



**Australian Government**

**Australian Industrial Registry**

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Mr Emmanuel Cruz  
Secretary  
Northern Territory Branch  
Australian Hotels Association  
GPO Box 3270  
DARWIN NT 0801

Dear Mr Cruz,

**Financial Reports for the Year Ended 30th June 2005 - FR2005/241  
Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)**

Thank you for the financial reports of the Northern Territory Branch of the Australian Hotels Association for the year ended 30<sup>th</sup> June 2005. The documents were lodged in the Industrial Registry on 19<sup>th</sup> December 2005.

As recently advised by telephone, the documents do not include a Secretary's Certificate. A Secretary's certificate is required before the matter can be closed. The Registry is therefore awaiting late lodgement of the required Certificate. Once it has been received, we will be able to make any necessary comments regarding the Certificate and whether the timelines set out in the RAO Schedule have been met.

Although your financial documents have not been closed, they have been examined in detail and I would like to comment on some issues arising out of the reports. I make these comments to assist you when you next prepare financial reports and you do not need to take any further action in respect of those documents that have already been lodged.

**Operating Report – Preparation by an Officer**

The Operating Report has been signed by Ms Sally Fielke, who appears from other documents to be the Branch's Executive Director. An examination of the Rules suggests that the Executive Director is not an office holder.

Section 254(1) of the RAO Schedule requires the *Committee of Management* to prepare the Operating Report. Section 254(3) clarifies this by stating that the Report may be prepared by either the Committee of Management 'or a designated officer' (that is, an *elected* office holder – see section 243 of the RAO Schedule).

In order to comply with this requirement in future reports, you are requested to ensure that an elected office holder from the Branch signs the Operating Report.

**Operating Report – List of Office Holders**

The Operating Report sets out a list of the '*current* office bearers for the financial year'. An examination of the Branch's file indicates that elections were held during the 2004/2005 financial year (E2004/306) and that the Australian Electoral Commission declared those election results on 24<sup>th</sup> March 2005 and 4<sup>th</sup> April 2005. As a result, the office holders appear to have changed during the financial year in question.

Regulation 159(c) of the RAO Regulations (which is made pursuant to section 254(2)(f) of the RAO Schedule) requires a reporting unit to provide:

- the name of each person who has been a member of the committee of management of the reporting unit *at any time during the reporting period*; and
- the *period* for which he or she held such a position.

As a result, the information which has been provided in the Operating Report seems to be incomplete. In addition to the information already provided, in order to meet the requirements of Regulation 159(c) it is also necessary to provide both:

- the names of all office holders who held office *prior* to the elections; and
- for both *current* and *previous* office holders, the *period* for which they held office.

### **General Purpose Financial Report (GPFR)**

When preparing a GPFR, section 253(2) of the RAO Schedule requires a reporting unit to provide information that is specified in the Reporting Guidelines that have been issued by the Industrial Registrar. In particular, Guideline 11 sets out in detail those items of expense that must be disclosed by a reporting unit either in the notes to, or on the face of, a financial statement. Included are such items as:

- employment benefits paid to office holders (11(g));
- employment benefits paid to employees (other than office holders) (11(h));
- fees and/or allowances paid for attendance at conferences (11(i));
- conference and meeting expenses (11(k));

An examination of the reports which have been lodged shows that Wages and Salaries, Superannuation and Long Service Leave have all been separately itemised in the Statement of Financial Performance but that a distinction has not been drawn between benefits paid to *office holders* and *employees other than office holders*. Similarly, a figure has been provided in the Notes on page 13 for 'Conference and Trade Fairs' but this figure is not broken down into the categories required by Items 11(i) and 11(k) of the Reporting Guidelines.

A full copy of the Registrar's Reporting Guidelines is attached. Would you please ensure that these items are separately itemised in the future.

### **Auditor's Report**

The opening paragraph of the Auditor's Report states that the financial report which has been considered includes the 'Accounting Officer's certificate...for the year ended 30 June 2005'. An Accounting Officer's Certificate was a document required under the former financial reporting requirements of the Workplace Relations Act. The certificate is not required by the RAO Schedule as it has, in effect, been replaced by the Operating Report. As no such Accounting Officer's certificate was lodged with the other financial documents, it is presumed that this is a typographical error.

### **Notice Required by Section 272(5) of the RAO Schedule**

There is a typographical error on page 19 of the Notes. The correct text has been extracted from the RAO Schedule but it is incorrectly identified as being from section 274. The correct reference is to section 272 of the RAO Schedule.

Please do not hesitate to contact me by email at [robert.pfeiffer@air.gov.au](mailto:robert.pfeiffer@air.gov.au) or on (03) 8661 7817 if you wish to discuss this letter.

Yours sincerely,



Robert Pfeiffer  
Statutory Services Branch

14 July 2006



Northern Territory Branch

# AUSTRALIAN HOTELS ASSOCIATION

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20/24 Cavenagh Street Darwin Northern Territory 0800  
PO Box 3270 Darwin Northern Territory 0801  
admin@ahant.com.au  
www.ahant.com.au

15 May 2007

Ms Margaret Williams  
Statutory Services Branch  
Australian Industrial Registry  
GPO Box 1994  
Melbourne Vic 3001

Dear Ms Williams,

## Financial Documents – Year Ended June 2005

I refer to your letters to our Secretary, Emmanuel Cruz, dated 14 July 2006 and 3 April 2007 in relation to this matter.

As requested, I now **enclose** a Designated Officer's Certificate pursuant to section 268 of Schedule 1B of the *Workplace Relations Act 1996*.

Please call me if you have any queries.

Yours faithfully

Amy Williamson  
Executive Director

**Designated Officer's Certificate**  
**Section 268 of Schedule 1B *Workplace Relations Act 1996***

I, Emmanuel Cruz, the Secretary of the Australian Hotels Association - Northern Territory Branch, certify that:

1. the financial report for the year ended 30 June 2005 and registered with your office on 28 December 2005 are copies of the full report, referred to in section 268 of the ROA Schedule;
2. the full report was provided to members on 15 November 2005; and
3. the full report was presented to a general meeting of members of the reporting unit on 6 December 2005 in accordance with section 266 of the ROA Schedule.

Signed: .....*Emmanuel Cruz*.....

Dated: .....*14.05.2007*.....

**AUSTRALIAN HOTELS ASSOCIATION  
NORTHERN TERRITORY BRANCH**

**FINANCIAL STATEMENTS**

**30 JUNE 2005**

<b>CONTENTS</b>	<b>PAGE</b>
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

### **Committee Of Management Statement**

On 14 November 2005, 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 2005:

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 consist 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: Emmanuel Cruz

Title of Office held: Secretary

Signature: 

Date: 14.11.05

## Operating Report

I, Sally Jaine Fielke, being the designated officer responsible for preparing this report for the financial year ended 30 June 2005 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 19 August 2004, 25 November 2004, 24 February 2005, 20 May 2005 as well as the National Board Meeting on 11 October 2004.

### (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 2005 to which this report relates, the number of members of the AHANT was 139 including Honorary Life Members;
- (ii) As at 30 June 2005, 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
  - Justin Coleman        Senior Vice President
  - Andrew Hay            Vice President
  - Doug Sallis            Treasurer
  - Emmanuel Cruz        Secretary
  - David Hunt
  - Kevin Johns
  - Graeme Oates
  - Lindsay Carmichael
  - Darren Lynch
  - Craig Bond
  - Geoff Naumann
  - Gordon Smith

There was one position which was not filled at the previous election and remains vacant at this stage.



.....  
SALLY JAINE FIELKE

Date: 14 November 2005



## **Independent audit report to members of Australian Hotels Association (NT 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 2005.

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 Association as at the end of the year;
  - (b) the income and expenditure, and any surplus or deficit, of the Association for the year; and
  - (c) the results and cash flows of the organisation for the year then ended;
- (iii) 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; and
- (iv) all the information and explanations that, under section 272, officers or employees of the Association were required to provide were provided.



Aminul Islam

Partner

Registered Company Auditor

Darwin

Date: 15 November 2005

# AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

## STATEMENT OF FINANCIAL PERFORMANCE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
<b>REVENUES FROM ORDINARY ACTIVITIES</b>	2	<b>480,444</b>	439,793
Depreciation and amortisation expenses	3	<b>(7,395)</b>	(6,003)
Interest expense	3	<b>0</b>	(100)
Salaries paid to employees and employee benefits expenses:			
- Wages and salaries		<b>(156,463)</b>	(139,273)
- Superannuation		<b>(13,706)</b>	(12,550)
- Long service leave		<b>(857)</b>	(118)
Other expenses from ordinary activities	3	<b>(282,750)</b>	(305,991)
<b>PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE</b>		<b>19,273</b>	(24,242)
<b>INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES</b>			
<b>PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE</b>		<b>19,273</b>	(24,242)
<b>NET PROFIT/(LOSS)</b>		<b>19,273</b>	(24,242)
<b>NET PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE AUSTRALIAN HOTELS ASSOCIATION</b>		<b>19,273</b>	(24,242)
<b>TOTAL CHANGES IN MEMBERS FUNDS</b>		<b>19,273</b>	(24,242)

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 2005

	Note	2005 \$	2004 \$
<b>CURRENT ASSETS</b>			
Cash assets	9	126,103	89,784
Receivables	4	10,262	38,550
Other	5	4,306	4,680
<b>TOTAL CURRENT ASSETS</b>		<b>140,671</b>	133,014
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	20,723	28,521
<b>TOTAL NON-CURRENT ASSETS</b>		<b>20,723</b>	28,521
<b>TOTAL ASSETS</b>		<b>161,394</b>	161,535
<b>CURRENT LIABILITIES</b>			
Payables	7	24,195	44,792
Provision for annual leave		4,703	2,877
Members' fees received in advance		0	1,500
<b>TOTAL CURRENT LIABILITIES</b>		<b>28,898</b>	49,169
<b>NON-CURRENT LIABILITIES</b>			
Provision for long service leave		6,876	6,019
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>6,876</b>	6,019
<b>TOTAL LIABILITIES</b>		<b>35,774</b>	55,188
<b>NET ASSETS</b>		<b>125,620</b>	106,347
Accumulated funds	8	125,620	106,347
<b>MEMBERS' FUNDS</b>	8	<b>125,620</b>	106,347

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 2005

	Note	2005 \$	2004 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		439,434	395,968
Payments to suppliers and employees		(458,745)	(455,683)
Interest received		4,595	5,863
Borrowing costs		0	(100)
Grants received		51,125	32,832
<b>NET CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>	9	36,409	(21,120)
<b>CASH FROM FINANCING ACTIVITIES</b>			
Addition of assets		(90)	(17,620)
Proceeds from the sale of assets		0	360
<b>NET CASH FLOWS (USED IN) FINANCING ACTIVITIES</b>		(90)	(17,260)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Repayments of capital on finance lease		0	0
<b>NET CASH FLOWS (USED IN) INVESTING ACTIVITIES</b>		0	0
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		36,319	(38,380)
Add opening cash brought forward		89,784	128,164
<b>CLOSING CASH CARRIED FORWARD</b>	9	126,103	89,784

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 2005**

### **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 2005

### 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:	2005	2004
• 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 2005

### 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.

#### Adoption of Australian Equivalents to International Financial Reporting Standards

Australian Hotels Association Northern Territory Branch (AHA) has commenced transitioning its accounting policies and financial reporting from current Australian Standards to Australian equivalents of International Financial Reporting Standards (IFRS). AHA has given consideration to the preparation of the opening balance sheet in accordance with AASB equivalents to IFRS at 1 July 2004. Set out below are the key areas where accounting policies will change and may have an impact on the financial report of AHA. At this stage the entity has not been able to reliably quantify the impacts on the financial report.

#### Classification of Financial Instruments

Under AASB 139 *Financial Instruments: Recognition and Measurement*, financial instruments will be required to be classified into one of five categories which will, in turn, determine the accounting treatment of the item. This will result in a change in the current accounting policy that does not classify financial instruments. The future financial effect of this change in accounting policy is not yet known as the classification and measurement process has not yet been fully completed.

#### Impairment of Assets

Under the Australian equivalent of IAS 36 *Impairment of Assets* the recoverable amount of an asset is determined as the higher of net selling price and value in use. This will result in a change in the entity's current accounting policy which determines the recoverable amount of an asset on the basis of net cash flows. Reliable estimation of the future financial effects of this change in accounting policy is impracticable because the conditions under which impairment will be assessed are not yet known.



# AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

## NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
<b>2. REVENUE FROM OPERATING ACTIVITIES</b>			
<b>Revenues from operating activities</b>			
Administration fees		5,000	5,460
Conference & Trade Fair		65,227	84,252
Associate Membership		24,200	19,127
Corporate members/commission		20,220	19,219
Corporate Sponsorship		108,555	96,237
Gold Plate Awards		34,427	34,750
Golf Day		9,314	0
Luncheons/dinners		20,123	21,480
Magazine income		2,764	5,455
Membership fees and subscriptions		116,768	105,600
NT Government grants	11	51,125	32,832
Race Day		16,340	7,991
Sundry income		1,786	1,527
Total revenues from operating activities		475,849	433,930
<b>Revenues from non-operating activities</b>			
Interest received		4,595	5,863
Total revenues from non-operating activities		4,595	5,863
<b>Total revenues from ordinary activities</b>		<b>480,444</b>	<b>439,793</b>
<b>3. EXPENSES</b>			
Depreciation of non-current assets			
Motor Vehicle		1,952	2,441
Plant & Equipment		2,551	1,562
Computer & Equipment		2,892	2,000
Total depreciation of non current assets		7,395	6,003
Borrowing costs expensed			
Interest – Finance lease		0	100
<b>Other expenses:</b>			
Affiliation fees and levies		7,886	7,886
Auditors remuneration		3,350	3,200
Bank charges		2,956	1,175
Doubtful debts expense		13,578	579
Conference and Trade Fairs		80,618	98,141
Donations		200	300
Gold Plate Award		34,561	35,210
Golf Day		8,598	27
Insurance		11,024	10,942
Internet service		1,383	565
Legal fees		2,279	1,993
Luncheon/dinner		21,398	23,814
Magazine expenses		3,977	6,376
Motor vehicle expenses		3,533	3,180
Office equipment		2,566	1,559
Office Rental		16,080	17,184
Postage and stationary		5,819	7,203
Power and body corporate		2,743	2,520
Printing		6,781	1,917

## AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

Professional fees	4,117	7,953
Race day	13,358	8,252
Repairs and maintenance	1,558	2,990
Responsible Gambling Code expense	146	18,703
Telephone and Facsimile	14,367	11,717
Travel and Accommodation	9,528	10,457
Website	2,250	0
Sundry	8,096	22,148
<b>Total other expenses</b>	<b>282,750</b>	<b>305,991</b>

# AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

## NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2005

	2005 \$	2004 \$
<b>4. RECEIVABLES</b>		
Trade debtors	18,379	30,181
Provision for doubtful debts	(8,117)	0
GST receivable	0	8,369
	<u>10,262</u>	<u>38,550</u>
<b>5. OTHER</b>		
Prepayments	4,306	4,680
<b>6. PROPERTY, PLANT &amp; EQUIPMENT</b>		
Motor vehicle		
At cost	26,750	26,750
Provision for depreciation	(18,940)	(16,988)
	<u>7,810</u>	<u>9,762</u>
Plant and equipment		
At cost	22,897	25,156
Provision for depreciation	(16,385)	(14,398)
	<u>6,512</u>	<u>10,758</u>
Leasehold Improvements		
At cost	10,001	10,001
Provision for depreciation	(3,600)	(2,000)
	<u>6,401</u>	<u>8,001</u>
Total written down amount	<u>20,723</u>	<u>28,521</u>

# 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)

	2005 \$	2004 \$
<b>Motor Vehicles</b>		
Cost amount at the beginning	26,750	26,750
Accumulated Depreciation at beginning	(16,988)	(14,547)
Depreciation for the year	(1,952)	(2,441)
Written down value	<u>7,810</u>	<u>9,762</u>
<b>Plant and Equipment</b>		
Cost amount at the beginning	25,156	20,665
Transfer from Plant & Equipment under lease	0	1,772
Additions for the year	90	7,619
Asset disposal for the year	(2,349)	(4,900)
Cost amount at the end of the year	<u>22,897</u>	<u>25,156</u>
Accumulated Depreciation		
Accumulated depreciation at the beginning	(14,398)	(16,990)
Depreciation on asset disposal	1,856	4,154
Depreciation for the year	(3,843)	(1,562)
Written down value	<u>(16,385)</u>	<u>(14,398)</u>
	<u>6,512</u>	<u>10,758</u>
<b>Leasehold Improvements</b>		
Cost at the beginning	10,001	0
Net additions	0	10,001
Accumulated Depreciation at beginning	(2,000)	0
Depreciation for the year	(1,600)	(200)
Written down value	<u>6,401</u>	<u>8,001</u>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<u>20,723</u>	<u>28,521</u>

# AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

## NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2005

<b>7. PAYABLE</b>	<b>2005</b>	<b>2004</b>
	\$	\$
GST Payable	539	0
Trade Creditors	5,891	16,440
Other Creditors and Accruals	17,765	28,352
Total Payable	<u>24,195</u>	<u>44,792</u>
<b>8. ACCUMULATED FUNDS</b>		
Accumulated surplus at start of year	106,347	130,589
Surplus/(Deficit) for the year	19,273	(24,242)
ACCUMULATED FUNDS	<u>125,620</u>	<u>106,347</u>

# AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

## NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2005

	2005 \$	2004 \$
<b>9. STATEMENT OF CASH FLOWS</b>		
a) Reconciliation of cash		
Cash balance comprises:		
- Cash on hand	200	200
- Cash in bank	125,903	89,584
Closing cash balance	<u>126,103</u>	<u>89,784</u>
b) Reconciliation of the operating surplus/(deficit) to the net cash flows from operations:		
Operating surplus/(deficit)	19,273	(24,242)
Depreciation - plant and equipment	7,395	6,003
Loss on Sale of Asset	493	386
Changes in assets and liabilities:		
Decrease/(Increase) in Receivables	28,288	(6,630)
Decrease/(Increase) in Prepayments	374	(2,420)
(Decrease)/Increase in Creditors	(20,597)	12,566
Increase/(Decrease) - Provision for Employee Entitlements	2,683	(8,283)
(Decrease)/Increase in Members fees received in advance	(1,500)	1,500
Net cash flows provided by/(used in) operating activities	<u>36,409</u>	<u>(21,120)</u>

### 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 2005

	2005 \$	2004 \$
<b>11. NT GOVERNMENT GRANTS</b>		
Office of Crime Prevention – Drug Facilitated Sexual Assault	26,125	0
Racing, Gaming & Licensing – Alcohol Framework	25,000	0
Responsible Gambling Code of Practice	0	25,568
Tattersall	0	7,264
	<hr/> <b>51,125</b>	<hr/> <b>32,832</b> <hr/>

## 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.

## 13. SEGMENT INFORMATION

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

The principal place of business is Darwin, Australia.

There are 3 employees.

## 14. 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.

# AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

## NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2005

### 15. FINANCIAL INSTRUMENTS

#### Recognised financial instruments

##### (a) Terms, conditions and accounting policies

The Association's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at the balance date, are as follows:

<b>Recognised Financial Instruments</b>	<b>Statement of Financial Position Notes</b>	<b>Accounting Policies</b>	<b>Terms and Conditions</b>
<b>(i) Financial assets</b>			
Receivables – Trade	4	Trade receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms.
<b>(ii) Financial liabilities</b>			
Payables	7	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the economic entity.	Trade liabilities are normally settled on 30 day terms.



## AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

### NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2005

#### 15: FINANCIAL INSTRUMENTS

##### Note 15 (b) 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 Instruments	Floating Interest rate		Fixed interest rate maturing in:								Non-Interest bearing		Total carrying amount as per the statement of financial position		Weighted average effective interest rate	
			0 – 3 Months		4 –12 Months		Over 1 –5 Years		More than 5 years							
	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$	2005 %	2004 %		
<i>(i) Financial assets</i>																
Cash and liquid assets	126,103	89,784	-	-	-	-	-	-	-	-	-	-	126,103	89,784	3.45	3
Receivables – trade	-	-	-	-	-	-	-	-	-	-	10,262	38,550	10,262	38,550	N/A	N/A
Total Financial Assets	126,103	89,784	-	-	-	-	-	-	-	-	10,262	38,550	136,365	128,334	-	-
<i>(ii) Financial liabilities</i>																
Payables	-	-	-	-	-	-	-	-	-	-	24,195	44,792	24,195	44,792	N/A	N/A
Interest bearing liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total financial liabilities	-	-	-	-	-	-	-	-	-	-	24,195	44,792	24,195	44,792	-	-

(\* ) 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 2005

### 15: FINANCIAL INSTRUMENTS (cont)

#### Note (c) 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	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
<b>Financial assets</b>				
Cash	126	90	126	90
Receivables	10	39	10	39
Total financial assets	136	129	136	129
<b>Financial liabilities</b>				
Trade creditors and accruals	24	42	24	42
Fees received in advance	-	2	-	2
Total financial liabilities	24	44	24	44

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

#### Note 15 (d) 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.