



FAIR WORK
COMMISSION

28 June 2016

Ms Jo Broad
General Manager
Australian Capital Territory Branch
Australian Hotels Association

Sent via email: gm@actaha.org.au

Dear Ms Broad

Re: Lodgement of Financial Statements and Accounts – Australian Hotels Association, Australian Capital Territory Branch - for year ended 31 December 2015 (FR2015/404)

I refer to the financial report for the Australian Capital Branch of the Australian Hotels Association. The report was lodged with the Fair Work Commission on 10 June 2016.

The financial report has been filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

I acknowledge receipt of your email of 23 June 2016 providing further information, and you are not required to take any further action in respect of the report lodged. However I make the following comments to assist you when preparing the next financial report. Please note that the financial report for the year ending 31 December 2016 may be subject to an advanced compliance review, and FWC will confirm these concerns have been addressed prior to filing next year's report.

Committee of Management statement must be audited/ Committee of Management meeting must be prior to audit

The Committee of Management statement lodged with the financial report stated the committee's resolution in respect of the financial statements was passed on 27 May 2016 which was after the statements were audited, and after the date on which the full report was purported to have been provided to the members. Your subsequent email advised that the Committee of Management statement should have indicated, and been dated, 27 April 2016.

To make it clear, section 257(1) of the RO Act requires the financial report, which includes the Committee of Management statement, to be audited, and section 265(1) makes it evident that the committee meeting must be held, and the committee of management statement signed, *before* the Auditor signs his or her report.

Auditor's Statement must be signed before full report provided to members

One of the key requirements of the RO Act is that a reporting unit must provide members with a full or concise report (section 265(1)). A full report or concise report must contain the signed Auditor's Statement.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 6746 3283 or 0429 462 979 or by email at stephen.kellett@fwc.gov.au

Yours sincerely

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

Principal Phillip W Miller CA
Address Unit 1/37 Geils Court, Deakin ACT 2600
PO Box 105, Deakin West ACT 2600
Suite 1.3, 33 Hibberson Street
Gungahlin ACT 2912
Phone (02) 6215 7600
Fax (02) 6281 7708
Web www.mcsaudit.com.au
ASIC Authorised Audit Company No. 408893

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

Report on the Financial Report

I have audited the accompanying general purpose financial report of Australian Hotels Association – ACT Branch for the year ended 31 December 2015, comprising the Statement of Comprehensive Income, Statement of Financial Position as at 31 December 2015, Statement of Changes in Equity, Cash Flow Statement, Notes to and Forming Part of the Financial Statements and the Committee of Management Statement.

Committee's Responsibility for the Financial Report

The Registered Organisation's 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.

As part of the audit of the financial statement, I have concluded that management's use of the going concern basis of accounting in the preparation of the entity's financial statements is appropriate.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. Those Auditing Standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

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

Auditors Opinion

In my opinion, the financial report presents fairly, in all material respects the financial position of Australian Hotels Association – ACT Branch as of 31 December 2015 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 1/37 Geils Court, Deakin ACT 2600

Dated:

18 May 2016

AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

ABN: 37 315 422 917

s.268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 31 December 2015

I, Michael Capezio, being the President of the Australian Hotels Association – ACT Branch certify:

I, Mark Sproat, being the Secretary of the Australian Hotels Association – ACT Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Hotels Association – ACT Branch for the period ended 31 December 2015 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 27 April 2016; and
- that the full report was presented to a general meeting of members and a meeting of the committee of management of the reporting unit on 26 May 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:.....

Name of prescribed designated officer: Michael Capezio

Title of prescribed designated officer: President

Dated:

Signature of prescribed designated officer:.....

Name of prescribed designated officer: Mark Sproat

Title of prescribed designated officer: Secretary

Dated:

AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

ABN: 37 315 422 917

OPERATING REPORT

for the period ended 31 December 2015

The committee presents its report on the reporting unit for the financial year ended 31 December 2015.

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

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 6,118 (2014: surplus of \$23,523). 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. AHA ACT members include licensed pubs, cafes, bars, restaurants, accommodation hotels and nightclubs 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, advocacy on key industry issues and how to integrate new products and technologies into hospitality businesses.
The AHA ACT works and consults with a wide spectrum of stakeholders and Government representatives in the ACT including Government agencies, police, political leaders from all sides of politics and other key industry groups.
3. In the political arena during 2015, the AHA ACT was actively involved in advocating industry's policy positions which included providing a more competitive regulatory and

operating environment by reducing red tape and regulation for licensed hospitality, enabling businesses to grow and prosper. We lobbied against introducing "scores on doors" in the ACT as well as boosting tourism spending to attract more tourists to the ACT.

4. On alcohol and liquor licensing, AHA ACT lobbied the ACT Government for further consideration on the impacts of pre-loading and alcohol-related problem behaviour across the city and entertainment precincts, which has received support from senior police officers. AHA ACT made representations to ACT Policing as well as key political leaders.
5. AHA ACT proactively contributed to the two year *Review of the Liquor Act*, highlighting the challenges and rising costs facing the sector – calling for off-license venues to be paying higher fees to combat pre-fuelling and reward licensees for compliance with liquor fee reductions. AHA ACT has also highlighted its policy positions through the Liquor Advisory Board.
6. The AHA ACT held the annual AHA ACT Hospitality Awards in July 2015, attended by more than 400 industry leaders, politicians and industry representatives. The ACT had one home-town winner at the AHA National Awards for Excellence on the Gold Coast, Jamala Park.

Significant changes in financial affairs

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

Right of members to resign

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 addressing:

- that they cease to be an employer in the (hotel and hospitality) industry or cease to be engaged therein;
- that 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.

Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

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.

No members were a director of a company or a member of a board on behalf of the Association.

Number of members

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 78.

A register of members of the Branch has been kept and maintained during the immediately preceding calendar year (2014) as required by ss230 (1) (a) and (2).

Number of employees

One-and-a-half full-time equivalent employees were employed by the ACT Branch between the 2015 financial reporting period.

Names of Committee of Management members and period positions held during the financial year

Mr Michael CAPEZIO

President

Representative to the National Board

Mr Manuel NOTARAS

Vice-President

Mr Mark SPROAT

Secretary Treasurer

President – Accommodation Division

Representative to the National Accommodation Division

Mr Peter BARCLAY

Divisional Representative to the Board – Molonglo Division

Mr Josh GRAY

Divisional Representative to the Board – Molonglo Division

All officer bearers served the full-term of the financial reporting period.

The address for all persons named in Schedule A is 24 Brisbane Avenue BARTON ACT 2600.

The occupation for all persons named in Schedule A is 'Hotelkeeper'.

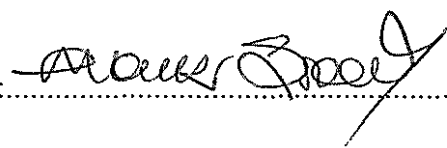
There were no new branches or divisions established and no branches or divisions ceased to operate in 2015.

Signature of prescribed designated officer:.....

Name of prescribed designated officer: Michael Capezio

Title of prescribed designated officer: President

Dated:

Signature of prescribed designated officer:.....

Name of prescribed designated officer: Mark Sproat

Title of prescribed designated officer: Secretary

Dated:

AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

ABN: 37 315 422 917

COMMITTEE OF MANAGEMENT STATEMENT

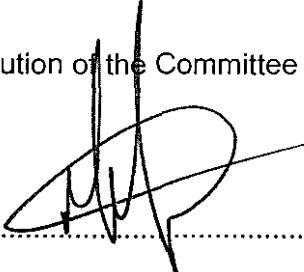
for the period ended 31 December 2015

On the 27th day of May 2016 the Board of the Australian Hotels Association – ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2015:

The committee of management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (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 RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) the reporting unit has not derived revenue from undertaking recovery of wages activity during the reporting period.

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

Signature of prescribed designated officer:.....

Name of prescribed designated officer: Michael Capezio

Title of prescribed designated officer: President

Dated:

Signature of prescribed designated officer:.....

Name of prescribed designated officer: Mark Sproat

Title of prescribed designated officer: Secretary

Dated:

AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

ABN: 37 315 422 917

STATEMENT OF COMPREHENSIVE INCOME*for the period ended 31 December 2015*

	Notes	2015 \$	2014 \$
Revenue			
Membership subscription*		94,039	92,420
Capitation fees	3A	-	-
Levies	3B	9,064	-
Interest	3C	2,999	3,491
Sponsorship revenue	3D	115,097	132,091
Other revenue	3E	66,216	78,380
Total revenue		287,415	306,382
Other Income			
Grants and/or donations	3F	-	-
National office management fee	3G	726	11,365
Total other income		726	11,365
Total income		288,141	317,747
Expenses			
Employee expenses	4A	176,971	191,430
Capitation fees	4B	2,329	8,305
Affiliation fees	4C	2,346	300
Administration expenses	4D	95,359	88,907
Grants or donations	4E	-	-
Depreciation and amortisation	4F	259	286
Finance costs	4G	759	996
Legal costs	4H	-	-
Audit fees	12	4,000	4,000
Other expenses	4I	-	-
Total expenses		282,023	294,224
Profit (loss) for the year		6,118	23,523
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		-	-
Total comprehensive income for the year		6,118	23,523

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

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

ABN: 37 315 422 917

STATEMENT OF FINANCIAL POSITION

as at 31 December 2015

	Notes	2015 \$	2014 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	160,816	202,624
Trade and other receivables	5B	81,196	73,727
Other current assets	5C	1,100	1,329
Total current assets		243,112	277,680
Non-Current Assets			
Plant and equipment	6	-	259
Total non-current assets		-	259
Total assets		243,112	277,939
LIABILITIES			
Current Liabilities			
Trade payables	7A	4,157	44,000
Other payables	7B	149,495	127,597
Employee provisions	8	-	17,004
Total current liabilities		153,652	188,601
Non-Current Liabilities			
Employee provisions	8A	-	5,996
Total non-current liabilities		-	5,996
Total liabilities		153,653	194,597
Net assets		89,460	83,342
EQUITY			
Retained earnings (accumulated deficit)	9	89,460	83,342
Total equity		89,460	83,342

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

AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

ABN: 37 315 422 917

STATEMENT OF CHANGES IN EQUITY

for the period ended 31 December 2015

	Notes	Retained earnings \$	Total equity \$
Balance as at 1 January 2014		60,998	60,998
Adjustment for errors		(1,179)	(1,179)
Profit for the year		23,523	23,523
Closing balance as at 31 December 2014		83,342	83,342
Profit for the year		6,118	6,118
Closing balance as at 31 December 2015		89,460	89,460

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

AUSTRALIAN HOTELS ASSOCIATION – ACT BRANCH

ABN: 37 315 422 917

CASH FLOW STATEMENT

for the period ended 31 December 2015

	Notes	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from AHA National Office	10B	726	55,365
Interest		2,999	3,491
Other		324,024	301,588
Cash used			
Employees		(195,462)	(151,301)
Suppliers and others		(165,906)	(142,505)
Payment to AHA National Office	10B	(8,189)	(8,605)
Net cash from (used by) operating activities	10A	(41,808)	58,033
Net increase (decrease) in cash held		(41,808)	58,033
Cash & cash equivalents at the beginning of the reporting period		202,624	144,591
Cash & cash equivalents at the end of the reporting period	5A	160,816	202,624

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

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Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

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

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

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

There are no accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

The accounting policies adopted are consistent with those of the previous financial year except for the following standards, which have been adopted for the first time this financial year:

- AASB 10 *Consolidated Financial Statements* redefines the concept of control. AASB 10 replaces the consolidation requirements of SIC-12 Consolidation—Special Purpose Entities and AASB 127 Consolidated and Separate Financial Statements and is effective for not-for-profit entities with annual periods beginning on or after 1 January 2014. This Standard did not have an impact on the Australian Hotels Association – ACT Branch.
- AASB 11 *Joint Arrangements* sets out a new framework for the accounting for joint ventures, including removal of the option to use proportionate consolidation. This Standard did not have an impact on the Australian Hotels Association – ACT Branch.
- AASB 12 *Disclosures of Interests in Other Entities* is a disclosure standard that includes all of the disclosure requirements for subsidiaries, joint arrangements, associates and consolidated and unconsolidated structured entities.

Future Australian Accounting Standards Requirements

There are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on Australian Hotels Association – ACT Branch.

1.5 Revenue

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

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

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

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

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

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.6 Capitation fees and levies

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

1.7 Employee benefits

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

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

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

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

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

1.8 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.9 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.10 Financial instruments

Financial assets and financial liabilities are recognised when Australian Hotels Association – ACT Branch becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.11 Financial assets

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

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in

- accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.12 Financial Liabilities

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

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.13 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.14 Plant and Equipment

Asset Recognition Threshold

Purchases of plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2015	2014
Plant and equipment	4 years	4 years

Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.15 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Australian Hotels Association – ACT Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.16 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

1.17 Taxation

The Australian Hotels Association – ACT Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

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

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

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

1.18 Fair value measurement

The Australian Hotels Association – ACT Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 14A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Australian Hotels Association – ACT Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Australian Hotels Association – ACT Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the [reporting unit] determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Australian Hotels Association – ACT Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.19 Going concern

Australian Hotels Association – ACT Branch is not reliant on any of the agreed financial support to continue on a going concern basis.

Australian Hotels Association – ACT Branch has not agreed to provide anyone with financial support to ensure they can continue on a going concern basis.

1.20 Acquire an asset or a liability

The entity has not required an asset or a liability during the financial year as a result of:

- a) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation(of which the entity form part) was the amalgamated organization; or
- b) a restructure of the branches of the organisation; or
- c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1); or
- e) as part of a business combination.

1.21 Financial affairs

The entity's financial affairs are not administrated by any other entity during the financial year.

Note 2 Events after the reporting period

There were no events that occurred after 31 December 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Hotels Association – ACT Branch.

2015	2014
\$	\$

Note 3 Income

Note 3A: Capitation fees*

AHA National Office	-	-
Total capitation fees	-	-

Note 3B: Levies*

Penalty rates reform levy	9,064	-
Total levies	9,064	-

Note 3C: Interest

Deposits	2,999	3,491
Total interest	2,999	3,491

Note 3D: Sponsorship

General	115,097	132,091
Total sponsorship revenue	115,097	132,091

Note 3E: Other revenues

Advertising	2,451	2,631
AFE income	60,659	44,353
Consultancy fee	100	-
Golf day income	3,006	3,782
Reimbursement – ACT executives	-	2,230
Workers compensation claim	-	25,384
Total other revenues	66,216	78,380

Note 3F: Grants or donations*

Grants	-	-
Donations	-	-
Total grants or donations	-	-

2015	2014
\$	\$

Note 3G: National Office Management Fees

Consultation fees	726	11,365
Total national office management fees	726	11,365

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.

Note 4 Expenses

Note 4A: Employee expenses*

Holders of office:

Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	10,000	15,000
Subtotal employee expenses holders of office	10,000	15,000

Employees other than office holders:

Wages and salaries	133,222	151,301
Superannuation	14,294	13,723
Leave and other entitlements	19,455	11,359
Separation and redundancies	-	-
Other employee expenses	-	47
Subtotal employee expenses employees other than office holders	166,971	176,430
Total employee expenses	176,971	191,430

Note 4B: Capitation fees*

AHA National Office	2,329	8,305
Total capitation fees	2,329	8,305

Note 4C: Affiliation fees*

AHA National Office	2,346	300
Total affiliation fees/subscriptions	2,346	300

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

	2015	2014
	\$	\$
Note 4D: Administration expenses		
Consideration to employers for payroll deductions*	-	-
Compulsory levies*	3,514	-
Fees/allowances - meeting and conferences*	5,104	11,338
Conference and meeting expenses*	2,550	2,836
Office expenses	12,166	14,879
Information communications technology	1,390	227
Other	58,706	48,970
Subtotal administration expense	83,430	78,250
Operating lease rentals:		
Minimum lease payments	11,929	10,657
Total administration expenses	95,359	88,907

Note 4E: Grants or donations*

Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

Note 4F: Depreciation and amortisation

Depreciation		
Property, plant and equipment	259	286
Total depreciation	259	286

Note 4G: Finance costs

Bank charges	759	996
Total other expenses	759	996

Note 4H: Legal costs*

Litigation	-	1,164
Other legal matters	-	-
Total legal costs	-	1,164

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

	2015 \$	2014 \$
Note 4I: Other expenses		
Penalties - via RO Act or RO Regulations*	-	-
Total other expenses	-	-

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	76,424	86,225
Short term deposits	84,392	116,339
Total cash and cash equivalents	160,816	202,624

Note 5B: Trade and Other Receivables

Receivables from other reporting unit*

AHA National Office	264	1,466
Total receivables from other reporting unit	-	-

Less provision for doubtful debts*

AHA National Office	-	-
Total provision for doubtful debts	-	-
Receivable from other reporting unit (net)	264	1,466

Other receivables:

GST receivable from the Australian Taxation Office	2,239	2,204
Other trade receivables	78,693	70,057
Total other receivables	80,932	72,261
Total trade and other receivables (net)	81,196	73,727

Note 5C: Other Current Assets

Prepayments	1,100	1,329
Total other current assets	1,100	1,329

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

2015	2014
\$	\$

Note 6 Non-current Assets – Plant and equipment

Plant and equipment:

at cost	5,260	5,260
accumulated depreciation	(5,260)	(5,001)
Total plant and equipment	-	259

Reconciliation of the Opening and Closing Balances of Plant and Equipment

As at 1 January

Gross book value	5,260	5,260
Accumulated depreciation and impairment	(5,001)	(4,715)
Net book value 1 July	259	545

Additions:

Depreciation expense	(259)	(286)
Net book value 31 December	-	259

Net book value as of 31 December represented by:

Gross book value	5,260	5,260
Accumulated depreciation and impairment	(5,260)	(5,001)
Net book value 31 December	-	259

Note 7 Current Liabilities

2015	2014
\$	\$

Note 7A: Trade payables

Trade creditors and accruals	4,067	-
Subtotal trade creditors	4,067	-

Payables to other reporting unit*

AHA National Office	90	44,000
Subtotal payables to other reporting unit	90	44,000

Total trade payables

4,157	44,000
--------------	---------------

Settlement is usually made within 30 days.

	2015	2014
	\$	\$
Note 7B: Other payables		
Superannuation	4,564	7,758
Consideration to employers for payroll deductions*	-	-
Legal costs*	-	-
Prepayments received/unearned revenue	117,241	99,764
GST payable	18,672	16,549
Other	9,018	3,526
Total other payables	149,495	127,597

Total other payables are expected to be settled in:

No more than 12 months	149,495	127,597
More than 12 months	-	-
Total other payables	149,495	127,597

Note 8: Employee Provisions*

Office Holders:

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-

Subtotal employee provisions—office holders

-	-
---	---

Employees other than office holders:

Annual leave	-	17,004
Long service leave	-	5,996
Separations and redundancies	-	-
Other	-	-

Subtotal employee provisions—employees other than office holders

-	23,000
---	--------

Total employee provisions

-	23,000
---	--------

Current	-	17,004
Non Current	-	5,996
Total employee provisions	-	23,000

Note 9 Equity

Retained earnings		
Balance as at start of year	83,342	60,998
Current year earnings	6,118	23,523
Adjustment for errors	-	(1,179)
Balance as at end of year	89,460	83,342

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

2015	2014
\$	\$

Note 10 Cash Flow

Note 10A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	160,816	202,624
Balance sheet	160,816	202,624
Difference	-	-

Reconciliation of profit/(deficit) to net cash from operating activities:

Profit/(deficit) for the year	6,118	23,523
Prior year adjustment	-	1,179

Adjustments for non-cash items

Depreciation/amortisation	259	286
---------------------------	-----	-----

Changes in assets/liabilities

(Increase)/decrease in net receivables	(7,469)	(24,382)
(Increase)/decrease in prepayments	229	(131)
Increase/(decrease) in supplier payables	(39,843)	44,000
Increase/(decrease) in other payables	21,899	4,558
Increase/(decrease) in employee provisions	(23,001)	9,000
Net cash from (used by) operating activities	(41,808)	58,033

Note 10B: Cash flow information*

Cash inflows		
AHA National Office	726	55,365
Total cash inflows	726	55,365

Cash outflows		
AHA National Office	(8,189)	(8,605)
Total cash outflows	(8,189)	(8,605)

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

2015	2014
\$	\$

Note 11 Related Party Disclosures

Note 11A: Honorariums Paid to Key Management Personnel

Honorarium to the president	7,500	7,500
Honorarium to the accommodation division president	2,500	7,500
Total other payables	10,000	15,000

Honorariums were agreed to as part of a Resolution passed by AHA ACT Branch in November 2012. No other payments were paid to key management personnel.

Note 11B: Related Party Transactions – AHA National Office

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

Revenue received from AHA National Office includes the following:

National office management fee	726	55,365
--------------------------------	-----	--------

Expenses paid to AHA National Office includes the following:

Capitation fees	2,329	8,305
Levy	3,514	-
Affiliation fees	2,346	300

Terms and conditions of transactions with related parties

National Office Management Fee income relates to consultation fees received by AHA ACT Branch for services and strategic advice provided to National Head Office on normal commercial terms.

In regards to the capitation fees, the AHA ACT Branch included the \$273 Annual Affiliation fee for 2015 in the total Capitation fees for AHA National Office.

Apart from the above Related Party Transactions, there is no other related party transaction occurred for the year ended 31 December 2015.

Note 12 Remuneration of Auditors

Value of the services provided

Financial statement audit services	4,000	4,000
Other services	-	-
Total remuneration of auditors	4,000	4,000

[No other services were provided by the auditors of the financial statements.]

2015	2014
\$	\$

Note 13 Financial Instruments

Note 13A: Categories of Financial Instruments

Financial Assets

Cash and cash equivalent:

Cash at bank

76,424	86,225
--------	--------

Total

76,424	86,225
--------	--------

Short term investments:

Bank deposits

84,392	116,399
--------	---------

Total

84,392	116,399
--------	---------

Receivables:

Trade debtors

78,957	71,523
--------	--------

Total

78,957	71,523
--------	--------

Carrying amount of financial assets

239,773	274,147
---------	---------

Financial Liabilities

Accounts payables:

AHA National Office

-	44,000
---	--------

Trade creditors

4,157	-
-------	---

Total

4,157	44,000
-------	--------

Carrying amount of financial liabilities

4,157	44,000
-------	--------

Note 13B: Net Income and Expense from Financial Assets

Short term investment

Interest revenue

2,999	3,491
-------	-------

Net gain/(loss) short term investments

2,999	3,491
-------	-------

Net gain/(loss) from financial assets

2,999	3,491
-------	-------

Note 13C: Net Income and Expense from Financial Liabilities

The net income/expense from financial liabilities not at fair value from profit and loss is \$ 0 (2014: \$ 0).

Note 13D: Financial Risk Management

Financial Risk Management Policies

The Board's overall risk management strategy seeks to assist the AHA ACT Branch in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

a. Credit Risk

The AHA ACT Branch does not have any material credit risk exposure as its major source of revenue is the receipt of member subscriptions and sponsorship income.

Credit Risk Exposures

The maximum exposures to credit risk by class of recognised financial assets (net of any provisions) are presented in the Statement of Financial Position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved Board policy.

Ageing of financial assets that were past due but not impaired for 2015

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
AHA National Office	-	-	88	176	264
Others	-	73,443	-	5,250	78,693
Total	-	73,443	88	5,426	78,957

b. Liquidity Risk

Liquidity risk arises from the possibility that the AHA ACT Branch might encounter difficulty in settling its debt or otherwise meeting its obligations in relation to financial liabilities. The AHA ACT Branch manages the risk through the following mechanisms:

- Preparing forward looking cash flow analysis in relation to its operation, investing and financing activities;
- Maintaining a reputable credit profile;
- Managing credit risk related to financial assets;
- Only investing surplus cash with major financial institutions; and
- Comparing the maturity profile of financial liabilities with the realization profile of financial assets.

Contractual maturities for financial liabilities 2015

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
		\$	\$	\$	\$	\$
AHA National Office	-	90	-	-	-	90
Others	-	4,067	-	-	-	4,067
Total	-	4,157	-	-	-	4,157

c. Market Risk

i: Interest rate risk

Reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed assets. Such risk is managed through diversification of investments across asset classes.

li: Price risk

The AHA ACT Branch does not have any material price risk.

Note 14 Fair Value Measurement – Financial Assets and Liabilities

Management of the Australian Hotels Association – ACT Branch assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties.

The following table contains the carrying amounts and related fair values for the Australian Hotels Association ACT Branch's financial assets and liabilities:

	Fair value 2015 \$	Fair value 2015 \$
Financial Assets		
Cash at bank	76,424	86,225
Short term deposits	84,392	116,399
Trade debtors	78,957	71,523
Total	239,773	274,147
Financial Liabilities		
Payables to AHA National Office	90	44,000
Other trade creditors	4,067	0
Total	4,157	44,000

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The hierarchy consist on the following levels:

Fair value hierarchy – 31 December 2015

	Level 1 \$	Level 2 \$	Level 3 \$
Assets measured at fair value			
Available for sale financial assets	-	-	-
Held to maturity financial assets	-	84,392	-
Total	-	84,392	-

Fair value hierarchy – 31 December 2014

	Level 1	Level 2	Level 3
Assets measured at fair value	\$	\$	\$
Available for sale financial assets	-	-	-
Held to maturity financial assets	-	116,399	-
Total	-	116,399	-

- (1) Quoted prices in active markets identical assets or liabilities (level 1);
- (2) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, wither directly (as prices) or indirectly (derived from prices) (level 2);
- (3) Inputs for asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Note 15 Key Management Personnel Compensation

	2015	2014
	\$	\$
Short-term employee benefits	175,677	122,964
Post-employments employee benefits	14,294	11,530
Other long-term employee benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
Total compensation paid	189,971	134,494

Note 16: Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or General Manager:

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