 31 December 2012

Mr Manuel Notaras
Vice President

Mr Mark Sproat
Secretary Treasurer
President – Accommodation Division
Representative to the National Accommodation Division


Mr Peter Barclary
Divisional Representative to the Board – Molonglo Division

Mr Josh Gray
Divisional Representative to the Board – Molonglo Division

- (e) There were no new branches or divisions established and no branches or divisions ceased to operate in 2012.

Signed for and on behalf of the Committee of Management –

Date: 5 September 2013 -



Michael Capezio
President



Mark Sproat
Secretary

Australian Hotels Association - ACT Branch

ABN 37 315 422 917

Statement by Members of the Committee

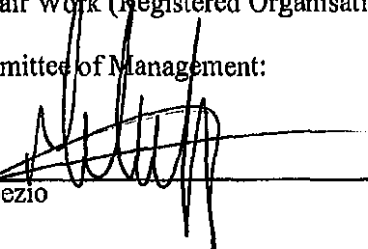
For the year ended 31 December 2012

The Committee of management of the Australian Hotels Association – ACT Branch passed the following resolution on 05 September 2013 in relation to the general purpose financial report of the reporting unit for the year ended 31 December 2012.

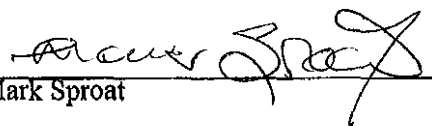
The committee of Management declares in relation to the general purpose financial report that in its opinion:

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 General Manager;
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 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 year to which the general purpose financial report relates and since the end of the year;
 - (a) Meeting of the Committee of Management were held in accordance with the rules of the organisation including the rules of the branch concerned;
 - (b) The financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch concerned;
 - (c) The financial records of the reporting unit have been kept and maintained in accordance with Fair Work (Registered Organisations) Act 2009;
 - (d) The organisation consists of nine reporting units and financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other nine reporting units of the organisation;
 - (e) The information sought in any request of a member of the reporting unit or a General Manager duly made under the Fair Work (Registered Organisations) Act 2009 has been furnished to the member of General Manager;
 - (f) No orders for inspection of financial records have been made by the Tribunal under the Fair Work (Registered Organisations) Act 2009;

For the Committee of Management:


Michael Capezio

President


Mark Sproat

Treasurer

Date: 5 September 2013

Australian Hotels Association - ACT Branch

ABN 37 315 422 917

Balance Sheet As At 31 December 2012

	Note	2012 \$	2011 \$
Current Assets			
Cash assets	2	121,175	151,328
Receivables	3	76,079	82,452
Other	4	2,487	1,751
Total Current Assets		<u>199,741</u>	<u>235,531</u>
Non-Current Assets			
Property, plant and equipment	5	831	1,918
Total Non-Current Assets		<u>831</u>	<u>1,918</u>
Total Assets		<u>200,572</u>	<u>237,449</u>
Current Liabilities			
Payables	6	8,061	21,011
Current tax liabilities	7	26,096	20,042
Other	8	104,338	105,387
Total Current Liabilities		<u>138,495</u>	<u>146,439</u>
Non-Current Liabilities			
Long Service Leave Provision		1,607	-
Total Non-Current Liabilities		<u>1,607</u>	<u>-</u>
Total Liabilities		<u>140,102</u>	<u>146,439</u>
Net Assets		<u>60,470</u>	<u>91,009</u>
Members' Funds			
Retained profits		60,470	91,009
Total Members' Funds		<u>60,470</u>	<u>91,009</u>

Australian Hotels Association - ACT Branch
ABN 37 315 422 917
Statement of changes in equity
Balance Sheet As At 31 December 2012

	Notes	Retained earnings \$	Total Equity \$
Balance at 1 January 2011		<u>49,434</u>	<u>49,434</u>
Total comprehensive income for the year		<u>41,575</u>	<u>41,575</u>
Balance at 31 December 2011		<u>91,009</u>	<u>91,009</u>
Total comprehensive income for the year		14,790	14,790
Prior Year Adjustment	13	<u>(45,329)</u>	<u>(45,329)</u>
Balance at 31 December 2012		<u>60,470</u>	<u>60,470</u>

The accompanying notes form part of these financial statements.

Australian Hotels Association - ACT Branch
ABN 37 315 422 917
Statement of cash flows
Balance Sheet As At 31 December 2012

	Notes	2012 \$	2011 \$
Cash flow from operating activities			
Receipts from subscriptions		87,725	86,282
Receipts from sponsorship		82,123	136,182
Receipts from promotional and sundry activities		169,966	18,330
Interest received		6,123	6,992
Payments to and on behalf of employees		(87,607)	(122,862)
Payments for promotional and other expenses		(288,483)	(126,726)
Net cash outflow (Inflow) from operating activities	10	<u>(30,153)</u>	<u>(1,802)</u>
Cash flows from Investing activities			
Payment for property, plant and equipment		-	(1,143)
Net cash (outflow) Inflow from Investing activities		<u>-</u>	<u>(1,143)</u>
Net Increase (decrease) in cash and cash equivalents		(30,153)	(2,945)
Cash and cash equivalents at the beginning of the financial year		151,328	154,273
Cash and cash equivalent at the end of year	2	<u>121,175</u>	<u>151,328</u>

The accompanying notes form part of these financial statements.

Australian Hotels Association - ACT Branch
ABN 37 315 422 917
Notes to the Financial Statements
For the year ended 31 December 2012

Note 1: Summary of Significant Accounting Policies

This financial report is a general purpose financial report prepared in accordance with the Australian Accounting Standards and in order to satisfy the financial reporting requirements of the Fair Work (Registered Organisations) Act 2009. The committee has determined that the union is a reporting entity.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(b) Impairment of Assets

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

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(d) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

The accompanying notes form part of these financial statements.

Australian Hotels Association - ACT Branch
ABN 37 315 422 917
Notes to the Financial Statements
For the year ended 31 December 2012

(d) Revenue and Other Income (Continued)

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

All revenue is stated net of the amount of goods and services tax (GST).

(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 Tax 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 assets and liabilities statement are shown inclusive of GST.

(f) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(g) Employee Benefits

Short-term Obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

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

Australian Hotels Association - ACT Branch
ABN 37 315 422 917
Notes to the Financial Statements
For the year ended 31 December 2012

	2012	2011
	\$	\$
Note 2: Cash assets		
Bank accounts:		
Cash Management Account	39,549	39,420
Business Investment Account	81,626	111,908
	<u>121,175</u>	<u>151,328</u>
 Note 3: Receivables		
Current		
Trade debtors	76,079	82,452
	<u>76,079</u>	<u>82,452</u>
 Note 4: Other Assets		
Current		
Prepayments	1,751	1,751
	<u>1,751</u>	<u>1,751</u>
 Note 5: Property, Plant and Equipment		
Other plant and equipment:		
- At cost	5,260	5,260
- Less: Accumulated depreciation	(4,429)	(3,342)
	<u>831</u>	<u>1,918</u>
	<u>831</u>	<u>1,918</u>

The accompanying notes form part of these financial statements.

Australian Hotels Association - ACT Branch

ABN 37 315 422 917

**Notes to the Financial Statements
For the year ended 31 December 2012**

	2012	2011
	\$	\$
Note 6: Payables		
Unsecured:		
- Trade creditors	1,027	10,452
- Other creditors		
Annual Leave Provision - Employees	5,154	6,983
Superannuation Payables - Employees	1,880	3,576
	<u>8,061</u>	<u>21,011</u>
Note 7: Tax Liabilities		
Current		
GST Liability	14,536	16,530
PAYG Payable	11,560	3,512
	<u>26,096</u>	<u>20,042</u>
Note 8: Other Liabilities		
Current		
Advance payments	95,654	105,387
Sundry	8,684	-
	<u>104,338</u>	<u>105,387</u>
Note 9: Related Party Transactions		
Honorarium to the President	7,500	1,004
Honorarium to the Vice President	2,500	2,500
Honorarium to the Secretary/Treasurer	2,500	-
Honorarium to the Accommodation Division President	5,000	4,159
	<u>17,500</u>	<u>7,663</u>

Apart from the above Related Party Transactions, there is no other related party transaction occurred for the year ended 31 December 2012. Honorariums were agreed to as part of a Resolution passed by AHA ACT Branch in November 2012.

The accompanying notes form part of these financial statements.

Australian Hotels Association - ACT Branch
ABN 37 315 422 917
Income and Expenditure Statement
For the year ended 31 December 2012

	2012	2011
	\$	\$
Note 10: Reconcilliation of profit after income tax to net cash inflow from operating activities		
Profit for the year	14,790	41,575
Depreciation	1,087	1,055
Changes in Assets & Liabilities:		
Decrease (Increase) in trade debtors	6,373	(30,270)
Decrease (Increase) in prepayments	(736)	-
Increase (Decrease) in employee benefits	(222)	2,455
Increase (Decrease) in trade creditors	(11,120)	(6,370)
Increase (Decrease) in net GST payable	(1,994)	1,646
Increase (Decrease) in PAYG withholding tax	8,047	(4,975)
Increase (Decrease) in income in advance	(1,049)	(6,918)
Prior Year Adjustment	<u>(45,329)</u>	<u>-</u>
Net cash inflow (outflow) from operating activities	<u>(30,153)</u>	<u>(1,802)</u>

Note 11: S272(1), S272(2), S272(3) of Fair Work Registered Organisation Act.

S272 (1) of Fair Work (Registered Organisations) Act 2009, a member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

S272 (2) of Fair Work (Registered Organisations) Act 2009, 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.

S272 (1) of Fair Work (Registered Organisations) Act 2009, a reporting unit must comply with an application made under subsection (1).

Note 12: National Office Management Fees

Included in the detailed Income and Expenditure Statement are National Office Management Fee income totalling \$25,616 (2011 \$37,119). This income relates to consultation fees received by AHA ACT Branch for services and strategic advice provided to the National AHA Head Office on normal commercial terms.

The accompanying notes form part of these financial statements.

Australian Hotels Association - ACT Branch

ABN 37 315 422 917

Notes to the Financial Statements

For the year ended 31 December 2012

2012

\$

Note 13: Prior Year Adjustments

2010 Prepaid Expenses Written Off	(1,751)
The prepaid amounts of \$1751 for 2011 expenses was a journal entry entered by 2010 auditor.	
2010 Income in Advance Written Off	19,399
It was an income for 2011 Financial Year and should be transferred to 2011 Income.	
2012 Sponsorship General Income Write Back	(73,427)
Sponsorship income was included in 2011 financials and are actually for 2012 financial year.	
2010 Trade Creditors Written Off	10,450
2010 auditor's adjustment and money has been paid in January 2011.	
	<u>(45,329)</u>

Note 14: Capitation and Affiliation Fees

In regards to capitation fees, the AHA ACT Branch included the \$300 Annual Affiliation fee for 2012 was included in the total Capitation fees for AHA National Office.

The accompanying notes form part of these financial statements.

Australian Hotels Association - ACT Branch
ABN 37 315 422 917
Income and Expenditure Statement
For the year ended 31 December 2012

	Note	2012 \$	2011 \$
Income			
Youth Coalition Advocacy		74,944	-
Consultancy Fees		1,370	-
Agreement Making Income		-	909
Sponsorship General		82,123	136,182
AFE Income		39,003	44,627
Subscriptions (Membership Fee)		87,725	86,282
Golf Day Income		-	1,829
Lawn Bowls Day		802	1,309
Interest Received		6,123	6,992
National Office Management Fees	12	25,616	37,119
Reimbursement - ACT Executives		-	1,221
Other Income		(858)	858
Total Income		<u>316,848</u>	<u>317,328</u>
Expenses			
ACTive Hospitality		4,755	4,418
Annual Leave (for employees other than officer holders)		(1,829)	1,494
Long Service Leave (for employees other than officer holders)		1,607	-
Awards for Excellence		41,330	47,407
Consulting Fees		3,400	3,044
Audit Fee		3,500	9,200
IT / Computer Support		4,514	-
Bank Charges		1,411	1,671
Golf Day Expense		-	4,698
Depreciation		1,087	1,055
Insurance		1,975	3,316
Legal		-	3,600
Late Lodgement Fees		-	110
Superannuation (for employees other than officer holders)		4,599	9,590
Donations		600	200
Expense Clearing Account		-	(350)
Postage & Freight		1,426	1,494
Printing & Stationery		915	3,829
Publications		281	1,112

The accompanying notes form part of these financial statements.

Australian Hotels Association - ACT Branch
ABN 37 315 422 917
Income and Expenditure Statement
For the year ended 31 December 2012

	Note	2012 \$	2011 \$
VIP Dinner Expense		1,364	(67)
Office Expenses		1,177	405
Representations		1,023	2,011
Salaries, Benefits & On Cost (for employees other than officer holders)		87,607	116,678
Signage		809	620
Seminars & Information, Courses & Events		6,224	5,270
Subscriptions		799	6,090
Rent		9,097	8,807
Telephone		5,761	7,417
Travel & Meetings		27,960	18,651
Tourism Lunch Expense		436	-
Pres Honorarium		7,500	1,004
Vice Pres Honorarium		2,500	2,500
Accom Div Pres Honorarium		5,000	4,159
Secretary / Treasurer Honorarium		2,500	-
National Capital Levy to AHA National Office	14	8,000	4,500
Lawn Bowls Day		1,054	1,818
Youth Coalition Expense		62,214	-
Advertising Expense		1,462	-
Total Expenses		<u>302,058</u>	<u>275,753</u>
 Profit from ordinary activities before income tax		 14,790	 41,575
Income tax revenue relating to ordinary activities		-	-
Net profit attributable to the association		<u>14,790</u>	<u>41,575</u>
Total changes in equity of the association		<u>14,790</u>	<u>41,575</u>
 Opening retained profits		 91,009	 49,434
Net profit attributable to the association		14,790	41,575
Prior year adjustment	13	(45,329)	-
Closing retained profits		<u>60,470</u>	<u>91,009</u>

The accompanying notes form part of these financial statements.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH
ABN: 37 315 422 917**

PRINCIPAL : Phillip W Miller CA

Level 1, "David Temple House",
Unit 2 / 2 Napier Close,
Deakin ACT 2600
PO Box 105
Deakin West ACT 2600

Ph : (02) 6260 3588
F : (02) 6281 7708
E : pwm@mcsaccounting.com.au
W : www.mcsaudit.com.au

Report on the Financial Report

We have audited the accompanying general purpose financial report of Australian Hotels Association – ACT Branch for the year ended 31 December 2012, comprising the Income Statement, Statement of Financial Position as at 31 December 2012, Statement of Changes in Equity, Statement of Cash flows, Notes to the Financial Statements and the Statement by Members of the Committee.

Committee of Management Responsibility for the Financial Report

The Unions Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal controls as the Committee of Management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on my audit. We have conducted our audit in accordance with Australian Auditing Standards. Those Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting my audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Auditors Opinion

In our opinion, the financial report presents fairly, in all material respects the financial position of Australian Hotels Association – ACT Branch as of 31 December 2012 and of its financial performance and cash flows for the year then ended in accordance with Australian accounting standards and the *Fair Work (Registered Organisations) Act 2009*.

Name of Firm:
MCS Audit Pty Ltd

**Chartered Accountants
Authorised Audit Company**

Name of director:



**Phillip W Miller CA
Registered Company Auditor
Public Practice Certificate Holder**

Address: Unit 2 / 2 Napier Close, Deakin ACT 2600

Dated: 5 September 2013 .



FAIR WORK
COMMISSION

24 July 2013

Mr Brad Watts
General Manager
Australian Hotels Association-Australian Capital Territory Branch

Sent by email: watts@actaha.org.au

Dear Mr Watts,

Failure to lodge audited financial report - [FR2012/584] and election notification

Our records indicate that the Australian Capital Territory Branch of the Australian Hotels Association (the reporting unit) has failed to lodge its audited financial report for the financial year ended 31 December 2012 despite the Fair Work Commission reminding the reporting unit of its obligation to do so by letter dated 18 January 2013.

I also note that the Branch has not yet lodged its prescribed information for its 2013 election. Our correspondence of 21 June 2013 brought the lateness of the election to the Branch's attention, which was followed by further communication regarding draft alterations before us at the time. A subsequent telephone message requiring an election was made to the Branch by this office as the timeline for the annual election under the rules had passed and any response from this office concerning the draft alterations could not influence the 2013 election.

As you have previously been advised, section 268 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires reporting units to lodge an audited financial report with the Fair Work Commission within a maximum of 6 months and 14 days of the end of their financial year. In this case, that was no later than 14 July 2013.

Paragraph 7.4 of the FWC Regulatory Compliance Policy (a copy of which is attached) states as follows:

- 7.4 *Where the possible contravention involves failure by an organisation, branch or reporting unit to lodge a matter with FWC in accordance with the timeframes specified in the RO Act, RO Regulations or the rules of the organisation, branch or reporting unit:*
- a. *The Regulatory Compliance Branch will contact the organisation, branch or reporting unit, by telephone and/or in writing, within two weeks to advise that lodgement is overdue;*
 - b. *If lodgement has not occurred within one month of the timeframe specified in the RO Act, RO Regulations or rules, the Regulatory Compliance Branch will advise the organisation, branch or reporting unit that it is seeking voluntary compliance within a specified timeframe and that, in the absence of such voluntary compliance without cause, FWC will commence an inquiry or investigation or initiate court proceedings; and*
 - c. *If lodgement has not occurred within the timeframe specified in the correspondence referred to in paragraph b and the organisation, branch or reporting unit has not been able to show cause regarding why it should not do so, FWC will commence an inquiry or investigation or initiate court proceedings in accordance with this policy as soon as reasonably practicable.*

Section 331 of the RO Act empowers the General Manager of the Fair Work Commission to investigate compliance by a reporting unit (such as the Australian Capital Territory Branch of the Australian Hotels Association), its officers, employees and auditor(s) with:

- Part 3 of Chapter 8 of the RO Act;
- the reporting guidelines made under that Part;
- the regulations made for the purposes of that Part;
- the Australian Hotels Association-Australian Capital Territory Branch rules regarding finances and financial administration; and
- civil penalty provisions of the RO Act (see s.305).

In accordance with the processes specified in paragraph 7.4(b) of the *FWC Regulatory Compliance Policy* which are set out above, the reporting unit is required to lodge its outstanding audited financial report and election notification under s.189 with the Fair Work Commission by no later than 14 August 2013.

Should the reporting unit fail to do so without reasonable cause, the General Manager or her Delegate may commence an investigation under s.331 of the RO Act without further notice.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au .

Yours sincerely,



Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch