



Australian Government
Australian Industrial Registry

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Telephone: (03) 8661 7993
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Mr. M. Burns
Branch President
Australian Hotels Association
Northern Territory Branch
GPO Box 3270
DARWIN NT 0801

Dear Mr. Burns,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 30 June 2004 - FR 2004/271**

Reference is made to the financial documents of the Northern Territory Branch of the Australian Hotels Association for the year ended 30 June 2004. The documents were lodged in the Industrial Registry on 30 December 2004.

The financial documents have been filed.

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under the RAO Schedule. Please note that these matters are advised for assistance in the future preparation of financial reports. No further action is required in respect of the subject documents.

1. Auditor's Report

- (a) Subsection 257(5) of the RAO Schedule now sets out the matters upon which an auditor is required to make an opinion on whether the GPFR is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the RAO Schedule. The following wording would satisfy the requirements:

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

- (b) I note that the financial documents contain a document named "Accountants' Report and Disclaimer of Opinion" which precedes the reporting unit's Statement of Income and Expenditure. The disclaimer states:

"The additional financial data presented on pages 24 to 25 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 2004.

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."

Section 253 of the Schedule 1B of the RAO Schedule requires that a reporting unit must cause a general purpose financial report to be prepared. Such report must consist of, among other things, financial statements containing a profit and loss statement. The accounts and other statements should contain certain disclosures (as prescribed by the Industrial Registrar's Reporting Guidelines).

As the information contained in the detailed Statement of Income and Expenditure does not appear to form part of the audited "accounts and statements", the financial documents as lodged do not satisfy the requirements of section 253 of the Act.

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

Would you please bring the above matter to the attention of your auditor.

2. Committee of Management Statement

Consistency with other reporting units

This area of the Committee of Management Statement relates to Item 17(e)(iv) of the Registrar's Reporting Guidelines. Your organisation's Committee's statement at paragraph (e)(iv) provides that: "the organisation does not consist of 2 or more reporting units". Subsection 242(3) of the RAO Schedule provides, in part, that where an organisation is divided into branches, each branch will be a reporting unit.

As your organisation consists of a number of reporting units, you may wish to consider declarations that have been made by other reporting units of AHA when preparing this statement for next years' financial report (financial reports of all reporting units are placed on our website at www.airc.gov.au/organisations/list/list.html (click on Org Number)).

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

Yours sincerely,



Larry Powell
Statutory Services Branch

1 June 2005

Recd 30/12/04
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FR2004/271

PRESIDENT'S CERTIFICATE

I, Michael John Burns, being the President of the Australian Hotels Association, Northern Territory Branch certify that the documents so lodged are copies of the General Purpose Financial Report, Operating Report and Auditor's Report which were presented to members at the Annual General Meeting held on 14th December 2004 in accordance with Section 266 of Schedule 1B of the Workplace Relations Act 1996.

Signed: 

Dated: 24-12-04

**AUSTRALIAN HOTELS
ASSOCIATION
NORTHERN TERRITORY BRANCH**

**FINANCIAL STATEMENTS
30 JUNE 2004**

**AUSTRALIAN HOTELS ASSOCIATION
- NORTHERN TERRITORY BRANCH**

FINANCIAL STATEMENTS

30 JUNE 2004

CONTENTS	PAGE
COMMITTEE OF MANAGEMENT STATEMENT	2
OPERATING REPORT	3-4
INDEPENDENT AUDITOR'S REPORT	5-6
STATEMENT OF FINANCIAL PERFORMANCE	7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF CASH FLOWS	9
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	10-22
ACCOUNTS DISCLAIMER	23
STATEMENT OF INCOME AND EXPENDITURE	24-25

Committee Of Management Statement

On 5 November 2004, the Committee of Management of the Australian Hotels Association – Northern Territory Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 2004:

The Committee of Management declares in relation to the GPFR 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 Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the organisation does not consists of two or more reporting units; and
 - (v) no request for any information has been made by any member of the reporting unit or by a Registrar under Section 272 of the RAO Schedule during the period; and
 - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.

For Committee of Management: Michael Burns

Title of Office held:  President

Signature:

Date: 9-11-04.

Operating Report

I, Sally Jaine Fielke, being the designated officer responsible for preparing this report for the financial year ended 30 June 2004 of the Australian Hotels Association, Northern Territory Branch ("AHANT"), report to the best of my knowledge as follows:

(a) Principal Activities

- (i) The AHANT is an employers' association representing the rights and interests of licensees particularly in relation to liquor licensing, gaming, small business, tourism, industrial relations and health.
- (ii) The AHANT considers all political developments both Commonwealth and in the Northern Territory affecting the AHANT and takes steps to initiate, promote, amend, modify or reject, as the case may be, all or any of such political measure. The AHANT regularly meets with Members of Parliament and key Government representatives to consult key issues.
- (iii) Included in the Annual Report are the various reports compiled by the President and the Treasurer of the AHANT, outlining the activities for the year. There were no significant changes in the nature of these activities during the year under review.
- (iv) The State President and Executive Officer attended several National Executive meetings throughout the year namely on 5 September 2003, and 20 May 2004 as well as the National Board Meeting on 27 October 2003.

(b) Significant financial changes

There were no significant changes in the AHANT's financial affairs during the period to which this report relates.

(c) Members advice

- (i) under section 174 of the Registration and Accountability of Organisations schedule (RAO), a member may resign from membership by written notice addressed and delivered to the Branch Secretary of the Branch of which he is a member (see rule 32, Australian Hotels Association Rules).
- (ii) The register of members of the AHANT was maintained in accordance with the RAO
- (iii) Section 272 of the RAO outlines members and the registrar's rights to certain prescribed information.

(d) To the best of my knowledge there are no officers or members of the AHANT who are

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or

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

(e) Prescribed and other information

- (i) As at 30 June 2004 to which this report relates, the number of members of the AHANT was 145 including Honorary Life Members;
- (ii) As at 30 June 2004, the total number of employees employed by the reporting entity was three (3).
- (iii) The current office bearers for the financial year were
 - Michael Burns President
 - Brian Kelly Senior Vice President
 - Ray Loechel Vice President
 - Justin Coleman Treasurer
 - Andrew Hay
 - David Hunt
 - Kevin Johns

All other positions are vacant pending elections to be held as soon as practicable after the certification of the AHANT Rules


SALLY JAINE FIELKE

Date: 9 November 2004

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 2004.

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

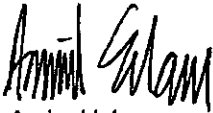
We are independent of the Association, and have met the independence requirements of Australian professional ethical pronouncements.

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

Registered Company Auditor

DARWIN

Date: 9 November 2004

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE
YEAR ENDED 30 JUNE 2004**

	Notes	2004 \$	2003 \$
REVENUES FROM ORDINARY ACTIVITIES	2	439,795	434,268
Depreciation and amortisation expenses	3	(6,000)	(5,201)
Interest expense	3	(100)	(110)
Salaries paid to employees and employee benefits expenses:			
- Wages and salaries		(130,273)	(151,480)
- Superannuation		(12,350)	(12,888)
- Long service leave		(18)	(2,611)
Other expenses from ordinary activities		(305,991)	(258,933)
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		(24,242)	3,045
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES			0
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE		(24,242)	3,045
NET PROFIT/(LOSS)		(24,242)	3,045
NET PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE AUSTRALIAN HOTELS ASSOCIATION		(24,242)	3,045
TOTAL CHANGES IN MEMBERS FUNDS		(24,242)	3,045

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 2004**

	Note	2004 \$	2003 \$
CURRENT ASSETS			
Cash	9	89,784	128,164
Receivables	4	38,550	31,920
Other	5	4,680	2,260
TOTAL CURRENT ASSETS		133,014	162,344
NON-CURRENT ASSETS			
Property, plant and equipment	6	28,521	17,650
TOTAL NON-CURRENT ASSETS		28,521	17,650
TOTAL ASSETS		161,535	179,994
CURRENT LIABILITIES			
Payables	7	44,792	32,226
Provision for annual leave		2,877	11,278
Members' fees received in advance		1,500	0
TOTAL CURRENT LIABILITIES		49,169	43,504
LONG TERM LIABILITIES			
Provision for long service leave		6,019	5,901
TOTAL LONG TERM LIABILITIES		6,019	5,901
TOTAL LIABILITIES		55,188	49,405
NET ASSETS		106,347	130,589
Accumulated funds	8	106,347	130,589
MEMBERS' FUNDS	8	106,347	130,589

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 2004**

	Note	2004 \$	2003 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		395,968	399,303
Payments to suppliers and employees		(453,689)	(407,492)
Interest received		5,863	5,557
Borrowing costs		(100)	(110)
Grants received		32,832	25,000
NET CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES	9	(21,120)	22,258
CASH FROM FINANCING ACTIVITIES			
Addition of assets		(17,620)	0
Proceeds from the sale of assets		360	0
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES		(17,260)	0
CASH FLOWS FROM INVESTING ACTIVITIES			
Repayments of capital on finance lease		0	(1,739)
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		0	(1,739)
NET INCREASE/(DECREASE) IN CASH HELD		(38,380)	20,519
Add opening cash brought forward		128,164	107,645
CLOSING CASH CARRIED FORWARD	9	89,784	128,164

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 2004

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 2004

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:	2004	2003
• 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 2004

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 2004**

	Note	2004 \$	2003 \$
2. REVENUE FROM OPERATING ACTIVITIES			
Revenues from operating activities			
Conference & Trade Fair		54,252	52,164
Associate Membership		19,427	23,876
Corporate members/commission		19,219	15,827
Corporate Sponsorship		96,237	110,327
Gold Plate Awards		34,750	28,788
Golf Day		0	8,527
Levies		0	18,555
Luncheons/dinners		21,480	18,410
Magazine income		5,455	3,468
Membership fees and subscriptions		105,600	111,166
NT Government grants	11	32,832	25,000
Tobacco educational program		0	9,081
Race Day		7,991	0
Sundry income		6,987	3,522
Total revenues from operating activities		433,930	428,711
Revenues from non-operating activities			
Interest received		5,863	5,557
Total revenues from non-operating activities		5,863	5,557
Total revenues from ordinary activities		439,793	434,268
3. EXPENSES			
Depreciation of non-current assets			
Motor Vehicle		2,441	3,051
Plant & Equipment		1,562	969
Computer & Equipment		2,000	1,181
Total depreciation of non current assets		6,003	5,201
Borrowing costs expensed			
Interest – Finance lease		100	110
Other expenses:			
Doubtful debts expense		579	2,599
Superannuation contributions		12,550	12,888
Auditors remuneration		3,200	3,200
Professional fees		7,953	4,000
Donations		300	603
Telephone and Facsimile		11,717	13,689
Conference and Trade Fairs		98,141	59,292
Gold Plate Award		35,210	29,476

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

Insurance	10,707	8,407
Luncheon / dinner	23,814	18,800
Office Rental	102,184	28,462
Responsible Gambling Code expense	18,703	0
Travel and Accommodation	10,757	15,909
Others	55,691	61,608
Total other expenses	305,991	258,933

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2004**

	2004 \$	2003 \$
4. RECEIVABLES		
Trade debtors	30,181	27,843
Provision for doubtful debts	0	0
GST receivable	8,369	4,077
	38,550	31,920
5. OTHER		
Prepayments	4,680	2,260
6. PROPERTY, PLANT & EQUIPMENT		
Motor vehicle		
At cost	26,750	26,750
Provision for depreciation	(16,988)	(14,547)
	9,762	12,203
Plant and equipment		
At cost	25,156	22,437
Provision for depreciation	(14,398)	(16,990)
	10,758	5,447
Leasehold Improvements		
At cost	10,001	0
Provision for depreciation	(2,000)	0
	8,001	0
Total written down amount	28,521	17,650

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2004**

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

	2004 \$	2003 \$
Motor Vehicles		
Cost amount at the beginning	26,750	26,750
Accumulated Depreciation at beginning	(11,496)	(11,496)
Depreciation for the year	(2,440)	(3,051)
Written down value	9,762	12,203
Plant and Equipment		
Cost amount at the beginning	20,665	20,665
Transfer from Plant & Equipment under lease	1,772	1,772
Additions for the year	7,419	0
Asset disposal for the year	(4,900)	0
Cost amount at the end of the year	25,156	22,437
Accumulated Depreciation		
Accumulated depreciation at the beginning	(16,990)	(14,840)
Depreciation on asset disposal	4,154	0
Depreciation for the year	(1,562)	(2,150)
Written down value	10,758	5,447
Leasehold Improvements		
Cost at the beginning	0	0
Net additions	10,001	0
Depreciation for the year	(2,000)	0
Written down value	8,001	0
TOTAL PROPERTY, PLANT AND EQUIPMENT	28,521	17,650

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2004**

7. PAYABLE

	2004	2003
	\$	\$
Trade Creditors		6,625
Other Creditors and Accruals		<u>25,601</u>
Total Payable		<u>32,226</u>

8. ACCUMULATED FUNDS

Accumulated surplus at start of year		127,544
Surplus/(Deficit) for the year		3,045
ACCUMULATED FUNDS		<u>130,589</u>

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2004**

	2004 \$	2003 \$
9. STATEMENT OF CASH FLOWS		
a) Reconciliation of cash		
Cash balance comprises:		
- Cash on hand	200	200
- Cash in bank	89,584	127,964
Closing cash balance	89,784	128,164
b) Reconciliation of the operating surplus/(deficit) to the net cash flows from operations:		
Operating surplus/(deficit)	(24,242)	3,045
Depreciation - plant and equipment	6,003	5,201
Loss on Sale of Asset	386	0
Changes in assets and liabilities:		
(Increase)/Decrease in Receivables	(6,630)	(1,809)
Decrease/(Increase) in Prepayments	(2,420)	1,328
Increase/(Decrease) in Creditors	12,566	5,244
(Decrease)- Provision for Employee Entitlements	(8,283)	9,249
Increase in Fees received in advance	1,500	0
Net cash flows provided by/(used in) operating activities	(21,120)	22,258

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 2004**

	2004 \$	2003 \$
11. NT GOVERNMENT GRANTS		
Dept of Health and Community Services		
- Tobacco Education	0	25,000
Racing , Gaming & Licensing- Community Benefit Fund		0
- Responsible Gambling Code of Practice	25,000	0
- Tattersall	(7,264)	0
	17,736	25,000

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 272 which reads as follows:

SECTION 272 INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

272(1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

272(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.

272(3) A reporting unit must comply with an application made under subsection (1).

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2004**

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	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Financial assets								
Cash	90	128	-	-	-	-	-	-
Receivables - trade	-	-	-	-	-	-	-	-
Total financial assets	90	128	-	-	-	-	-	-
Financial liabilities								
Trade creditors and accruals	-	-	-	-	-	-	-	-
Finance Lease	-	-	-	-	-	-	-	-
Total financial liabilities	-	-	-	-	-	-	-	-

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2004

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 (*)	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 %	2003 %
Financial assets						
Cash	-	-	90	128	3	3
Receivables	30	32	38	32	N/A	N/A
Total financial assets	30	32	128	160		
Financial liabilities						
Trade creditors and accruals	43	32	44	32	N/A	N/A
Fees received in advance	2	-	2	-	N/A	N/A
Finance Lease	-	-	-	-	N/A	N/A
Total financial liabilities	45	32	46	32		

(*) 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 2004**

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	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Financial assets				
Cash	90	128	90	128
Receivables	38	32	38	32
Total financial assets	128	160	128	160
Financial liabilities				
Trade creditors and accruals	44	32	44	32
Fees received in advance	2	-	2	-
Total financial liabilities	46	32	46	32

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 24 to 25 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 2004.

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.



Merit Partners
Chartered Accountants

DARWIN

Date: 9 November 2004

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**STATEMENT OF INCOME & EXPENDITURE
YEAR ENDED 30 JUNE 2004**

	2004 \$	2003 \$
INCOME		
Conference & Trade Fair	80,252	52,164
Associate Membership	19,120	23,876
Corporate members/commission	19,219	15,827
Corporate Sponsorship	96,237	110,327
Gold Plate Awards	32,750	28,788
Golf Day	0	8,527
Race Day	7,991	0
Interest received	5,863	5,557
Levies	0	18,555
Luncheons/dinners	21,480	18,410
Magazine income	5,455	3,468
Membership fees and subscriptions	105,600	111,166
NT Government grants	32,832	25,000
Tobacco educational program	0	9,081
Sundry income	6,987	3,251
	439,793	434,267
EXPENDITURE		
Accounting and audit	3,200	3,200
Advertising	2,668	419
Affiliation fees and levies	7,886	7,686
Bad debts expense	579	2,597
Bank charges	1,175	1,204
Conference & trade fairs	98,141	59,292
Credit and charge card charges	2,538	1,790
Depreciation	6,000	5,201
Donation	300	603
Employee fringe benefits	750	3,366
Gold Plate Awards	35,210	29,476
Golf day	27	8,023
Indoor plants hire	600	600
Internet service	565	722
Insurance	10,492	8,407

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**STATEMENT OF INCOME & EXPENDITURE
YEAR ENDED 30 JUNE 2004**

	2004 \$	2003 \$
EXPENDITURE (Contd)		
Legal fees	1,993	5,981
Long service leave expense	1,118	2,611
Loss on disposal of asset	386	0
Luncheons/dinners	23,814	18,800
Magazine expenses	6,576	6,070
Membership fees	944	413
Meetings and conferences	1,566	678
Motor vehicle expenses	3,130	6,723
Office equipment	1,559	1,564
Office rental	17,134	28,462
Postage and stationery	7,203	6,829
Power and body corporate	2,520	1,905
Printing	1,917	11,122
Professional fees	7,953	4,000
Publications	7,828	5,997
Race day	8,252	0
Removal and storage	4,250	466
Rental of Plant & Equipment	0	606
Repairs and maintenance	2,990	1,185
Responsible gambling code expense	18,703	0
Sundry expenses	1,177	1,068
Superannuation expense	12,550	12,888
Telephone and facsimile	11,717	13,689
Training	0	80
Travel and accommodation	10,457	15,909
Wages & salaries	139,273	151,480
	464,035	431,222
NET SURPLUS/(DEFICIT)	(24,242)	3,045