



AUSTRALIAN INDUSTRIAL REGISTRY

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Mr Michael Burns
President
Australian Hotels Association
Northern Territory Branch
GPO Box 3270
DARWIN NT 0801

Dear Mr Burns

RE: Financial Return for Financial Year ended 30 June 2003 - FR2003/493

Reference is made to the financial documents of the Northern Territory Branch of the Australian Hotels Association for the year ended 30 June 2003; the documents were lodged on 16 March 2004.

While the documents have been filed the following matters are drawn to your attention.

Accounting Officer's Certificate

A certificate prepared under regulation 109(1)(a) of the *Workplace Relations Regulations* is to be prepared by the (elected) officer responsible for the keeping of the accounting records - refer regulation 109(4) of the *Workplace Relations Regulations* and section 4 of the *Workplace Relations Act 1996*. It would seem that the Branch Treasurer, Mr Justin Coleman, rather than the Administration Officer is the appropriate person to prepare such a certificate.

New legislation

Please note that the reporting obligations for the financial year ending 30 June 2004 will be governed by the requirements of the *RAO Schedule* of the *Workplace Relations Act 1996*.

Should you wish to discuss this letter please contact me on (03) 8661 7985 Mondays - Thursdays.

Yours sincerely

Sylvia van Riet
Statutory Services Branch


5 April 2004

Rec'd 16/3/04
G

FR2003/493

PRESIDENT'S CERTIFICATE

I, Michael Burns being the President of the Australian Hotels Association, Northern Territory Branch certify that the documents so lodged are copies of the auditors report, accounts and statements which were presented to members at the Annual General Meeting held on 2nd December 2003 in accordance with Section 265.

Signed: 

Dated:10/3/04.....

**AUSTRALIAN HOTELS ASSOCIATION
- NORTHERN TERRITORY BRANCH**

FINANCIAL STATEMENTS

30 JUNE 2003

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AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

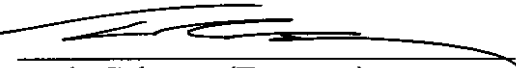
COMMITTEE OF MANAGEMENT'S CERTIFICATE

We, Justin Coleman and Michael Burns, being two members of the Committee of Management of the Australian Hotels Association - Northern Territory Branch do state on behalf of the Committee and in accordance with a resolution passed by the Committee, that:

- (i) in the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Branch as at 30 June 2003;
- (ii) in the opinion of the Committee of Management, meetings of the Committee were held during the year ended 30 June 2003 in accordance with the rules of the organisation;
- (iii) to the knowledge of any member of the Committee, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under subsection 274(1) of the Workplace Relations Act, 1996) or copies of those records or documents, or copies of the rules of the organisation, have not been furnished, or made available to members in accordance with the requirements of the Workplace Relations Act, 1996, the Regulations thereto, or the rules of the organisation; and
- (iv) the Branch has complied with subsection 279(1) and (5) of the Act in relation to the financial accounts in respect of the year ended 30 June 2002 and the Auditor's report thereon.



Michael Burns (President)



Justin Coleman (Treasurer)

DARWIN

Date 8/10/03

AUSTRALIAN HOTELS ASSOCIATION - NORTHERN TERRITORY BRANCH

ACCOUNTING OFFICER'S CERTIFICATE

I, Cecilia Palma, being the Officer responsible for keeping the accounting records of the Australian Hotels Association - Northern Territory Branch certify that as at 30 June 2003 the number of members of the Branch was 151.

In my opinion:

- (i) the attached accounts show a true and fair view of the financial affairs of the Branch as at 30 June 2003;
- (ii) a record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, with the rules of the organisation;
- (iii) before any expenditure was incurred approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;
- (iv) with regard to funds of the organisation raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- (v) no loans or other financial benefits, other than remuneration in respect of their full-time employment with the organisation, were made to persons holding office in the organisation; and
- (vi) the register of members of the Branch was maintained in accordance with the Act.

Cecilia Palma
Cecilia Palma (Administration Officer)

DARWIN
Date: 8/10/03

Independent audit report to members of Australian Hotels Association – Northern Territory Branch

Scope

The financial report and committee of managements' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, the Accounting Officer's certificate and the Committee of Management's certificate for the year ended 30 June 2003.

The Association's committee of management is responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the association, and that complies with Accounting Standards in Australia, in accordance with the Workplace Relations Act 1996 and the Association's constitution. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the association. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards in Australia, other mandatory financial reporting requirements in Australia, and the Association's constitution, a view which is consistent with our understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee of management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the committee of management of the association.

Independence

We are independent of the Association, and have met the independence requirements of Australian professional ethical pronouncements.

Audit opinion

In our opinion:

- (i) there were kept by the Association in relation to the year satisfactory accounting records, including:
 - (a) records of the sources and nature of the income of the Association (including income from members); and
 - (b) records of the nature and purposes of the expenditure of the Association;
- (ii) the financial statements in relation to the year were properly drawn up so as to give a true and fair view of:
 - (a) the financial affairs of the organisation as at the end of the year;
 - (b) the income and expenditure, and any surplus or deficit, of the organisation for the year; and
 - (b) the results and cash flows of the organisation for the year then ended;
- (iii) all the information and explanations that, under subsection (2), officers or employees of the organisation were required to provide were provided.

in accordance with Accounting Standards and other mandatory professional reporting requirements and the provisions of Section 273 of the Workplace Relations Act, 1996, as amended.



Aminul Islam
Partner of Ernst & Young
Registered Company Auditor
DARWIN

Date: 22 October 2003

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE
YEAR ENDED 30 JUNE 2003**

	Notes	2003 \$	2002 \$
REVENUES FROM ORDINARY ACTIVITIES	2	434,268	348,889
Depreciation and amortisation expenses	3	(5,201)	(7,028)
Interest expense	3	(110)	(564)
Salaries paid to employees and employee benefits expenses:			
- Wages and salaries		(151,480)	(110,446)
- Superannuation		(12,888)	(8,685)
- Long Service Leave		(2,611)	(1,369)
- Fringe benefits		0	(19,786)
Other expenses from ordinary activities		(258,933)	(221,515)
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		3,045	(20,504)
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES		0	0
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE		3,045	(20,504)
NET PROFIT/(LOSS)		3,045	(20,504)
NET PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE AUSTRALIAN HOTELS ASSOCIATION		3,045	(20,504)
TOTAL CHANGES IN MEMBERS FUNDS		3,045	(20,504)

The statement of financial performance should be read in conjunction with the accompanying notes.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2003**

	Note	2003 \$	2002 \$
CURRENT ASSETS			
Cash	9	128,164	107,645
Receivables	4	31,920	30,111
Other	5	2,260	3,588
TOTAL CURRENT ASSETS		162,344	141,344
NON-CURRENT ASSETS			
Property, plant and equipment	6	17,650	22,851
TOTAL NON-CURRENT ASSETS		17,650	22,851
TOTAL ASSETS		179,994	164,195
CURRENT LIABILITIES			
Payables		32,226	22,482
Provision for annual leave		11,278	4,640
Interest bearing liabilities	7	0	1,739
Members' fees received in advance		0	4,500
TOTAL CURRENT LIABILITIES		43,504	33,361
LONG TERM LIABILITIES			
Provision for Long Service Leave		5,901	3,290
Interest bearing liabilities	7	0	0
TOTAL LONG TERM LIABILITIES		5,901	3,290
TOTAL LIABILITIES		49,405	36,651
NET ASSETS		130,589	127,544
Accumulated funds	8	130,589	127,544
MEMBERS' FUNDS	8	130,589	127,544

The statement of financial position should be read in conjunction with the accompanying notes.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2003**

	Note	2003 \$	2002 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		399,303	285,025
Payments to suppliers and employees		(407,492)	(364,970)
Interest received		5,557	5,657
Borrowing costs		(110)	(564)
Grants received		25,000	40,000
NET CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES	9	22,558	(34,852)
CASH FLOWS FROM INVESTING ACTIVITIES			
Repayments of capital on finance lease		(1,739)	(3,774)
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		(1,739)	(3,774)
NET INCREASE/(DECREASE) IN CASH HELD		20,519	(38,626)
Add opening cash brought forward		107,645	146,271
CLOSING CASH CARRIED FORWARD	9	128,164	107,645

The statement of cash flows should be read in conjunction with the accompanying notes.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

The financial report covers Australian Hotels Association – Northern Territory Branch as an individual entity. Australian Hotels Association - Northern Territory Branch is a registered industrial body under the Workplace Relations Act 1996.

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 stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash, net of outstanding bank overdrafts.

Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Employee Entitlements

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

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

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity.

Grants are taken up as income in the year to which the funds relate. All revenue is stated net of the amount of goods and services tax (GST).

Income tax

The Association believes that it is exempt from income tax under Section 50 (15) of the Income Tax Assessment Act.

Plant and equipment

Cost

Plant and equipment are carried at cost. The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present value in determining recoverable amounts.

Depreciation

Depreciation on plant and equipment is calculated on the reducing balance method and is charged against income so as to provide for the write down of cost over the estimated life of the asset to the Association.

Major depreciation rates are:	2003	2002
• Motor vehicles	20%	20%
• Plant & equipment	20%	20%
• Computer equipment	40%	40%

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

GST

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

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST

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

In the prior year a GST debtor of \$4,485 was netted off against creditors. In the current year the GST debtor of \$4,077 has been included in current assets, and the prior year comparatives restated.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2003**

	Note	2003 \$	2002 \$
2. REVENUE FROM OPERATING ACTIVITIES			
Revenues from operating activities			
Conference & Trade Fair		52,164	47,467
Associate Membership		23,876	11,251
Corporate members/commission		15,827	11,866
Corporate Sponsorship		110,327	90,827
Gold Plate Awards		28,788	22,774
Golf Day		8,527	7,027
Levies		18,555	0
Luncheons/dinners		18,410	10,199
Magazine income		3,468	0
Membership fees and subscriptions		111,166	100,985
NT Government grants	12	25,000	40,000
Tobacco educational program		9,081	0
Sundry income		3,522	836
Total revenues from operating activities		428,711	343,232
Revenues from non-operating activities			
Interest received		5,557	5,657
Total revenues from non-operating activities		5,557	5,657
Total revenues from ordinary activities		434,268	348,889
3. EXPENSES			
Depreciation of non-current assets			
Motor Vehicle		3,051	3,813
Plant & Equipment		969	1,247
Computer & Equipment		1,181	1,968
Total depreciation of non current assets		5,201	7,028
Borrowing costs expensed			
Interest – Finance lease		110	564
Doubtful debts expense		2,599	2,530
Superannuation contributions		12,888	8,685
Auditors remuneration		3,200	3,850
Professional fees		4,000	4,358
Donations		603	462

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2003**

	2003 \$	2002 \$
4. RECEIVABLES		
Trade debtors	27,843	28,156
Provision for doubtful debts	0	(2,530)
GST receivable	4,077	4,485
	31,920	30,111
5. OTHER		
Prepayments	2,260	3,588
6. PROPERTY, PLANT & EQUIPMENT		
Motor vehicle		
At cost	26,750	26,750
Provision for depreciation	(14,547)	(11,496)
	12,203	15,254
Plant and equipment		
At cost	11,832	11,832
Provision for depreciation	(8,157)	(7,188)
	3,675	4,644
Computer equipment		
At cost	10,605	10,605
Provision for depreciation	(8,833)	(7,652)
	1,772	2,953
Total written down amount	17,650	22,851

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2003**

NOTE 6(b): NON-CURRENT ASSETS (Reconciliations)

	2003 \$	2002 \$
Motor Vehicles		
Carrying amount at beginning	15,254	19,067
Depreciation expense	(3,051)	(3,813)
Written down value	12,203	15,254
Plant and Equipment		
Carrying amount at beginning	4,644	5,891
Depreciation expense	(969)	(1,247)
Written down value	3,675	4,644
Plant and equipment under lease		
Carrying at beginning	2,953	4,921
Depreciation expense	(1,181)	(1,968)
Written down value	1,772	2,953
TOTAL PROPERTY, PLANT AND EQUIPMENT	17,650	22,851

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2003**

7. INTEREST BEARING LIABILITIES

	2003 \$	2002 \$
<i>Lease liability</i>		
Amounts payable		
- not later than one year		1,803
- later than one year but not later than five years		<u>0</u>
Minimum lease payments		1,803
Less future finance charges		<u>64</u>
		<u>1,739</u>
This is represented by		
Current		1,739
Non-current		<u>0</u>
		<u>1,739</u>

The finance lease terminated in December 2002 and the computer asset was purchased for consideration of \$1.00.

8. ACCUMULATED FUNDS

	2003 \$	2002 \$
Accumulated surplus at start of year		148,048
Surplus/(Deficit) for the year		(20,504)
ACCUMULATED FUNDS		<u>127,544</u>

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2003**

	2003 \$	2002 \$
9. STATEMENT OF CASH FLOWS		
a) Reconciliation of cash		
Cash balance comprises:		
- Cash on hand	200	200
- Cash in bank	127,964	107,445
Closing cash balance	128,164	107,645
b) Reconciliation of the operating surplus/(deficit) to the net cash flows from operations:		
Operating surplus/(deficit)	3,045	(20,504)
Depreciation - plant and equipment	5,201	7,030
Changes in assets and liabilities:		
(Increase)/Decrease in Receivables	(1,809)	(15,677)
Decrease/(Increase) in Prepayments	1,328	(1,650)
Increase/(Decrease) in Creditors	5,244	(8,739)
Increase in Provision for employee entitlements	9,249	2,188
Increase in Fees received in advance	0	2,500
Net cash flows provided by/(used in) operating activities	22,258	(34,852)

10. GOING CONCERN

The accounts have been prepared on the going concern basis. The ability of the Branch to continue as a going concern is dependent upon the continued support of its members and the government.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2003**

	2003 \$	2002 \$
11. NT GOVERNMENT GRANTS		
Dept of Health and Community Services - Tobacco Education	25,000	0
LWA Grant - Drink Sense	0	40,000
	25,000	40,000

12. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, as amended, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of Section 274 which reads as follows:

SECTION 274 INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

274(1) [Application for information] A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.

274(2) [Provision of information] An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.

274(3) [Function of Registrar] A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2003

13. CONTINGENT LIABILITIES

No formal exemption from income tax under Section 50 (15) of the Income Tax Assessment Act has been granted by the Australian Taxation Office. The Association however believes that it is exempt and as such no liability has been booked in the accounts.

14. SEGMENT INFORMATION

The Association operates for the mutual benefit of its members in regards to industrial relations in Australia.

The principal place of business is Darwin, Australia.

There are 3 employees.

15: FINANCIAL INSTRUMENTS

Note 15 (a) Interest rate risk

The Association's exposure to interest rate risks and the effective interest rates of the financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instrument	Floating Interest		Fixed Interest Rate Maturing in:					
			1 year or less		Over 1 to 5 years		More than 5 years	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Financial assets								
Cash	128	108	-	-	-	-	-	-
Receivables - trade	-	-	-	-	-	-	-	-
Total financial assets	128	108	-	-	-	-	-	-
Financial liabilities								
Trade creditors and accruals	-	-	-	-	-	-	-	-
Finance Lease	-	-	-	2	-	-	-	-
Total financial liabilities	-	-	-	2	-	-	-	-

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2003**

15: FINANCIAL INSTRUMENTS (cont)

Note 15 (a) Interest rate risk

Financial Instruments	Non-interest bearing		Total carrying amount as per the balance sheet		Weighted average effective interest rate (*)	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 %	2002 %
Financial assets						
Cash	-	-	128	108	3	3
Receivables	32	28	32	28	N/A	N/A
Total financial assets	32	28	160	136		
Financial liabilities						
Trade creditors and accruals	32	18	32	18	N/A	N/A
Fees received in advance	-	5	-	5	N/A	N/A
Finance Lease	-	2	-	2	N/A	15.5
Total financial liabilities	32	25	32	25		

(*) The nominal rate is used as the difference is immaterial.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2003**

15: FINANCIAL INSTRUMENTS (cont)

Note (b) Net fair values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date, are as follows:

	Total carrying amount as per the balance sheet		Aggregate net fair value	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Financial assets				
Cash	128	108	128	108
Receivables	32	28	32	28
Total financial assets	160	136	160	136
Financial liabilities				
Trade creditors and accruals	32	18	32	18
Fees received in advance	-	5	-	5
Finance Lease	-	2	-	2
Total financial liabilities	32	25	32	25

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities

Recognised financial instruments

Cash, cash equivalents and short-term investments: The carrying amount approximates fair value because of their short-term to maturity.

Trade receivables payables and finance leases: The carrying amount approximates fair value.

Note 15 (c) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH**ACCOUNTANTS' REPORT AND DISCLAIMER OF OPINION**

To the members of The Australian Hotels Association – NT Branch

The additional financial data presented on pages 22 to 23 is in accordance with the books and records of the company which have been subjected to auditing procedures applied in our audit of the association for the year ended 30 June 2003.

It will be appreciated that our audit did not cover all details of the additional data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person in respect of such data, including any errors or omissions therein however caused.



Ernst & Young
Chartered Accountants

DARWIN

Date: 22 October 2003

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**STATEMENT OF INCOME & EXPENDITURE
YEAR ENDED 30 JUNE 2003**

	2003 \$	2002 \$
INCOME		
Conference & Trade Fair	52,164	47,467
Associate Membership	23,876	11,251
Corporate members/commission	15,827	11,866
Corporate Sponsorship	110,327	90,827
Gold Plate Awards	28,788	22,774
Golf Day	8,527	7,027
Interest received	5,557	5,657
Levies	18,555	0
Luncheons/dinners	18,410	10,199
Magazine income	3,468	0
Membership fees and subscriptions	111,166	100,985
NT Government grants	25,000	40,000
Tobacco educational program	9,081	0
Sundry income	3,522	836
	434,268	348,889
EXPENDITURE		
Accounting and audit	3,200	3,850
Advertising	419	0
Affiliation fees and levies	7,686	7,327
Bad debts expense	2,597	2,530
Bank charges	1,204	2,419
Conference & Trade fairs	59,292	55,822
Credit and charge card charges	1,790	0
Depreciation	5,201	7,028
Donation	603	462
Employee Fringe Benefits	0	19,786
Fringe Benefits Tax	3,366	9,521
Gold Plate Awards	29,476	26,897
Golf day	8,023	589
Indoor plants hire	600	0
Internet service	722	583
Insurance	8,407	5,990
Interest on finance lease	110	564

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**STATEMENT OF INCOME & EXPENDITURE
YEAR ENDED 30 JUNE 2003**

	2003 \$	2002 \$
EXPENDITURE (Contd)		
Legal fees	5,981	4,003
Long service leave expense	2,611	1,369
Luncheons/dinners	18,800	11,282
Magazine expenses	6,070	0
Membership fees	413	55
Meetings and conferences	678	703
Motor vehicle expenses	6,723	5,111
Office equipment	1,564	759
Office rental	28,462	28,387
Postage and stationery	6,829	8,706
Power and body corporate	1,905	2,234
Printing	11,122	2,653
Professional fees	4,000	4,358
Publications	5,997	7,289
Removal and storage	466	443
Rental of Plant & Equipment	606	2,417
Repairs and maintenance	1,185	2,842
Sundry expenses	1,068	1,492
Superannuation expense	12,888	8,685
Telephone and facsimile	13,689	11,610
Training	80	43
Travel and accommodation	15,909	11,138
Wages & salaries	151,480	110,446
	431,222	369,393
NET SURPLUS/(DEFICIT)	3,045	(20,504)