



Australian Government
Australian Industrial Registry

10 February 2009

To: Emmanuel Cruz
Secretary
Australian Hotels Association Northern Territory Branch
GPO Box 3270
Darwin Northern Territory, 0801
email: admin@ahant.com.au

cc: Amy Williamson
Executive Director
Australian Hotels Association Northern Territory Branch
GPO Box 3270
Darwin Northern Territory, 0801
email: ed@ahant.com.au

cc: Aminul Islam
Partner
Merit Partners, Chartered Accountants
GPO Box 3470
Darwin Northern Territory 0801
email: a.islam@meritpartners.com.au

Dear Mr Cruz

AHA NT Branch Financial Report year ended 30 June 2008: FR2008/321

I acknowledge receipt of the financial report for the Australian Hotels Association Northern Territory Branch (AHA NT Branch) for the year ended 30 June 2008 which was lodged in the Registry on 19 December 2008. I also acknowledge receipt of the subsection 237(1) statement of loans, grants and donations made by the AHA NT Branch in the year ended 30 June 2008 which was lodged in the Registry on 4 February 2009. I also acknowledge receipt on 4 February 2009 of explanations of expenses regarding levies, fees and wages/salaries for employees and an explanation of liabilities for employees, as requested.

The financial report has now been filed.

As noted in my letter dated 8 January 2009, for future financial reports, please ensure that:

- The subsection 237(1) statement of loans, grants and donations is lodged within 90 days of the end of the financial year);
- That balance sheet or notes to the financial report differentiate between liabilities for employees and office holders (as defined in section 9 of the RAO Schedule);
- That the profit and loss statement or notes to the financial report differentiate between benefits paid to employees and benefits paid to office holders;

- That the profit and loss statement or notes to the financial report separately identify any affiliations and levies paid to another reporting union of the organisation and the amount and name of the organisation;
- That the profit and loss statement or notes to the financial report identify any affiliations made to any political party, federation, congress, council or group of organisation or any international body having an interest in industrial matters;
- The operating report indicates the results of the principal activities of the reporting unit and whether there were any significant changes to them;
- The operating report gives details of superannuation trusteeships only where a criterion for trusteeship is being a member or an officer of the AHA;
- Your auditor explicitly states whether that he is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accounts **and** whether he holds a current Public Practice Certificate; and
- Only subsections (1), (2) and (3) of section 272 are referred to in the introductory sentence in the note regarding information to be provided to members or Registrar.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act and the Reporting Guidelines, I can be contacted on 03 8661 7929 or by email at eve.anderson@airc.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Eve Anderson', followed by a horizontal line.

Eve Anderson
Statutory Services Team
Principal Registry
Tel: 03 86617929
Email: eve.anderson@airc.gov.au



FR2008/321

Northern Territory Branch
AUSTRALIAN HOTELS ASSOCIATION

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11 December 2008

Mr Robert Pfeiffer
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir,

Financial Documents – Schedule 1 *Workplace Relations Act*

Please find **enclosed**:

1. Financial Statements for Financial Year Ended 30 June 2008 which were recently endorsed at our AGM on 02 December 2008; and
2. Designated Officer's Certificate, dated 11 December 2008

Please call me if you have any queries.

Yours faithfully,

Amy Williamson
Executive Director

Enclosures



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

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

1. the documents lodged herewith for the year ended 30 June 2008 are copies of the full report referred to in section 268 of the RAO Schedule;
2. a copy of the full report was provided to members on 11 November 2008; and
3. a copy of the full report was presented to the annual general meeting of members of the reporting unit on 2 December 2008 in accordance with section 266 of the RAO Schedule,

Signed: Emmanuel Cruz

Dated: 11 December 2008

Australian Hotels Association
Northern Territory Branch

ABN 48 911 463 427

General Purpose Financial Report
for the year ended 30 June 2008

**AUSTRALIAN HOTELS ASSOCIATION
NORTHERN TERRITORY BRANCH
ABN: 48 911 463 427
FINANCIAL STATEMENTS**

30 JUNE 2008

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Committee of Management Statement

On 10 November 2008, 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 30 June 2008:

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 financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; 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: 10 November 2008

Operating Report

I, Emmanuel Cruz, being the designated officer responsible for preparing this report for the financial year ended 30 June 2008 of the Australian Hotels Association Northern Territory Branch ("AHA"), report to the best of my knowledge as follows:

(a) Principal Activities

- (i) The AHA 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 AHA considers all political developments both Commonwealth and in the Northern Territory affecting the AHA and takes steps to initiate, promote, amend, modify or reject, as the case may be, all or any of such political measure. The AHA 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 AHA, 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 Director attended several National Executive meetings throughout the year namely on 20 August 2007, 5 November 2007, 7 March 2008 as well as the National Board meeting on 2 October 2007.

(b) Significant financial changes

There were no significant changes in the AHA'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 AHA was maintained in accordance with the RAO; and
- (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 AHA 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 2008 to which this report relates, the number of members of the AHA was 152 including Honorary Life members (116 are voting members);
- (ii) As at 30 June 2008, the total number of employees employed by the reporting entity was four (4);
- (iii) The office bearers during the financial year were:
- Michael Burns President
 - Justin Coleman Senior Vice President
 - Andrew Hay Vice President
 - Doug Sallis Treasurer
 - Emmanuel Cruz Secretary
 - David Hunt (replaced by Geoff Booth at 2008 election on 2 April)
 - Frank Dalton
 - Brian Kelly (not elected at 2008 election)
 - Peter Severin
 - Lindsay Carmichael
 - Dudley Lisle (replaced by Adam Glass at 2008 election on 2 April)
 - John Tourish
 - Peter Hahn (replaced by Ray Loechel at 2008 election on 2 April)
 - Tony Adams (elected at 2008 election)

There was one position which was not filled at the 2008 election and remained vacant as at 30 June 2008.


EMMANUEL CRUZ

Date: 10 November 2008

Independent Auditor's Report

The financial report comprises the income statement, balance sheet, statement of changes in equity, cash flow statements, and accompanying notes to financial statements, the Committee of Management Statement and the operating report for the year ended 30 June 2008.

Committee of Management's Responsibility for the Financial Report

The Committee of Management of the Association are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Independence

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

Auditor's Opinion

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 the RAO Schedule of the Workplace Relations Act 1996.

Merit Partners

Merit Partners

Aminul Islam

Aminul Islam, FCA

Partner

Registered Company Auditor

Darwin

Date *10 November 2008*

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
REVENUES	2	767,761	562,628
Depreciation and Amortisation Expenses	3a	(8,693)	(10,918)
Interest Expense		0	(1,422)
Salaries Paid to Employees and Employee Benefits Expenses:			
- Wages and Salaries	3b	(206,711)	(168,986)
- Superannuation	3b	(18,343)	(13,316)
- Provisions	3b	(6,236)	9,019
Other Expenses from Ordinary Activities	4	(365,968)	(370,636)
PROFIT/(LOSS) BEFORE INCOME TAX EXPENSE		161,810	6,369
INCOME TAX EXPENSE		0	0
PROFIT/(LOSS)AFTER INCOME TAX EXPENSE		161,810	6,369
NET PROFIT/(LOSS)		161,810	6,369
NET PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE AUSTRALIAN HOTELS ASSOCIATION		161,810	6,369

The Income Statement should be read in conjunction with the accompanying notes.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

BALANCE SHEET AS AT 30 JUNE 2008

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash Assets	11	258,010	266,688
Receivables	5	87,230	73,586
Other	6	2,544	5,514
TOTAL CURRENT ASSETS		347,784	345,788
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	27,948	35,650
Loans to related parties	12	173,392	0
TOTAL NON-CURRENT ASSETS		201,340	35,650
TOTAL ASSETS		549,124	381,438
CURRENT LIABILITIES			
Payables	8	198,444	193,692
Provision for Annual Leave		10,587	4,351
Lease Payable	9	12,943	5,960
TOTAL CURRENT LIABILITIES		221,974	204,003
NON-CURRENT LIABILITIES			
Lease Payable		0	12,095
TOTAL NON-CURRENT LIABILITIES		0	12,095
TOTAL LIABILITIES		221,974	216,098
NET ASSETS		327,150	165,340
Accumulated Funds	10	327,150	165,340
MEMBERS' FUNDS		327,150	165,340

The Balance Sheet should be read in conjunction with the accompanying notes.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2008

	Retained Earnings \$	Financial Assets Reserve \$	General Reserves \$	Total \$
Balance at 1 July 2007	165,340	0	0	165,340
Profit attributable to members	0	0	0	0
Balance at 30 June 2007	165,340	0	0	165,340
Profit attributable to members	161,810	0	0	161,810
BALANCE at 30 JUNE 2008	327,150	0	0	327,150

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

CASH FLOW STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		588,862	529,674
Payments to Suppliers and Employees		(579,348)	(550,738)
Interest Received		23,052	15,246
Borrowing Costs		0	(1,422)
Grants Received		138,249	29,259
NET CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES	11	170,815	22,019
CASH FROM INVESTING ACTIVITIES			
Purchases of Assets		(991)	(14,015)
Advances to related party		(173,392)	0
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		(174,383)	(14,015)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of Capital on Finance Lease		(5,110)	(5,113)
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES		(5,110)	(5,113)
NET INCREASE/(DECREASE) IN CASH HELD		(8,677)	2,891
Add Opening Cash Brought Forward		266,688	263,797
CLOSING CASH CARRIED FORWARD	11	258,010	266,688

The Cash Flow Statement 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 2008

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Overview

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.

1.2 Basis of Preparation of the Financial Report

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, and Interpretations issued by the Australian Accounting Standards Board and the requirements of 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 financial report is presented in Australian dollars and values are rounded to the nearest dollars unless otherwise specified.

Unless specifically required by an Accounting Standard, assets and liabilities are recognised in the Branch's Balance Sheet when and only if it is probable that future economic benefits will flow and the amounts of the assets and liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an accounting standard. Liabilities and assets that are unrealised are reported in the schedule of commitments and the schedule of contingencies.

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.

Unless alternative treatment is specifically required by an accounting standard, revenues and expenses are recognised in the Branch's Income Statement when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

1.3 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Branch has not made any significant judgments that have the most significant impact on the amounts recorded in the financial statements, except for depreciation and provision for employee entitlements.

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

1.4 Statement of Compliance

Australian Accounting Standards require a statement of compliance with International Financial Reporting Standards (IFRSs) to be made where the financial report complies with these standards. Some Australian equivalents to IFRSs and other Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. Branch is a not for profit entity and has applied these requirements, so while this financial report complies with Australian Accounting Standards including Australian Equivalents to International Financial Reporting Standards (AEIFRSs) it cannot make this statement.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2008

Adoption of New Australian Accounting Standards

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

The following new standards are applicable to current reporting period.

Financial Instrument Disclosure

AASB 7 Financial Instruments: Disclosures is effective for reporting periods beginning on or after 1 January 2007 (the 2007-08 financial year) and amends the disclosure requirements for financial instruments. In general AASB 7 requires greater disclosure than the previously required. Associated with the introduction of AASB 7 a number of accounting standards were amended to reference the new standard or remove the present disclosure requirements through 2005-10 Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]. These changes have no financial impact but will effect the disclosure presented in future financial reports.

The following new standards, amendments or interpretations have become effective for the Branch in the period. There is no material impact on the financial report on the adoption of these standards based on the Branch's assessment.

Amendments:

- 2007-4 Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments and Erratum: Proportionate Consolidation.
- 2007-7 Amendments to Australian Accounting Standards
- UIG Interpretation 11: AASB 2 – Group and Treasury Share Transactions and 2007-1 Amendments to Australian Accounting Standards arising from AASB Interpretation 11.

Future Australian Accounting Standards Requirements:

The following new standards, amendments to standards or interpretations have been issued by the Australian Accounting Standards Board effective for future reporting periods. It is estimated that the impact of adopting these pronouncements when effective will have no material financial impact on future reporting periods:

- AASB Interpretation 12 Service Concession Arrangements and 2007-2 Amendments to Australian Accounting Standards arising from AASB Interpretation 12
- AASB Operating Segments and 2007-3 Amendments to Australian Accounting Standards arising from AASB 8
- 2007-6 Amendments to Australian Accounting Standards arising from AASB 123
- AASB Interpretation 13 Customer Loyalty Programmes
- AASB Interpretation 14 AASB 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Other

The issued standard AASB 1049 Financial Reporting of General Government Sectors specifies the reporting requirements of the Australian Government for the General Government Sector, and is not applicable to the operations of AHA NT Branch.

1.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Branch and the revenue can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised.

Grants

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).

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2008

Interest income

Interest income is recognised as interest accrues using the effective interest method.

1.6 Provision for Employee Entitlements

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled. 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 management's best estimates of the expenditure required to settle the present obligation at the balance sheet date using discounted cash flow.

Leave

The liability for employee benefits includes provision for annual and long service leave. No provision has been made for sick leave as this is non-vesting and the average sick leave taken in future years by employees of the Branch is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including the Branch's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The present value of the liability takes into account attrition rate and pay increases through promotion and inflation.

Superannuation

The employees of the Branch are members of various superannuation funds but most are member of HostPlus Super Fund. The Branch makes employer contributions to these various Super Funds at the rate of 9% paid on monthly basis. The Branch complies with the requirements of superannuation choice legislation.

1.7 Borrowing Costs

All borrowings are expensed as incurred.

1.8 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.

1.9 Financial Instruments

Initial Recognition

Financial assets and financial liabilities are recognised in the balance sheet when the Branch becomes a party to the contractual provisions of the instrument.

Financial instruments are recognised initially at fair value plus transaction costs except for those designated at fair value through profit and loss (FVPL).

Classification of Financial Instruments

The Branch classifies its financial assets in the following categories: financial assets at FVPL, held-to-maturity (HTM) investments, loans and receivables and available-for-sale (AFS) investments. Financial liabilities are classified as financial liabilities at FVPL and other liabilities. The classification depends on the purpose for which the investments are acquired and whether they are quoted in an active market. Management determines the classification of its financial assets and liabilities at initial recognition and, where allowed and appropriate, reevaluates such designation at every reporting date.

The Branch does not have any financial assets at FVPL, HTM investment, AFS investments and financial liabilities at FVPL.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2008

Loans and Receivables

Loans and receivables are **nonderivative** financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are carried at cost or amortised cost in the balance sheet. Amortisation is determined using the effective interest rate method. Effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis.

Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired and through amortisation process.

This category includes the Branch's receivables (Note 5).

Financial Liabilities

Other Financial Liabilities

This classification pertains to financial liabilities that are not held for trading or not designated as at FVPL upon the inception of the liability. Included in this category are liabilities arising from operations or borrowings.

The financial liabilities are recognised initially at fair value and are subsequently carried at amortised cost, taking into account the impact of applying the effective interest rate method of amortisation (or accretion) for any related premium, discount and any directly attributable transaction costs.

This category includes the Branch's payables and interest bearing liabilities (Notes 9 and 10).

Derecognition of Financial Assets and Liabilities

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognised when: a) the rights to receive cash flows from the asset have expired; b) the Branch retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or c) the Branch has transferred its rights to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired.

Impairment of Financial Assets

Assessment of Impairment

The Branch assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. It assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant.

Impairment on Assets Carried at Amortised Cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of loss shall be recognised in the income statement.

Reversal of Impairment Loss

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statements, to

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2008

the extent that the carrying value of the asset does not exceed its cost or amortised cost at the reversal date.

1.10 Property, plant and equipment

Initial Recognition and Subsequent Measurement

Property, plant and equipment are initially carried at cost less accumulated depreciation and any accumulated impairment losses. Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that the future economic benefits in excess of the originally assessed performance of the asset will flow to the Branch in future years. All other costs are accounted as repairs and maintenance and are recognised in the statement of income as incurred.

Impairment

Property, plant and equipment are assessed for indicators of impairment annually. If indicator of impairment exists, the Branch determines the asset's recoverable amount. The recoverable amount is determined as the higher of the asset's fair value less costs to sell and value in use. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount.

Depreciation

Depreciation on property, 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 Branch.

Major depreciation rates are:	2008	2007
• Motor vehicles	20%	20%
• Plant & equipment	20%	20%
• Computer equipment	40%	40%

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the income statement.

1.11 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

1.12 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.

1.13 Taxation

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

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2008**

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.

Income tax

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

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2008

	2008 \$	2007 \$
NOTE 2. REVENUE FROM OPERATING ACTIVITIES		
Revenues from Operating Activities		
Administration Fees	5,630	5,630
Associate Membership	26,286	21,361
Awards Dinner	51,945	0
Conference & Trade Fair	72,354	110,774
Corporate Members/Commission	39,878	9,268
Corporate Sponsorship	164,381	135,825
Restaurant & Catering	29,156	0
Gold Plate Awards	0	36,905
Golf Day	11,382	0
Luncheons/Dinners	27,145	24,126
Magazine Income	6,755	8,170
Membership Fees and Subscriptions	120,188	121,540
Other Grants	138,249	50,812
Sundry Income	51,360	16,030
Work Choice Seminar	0	6,941
Total Revenues from Operating Activities	744,709	547,382
Revenues from Non-Operating Activities		
Interest Received	8,603	15,246
Interest Other	14,449	0
Total Revenues from Non-Operating Activities	23,052	15,246
Total Revenues from Ordinary Activities	767,761	562,628
NOTE 3. EXPENSES		
a. Depreciation of Non-Current Assets		
Motor Vehicle	3,605	4,506
Plant & Equipment	4,269	5,388
Computer & Equipment	819	1,024
Total Depreciation of Non-Current Assets	8,693	10,918
b. Employment Benefits		
The compensation of the office holders and employees as of 30 June 2008 is as follows:	Office Holders	Employees
Wages and salaries	65,578	100,854
Superannuation contributions	8,100	10,243
Payroll tax and other employee benefits	24,725	21,790
	98,403	132,887

The compensation of the office holders and employees as of 30 June 2007 was not included due to unavailability of the data required to make the necessary disclosure.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2008

	2008 \$	2007 \$
NOTE 4. OTHER EXPENSES		
Affiliation Fees and Levies	8,636	7,886
Accounting fees	5,614	5,965
Audit fees	5,200	4,300
Bank Charges	2,791	2,304
Doubtful Debts Expense	3,956	(900)
Conference and Trade Fairs	123,087	119,585
Consultants	10,102	49,184
Gold Plate Award	34,916	32,922
Golf Day	9,306	0
Insurance	7,584	6,497
Internet Service	1,039	1,621
Legal Fees	5,215	9,189
Luncheon/Dinner	24,872	24,225
Magazine Expenses	6,039	6,027
Motor Vehicle Expenses	2,269	2,845
Office Equipment	2,481	2,385
Rental	28,986	26,204
Postage and Stationery	7,541	9,897
Power and Body Corporate	7,589	4,563
Printing	0	1,132
Professional Fees	6,462	720
Repairs and Maintenance	3,260	7,117
Responsible Gambling Code Expense	0	2,853
Taxi Rank Security	0	0
Telephone and Facsimile	9,776	10,816
Trainings and Seminars	1,750	2,802
Travel and Accommodation	16,043	17,268
Website	0	2,250
Sundry	31,453	10,979
Total other expenses	365,968	370,636
NOTE 5. RECEIVABLES		
Trade debtors	90,397	73,002
Provision for doubtful debts	(3,270)	(2,100)
Other	103	2,684
	87,230	73,586
The aging of the receivables are as follows:		
- within 30 days	46,759	29,931
- 31 to 60 days	37,180	10,320
- 61 to 90 days	321	13,925
- over 90 days	6,240	21,510
	90,500	75,686

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
YEAR ENDED 30 JUNE 2008**

	2008 \$	2007 \$
NOTE 6. OTHER		
Prepayments	2,344	4,514
Others	200	1,000
	2,544	5,514
NOTE 7. PROPERTY, PLANT & EQUIPMENT		
Motor vehicle		
At cost	27,881	27,880
Provision for depreciation	(13,461)	(9,856)
	14,420	18,024
Plant and equipment		
At cost	28,190	27,199
Provision for depreciation	(17,940)	(13,670)
	10,250	13,529
Leasehold Improvements		
At cost	10,001	10,001
Provision for depreciation	(6,723)	(5,904)
	3,278	4,097
Total written down amount	27,948	35,650
NOTE 7(b): NON-CURRENT ASSETS (Reconciliations)		
Motor Vehicles		
Cost amount at the beginning	27,881	27,881
Additions for the year	0	0
Asset disposal for the year	0	0
Cost amount at the end of the year	27,881	27,881
Accumulated Depreciation		
Accumulated depreciation at the beginning	(9,856)	(5,350)
Depreciation on asset disposal	0	0
Depreciation for the year	(3,605)	(4,506)
	(13,461)	(9,856)
Written down value	14,420	18,025
Plant and Equipment		
Cost amount at the beginning	27,199	13,187
Additions for the year	991	14,014
Asset disposal for the year	0	0
Cost amount at the end of the year	28,190	27,201
Accumulated Depreciation		
Accumulated depreciation at the beginning	(13,673)	(8,285)
Depreciation on asset disposal	0	0
Depreciation for the year	(4,267)	(5,388)
	(17,941)	(13,673)
Written down value	10,250	13,528

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2008

	2008 \$	2007 \$
Leasehold Improvements		
Cost at the beginning	10,001	10,001
Accumulated Depreciation at beginning	(5,904)	(4,880)
Depreciation for the year	(819)	(1,024)
Written down value	3,278	4,097
TOTAL PROPERTY, PLANT AND EQUIPMENT	27,948	35,650
NOTE 8. PAYABLES		
Trade Creditors	3,241	1,124
Advance Funding and Sponsorship	152,548	130,374
Other Creditors and Accruals	42,655	62,194
Total Payable	198,444	193,692
The aging of the payables are as follows:		
- up to 3 months	44,396	63,318
- 3 to 6 months	1,500	0
- 6 to 1 years	152,548	130,374
	198,444	193,692
NOTE 9. LEASE COMMITMENTS		
The Branch has a car financing lease entered into with the Adelaide Bank for a term of 36 months. This lease will end in July 2008.		
Payable – minimum lease payments		
- not later than 12 months	13,097	7,518
- between 12 months and 5 years	0	12,095
Less: Finance charge	(154)	(1,558)
	12,943	18,055
NOTE 10. ACCUMULATED FUNDS		
Accumulated surplus at start of year	165,340	158,971
Surplus/(Deficit) for the year	161,810	6,369
ACCUMULATED FUNDS	327,150	165,340
NOTE 11. STATEMENT OF CASH FLOWS		
a) Reconciliation of cash		
Cash balance comprises:		
- Cash on hand	200	200
- Cash in bank	257,810	266,488
Closing cash balance	258,010	266,688

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2008

b) Reconciliation of the operating surplus/(deficit) to the net cash flows from operations:

Operating surplus/(deficit)	161,810	6,369
Depreciation - plant and equipment	8,693	10,918
Changes in assets and liabilities:		
Decrease/(Increase) in Receivables	(13,644)	(18,608)
Decrease/(Increase) in Prepayments	2,970	(2,445)
(Decrease)/Increase in Creditors	4,750	34,804
Increase/(Decrease) – Provision for Employee Entitlements	6,236	(9,019)
Net cash flows provided by/(used in) operating activities	170,815	22,019

NOTE 12. RELATED PARTY TRANSACTIONS

During the year ended 30 June 2008, the Branch has provided an unsecured loan of \$ 173,392 to AHANT Incorporated to purchase the units 20 and 23 at 24 Cavenagh Street, Darwin NT where the Branch currently operates. Such loan accrues interest at 10% per annum on a monthly basis. The loan repayment dates has not been determined. As such it is disclosed as a non-current asset. Interest received from the commencement of the loan which was in September until year end was \$14,449.

AHANT Incorporated has agreed to lease the units back to the Branch at a rate of \$15,000 per unit per annum. Rent paid from September through 30 June 2008 was \$27,500.

NOTE 13. 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.

NOTE 14. 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), (3), (4), (5) and (6) 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).

NOTE 15. 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 4 employees.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2008

NOTE 16. 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.

NOTE 17. FINANCIAL INSTRUMENTS

Recognised financial instruments

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:

Recognised Financial Instruments	Statement of Financial Position Notes	Accounting Policies	Terms and Conditions
(i) Financial assets			
Receivables – Trade	5	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
(ii) Financial liabilities			
Payables	8	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.

Fair Value and Classification of Financial Instruments

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	
	2008 \$	2007 \$	2008 \$	2007 \$
Financial assets				
Cash	258,010	266,688	258,010	266,688
Receivables	87,230	73,586	87,230	73,586
Total financial assets	345,240	340,274	345,240	340,274
Financial liabilities				
Trade creditors and accruals	45,896	62,194	45,896	62,194
Fees received in advance	152,548	130,374	152,548	130,374
Total financial liabilities	198,444	192,658	198,444	192,658

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2008

The carrying amounts of the Branch's financial assets and liabilities approximate their fair values due to the relatively short-term maturities of the financial instruments.

Financial Risk Management Policies and Objectives

The Branch's business activities are exposed to a variety of financial risks, which include credit risk, liquidity risk and market risk. Management ensures that it has sound policies and strategies in place to minimise potential adverse effects of these risks on the Branch's financial performance.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Branch. Credit risk arises from deposits with banks and receivables from third parties. The maximum exposure to credit risk at balance date is the carrying amount of financial assets as disclosed in the statement in the balance sheet and notes to the financial statements.

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

(b) Liquidity risk

Liquidity risk refers to the risk that the Branch will not be able to meet its financial obligations as they fall due and lack of funding to finance its growth and capital expenditures and working capital requirements.

The following summarises the maturity profile of the Branch's non-derivative financial liabilities based on contractual undiscounted payments:

At June 30, 2008

	On Demand \$	Within One Year \$	1-5 Years \$	Total \$
Trade creditors and accruals	45,896	0	0	45,896
Fees received in advance	152,548	0	0	152,548
	198,444	0	0	198,444

At June 30, 2007

	On Demand \$	Within One Year \$	1-5 Years \$	Total \$
Trade creditors and accruals	62,194	0	0	62,194
Fees received in advance	130,374	0	0	130,374
	192,658	0	0	192,658

(c) Market risk

Market risk refers to the risk that changes in market prices, such as foreign exchange rates, interest rates and other market prices will affect the Branch's income or the value of its holdings of financial statements.

The Branch is only subject to risk on changes in interest rates and currency exchange rates.

AUSTRALIAN HOTELS ASSOCIATION – NORTHERN TERRITORY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS YEAR ENDED 30 JUNE 2008

NOTE 15: FINANCIAL INSTRUMENTS

Note 15 (d) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due changes in market interest rates.

The Branch's exposure to the risk of changes in market interest rates relates primarily to the interest bearing liabilities, which are subject to floating interest rates.

The following tables show information about the Branch's financial instruments that are exposed to interest rate risk and presented by maturity profile:

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							
	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$	2008 %	2007 %
<i>(i) Financial assets</i>																
Cash and liquid assets	258,010	266,688	-	-	-	-	-	-	-	-	-	-	258,010	266,688	7.00	6.05
Receivables – trade	-	-	-	-	-	-	-	-	-	-	87,230	73,588	87,230	73,588	N/A	N/A
Loans to related party	-	-	-	-	-	-	-	-	173,392	-	-	-	173,392	-	10.00	-
Total Financial Assets	258,010	266,688	-	-	-	-	-	-	173,392	-	87,230	73,588	618,632	340,274	17.00	6.05
<i>(ii) Financial liabilities</i>																
Payables	-	-	-	-	-	-	-	-	-	-	198,444	193,692	198,444	193,692	N/A	N/A
Lease liability	-	-	12,943	-	-	18,055	-	-	-	-	-	-	12,943	18,055	7.6	7.6
Interest related to lease	-	-	154	-	-	1,558	-	-	-	-	-	-	154	1,558	-	-
Total financial liabilities	-	-	13,097	-	-	19,613	-	-	-	-	198,444	193,692	211,5417	213,305	-	-

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



Australian Government
Australian Industrial Registry

8 January 2009

To: Emmanuel Cruz
Secretary
Australian Hotels Association Northern Territory Branch
GPO Box 3270
Darwin Northern Territory, 0801
email: admin@ahant.com.au; ed@ahant.com.au

cc: Aminul Islam
Partner
Merit Partners, Chartered Accountants
GPO Box 3470
Darwin Northern Territory 0801
email: a.islam@meritpartners.com.au

Dear Mr Cruz

AHA NT Branch Financial Report year ended 30 June 2008: FR2008/321

I acknowledge receipt of the financial report for the Australian Hotels Association Northern Territory Branch for the year ended 30 June 2008 which was lodged with the Registry on 19 December 2008. I have examined the financial report and have identified a matter regarding donations, grants or loans that needs to be attended to before the report can be filed. There are also some other matters which require further clarification, as set out below.

1. Donations, Grants or Loans

I note that a loan totalling \$173,392 was made to AHA NT Incorporated in the financial year ended 30 June 2008. Under section 237 of the RAO Schedule there are certain steps that need to be taken if an individual loan exceeds \$1000, including the lodgment of a statement within 90 days of the end of the financial year. The following link will take you to the relevant section of the RAO Schedule:
http://www.airc.gov.au/legislation/wr_act/wrwc2.htm#P3873_362204.

Please ensure that a section 237(1) statement, setting out the particulars required under subsection 237(5) and signed by an officer of the branch, is lodged in the Industrial Registry as soon as possible. If any other donations, grants or loans in excess of \$1000 were made in the financial year ending 30 June 2008, the subsection 237(1) statement would also need to include the details of these as well.

2. Office holders and other employees

[Section 9](#) of the RAO Schedule defines "office" and [subsection 143\(1\)](#) requires that office-holders be elected. For the purposes of organisations registered under the Workplace Relations Act 1996, the term office-holders does not include persons who are employed (but not elected) in positions of management and who are subject to the directions of elected office-holders. [The Reporting Guidelines \(point 14\)](#) require that either the balance sheet or the notes to the financial statements identify liabilities for employee benefits for holders of office (guideline 14 (c)) and for other employees (guideline 14 (d)). Thus the Reporting Guidelines require that liabilities for elected office-holders who

are also employed be distinguished from other employees (such as managers who are subject to the directions of elected office-holders).

I note that the income statement indicates a total of \$6236 in employee provisions but the balance sheet indicates \$10587 as provision for annual leave. I am unable to ascertain the total liabilities for employee benefits. Nor am I able to distinguish between liabilities for employed office holders and other employees. Please confirm the amount of liabilities for employed holders of office (as defined under the RAO Schedule) and the amount of liabilities for other employees.

3. Affiliation

[Point 11 \(b\) of the Reporting Guidelines](#) requires that if affiliations were paid to another reporting unit of the organisation then the amount and name of the reporting unit need to be disclosed. [Point 11 \(d\) of the Reporting Guidelines](#) requires that balances for fees and periodic subscriptions in respect of affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters be disclosed in the notes unless already disclosed on the face of the profit and loss statement. Also [point 11 \(e\) of the Reporting Guidelines](#) requires that the amount of any compulsory levies, a brief description of purpose of the levy and the name of the entity imposing the levy (including another reporting unit of the organisation) be disclosed in the notes unless already disclosed on the face of the profit and loss statement.

Note 4 to the financial statements groups affiliation and levy expenses together and does not provide an explanation of them. Please advise the amount and the relevant bodies to which affiliations were paid, the amount and purpose of any compulsory levies and the name of any entities imposing a compulsory levy.

In addition to the issues raised above, I bring to your attention the following matters for consideration in the preparation of future financial returns:

1. Operating Report – review of principal activities

[Subsection 254\(2\)\(a\) of the RAO schedule](#) requires an operating report to contain a review of the principal activities of the reporting unit, the results of those activities and any significant changes in the nature of those activities. I note that the operating report provides a review of the principal activities (thank-you), but does not note the results nor whether there were any significant changes. Future operating reports should advise the results of the principal activities of the branch and whether there were any significant changes.

2. Operating Report – trustee of superannuation entity

[Subsection 254\(2\)\(d\) of the RAO schedule](#) requires an operating report to give details of any officer or member of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme **where a criterion for being the trustee is being an officer or a member of a registered organisation**. I note that the operating report states that to the best of your knowledge no officers or members of the AHA NT Branch are trustees or a director of a company that is a trustee, which is broader than the requirements of subsection 254(2)(d). In future the operating report only needs to give details where a criterion for trusteeship is being a member or an officer of the AHA. In this case, the qualification “to the best of my knowledge” is inappropriate as the designated officer is required to give the details.

3. Auditor's Qualifications

[Regulation 4 of the Workplace Relations \(Registration and Accountability of Organisations\) Regulations 2003](#) (RAO Regulations) defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants **and** holds a current Public Practice Certificate. As noted in our correspondence dated 31 January 2008 in relation to the auditor's report for the year ending 30 June 2007, in all likelihood the auditor is

such a person however it is our preference that this is made explicit in the auditor's report. Please ensure that your auditor makes this explicit in future audit reports.

4. Notes to the GPF

I note that in response to our correspondence dated 31 January 2008 note 14 sets out only subsections (1), (2) and (3) of section 272 (thank-you), however the introductory sentence still refers to subsections (4) and (5) of section 272. The introductory sentence need only refer to subsections (1), (2) and (3) of section 272 in future reports.

SUMMARY

In order to finalise the financial reporting obligations for the financial year ending 30 June 2008, please provide:

- A subsection 237(1) statement disclosing the required particulars regarding any donations, grants or loans in excess of \$1000; and
- Advice as to:
 - Amounts paid to any reporting unit of the AHA which were a proportion of entrance fees or membership subscriptions, and the name of the reporting unit;
 - Affiliations to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters;
 - Amounts and purpose of any compulsory levies and the name of entities imposing compulsory levies; and
 - Liabilities for holders of office and liabilities for other employees.

For future financial reports, please ensure that:

- The dot points above are addressed (noting that subsection 237(1) statements need to be lodged within 90 days of the end of the financial year);
- The operating report indicates the results of the principal activities of the reporting unit and whether there were any significant changes to them;
- The operating report gives details of superannuation trusteeships only where a criterion for trusteeship is being a member or an officer of the AHA;
- Your auditor explicitly states whether that he is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants **and** whether he holds a current Public Practice Certificate; and
- Only subsections (1), (2) and (3) of section 272 are referred to in the introductory sentence in the note regarding information to be provided to members or Registrar.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act and the Reporting Guidelines, I can be contacted on 03 8661 7929 or by email at eve.anderson@airc.gov.au.

Yours sincerely



Eve Anderson
Statutory Services Team
Principal Registry
Tel: 03 86617929
Email: eve.anderson@airc.gov.au



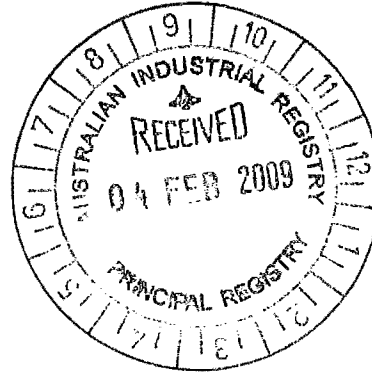
Northern Territory Branch
AUSTRALIAN HOTELS ASSOCIATION

Telephone: (08) 8981 3650 Facsimile: (08) 8981 5754
20/24 Cavenagh Street Darwin Northern Territory 0800
GPO Box 3270 Darwin Northern Territory 0801
admin@ahant.com.au
www.ahant.com.au

4 February 2009

By email – Eve.Anderson@airc.gov.au

Eve Anderson
Statutory Services Team
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001



Dear Ms Anderson,

AHA NT Branch Financial Report – Year ended 20 June 2008: FR2008/321

I refer to your letter by email, dated 8 January 2009, in relation to this matter.

As requested, please find **enclosed** a Statement made by the Senior Vice-President of the AHA NT Branch pursuant to section 237 of the RAO Schedule.

Further, I can advise the following in respect to the financial statements for FY2007/08:

1. AHA NT Branch paid a total of \$8,636.45 as a general levy to the National AHA body;
2. AHA NT Branch paid an amount of \$991.36 in capitation fees to Restaurant & Catering Australia (ie, membership fee);
3. There are no employed elected office holders of the AHA NT Branch. As discussed, I raised this with the auditor when provided with their draft financial statements, however, they informed me they had to distinguish my position from other employees – ie, management from employees. I confirm that I am a salary employee and not an elected office holder. Accordingly, all the amounts under Officer Holder on page 18 of the audited financials should be included under the Employees figures.

I have **attached** a copy of an email from Amin Islam to myself dated 9 January whereby he confirms the disclosure of office holders Note 3(b) in the accounts is incorrect as it stands.

Employee figures on page 18 should therefore read as follows:



Wages and Salaries	\$166,432
Superannuation contributions	\$18,343
Payroll tax and other employee benefits	<u>\$16,515</u>
	<u>\$231,290</u>

4. Also explained in the **attached** email from Amin Islam, dated 9 January, is the employee provisions in the balance sheet. Please advise whether you need any further information in this regard.

Please call me if you have any queries.

Yours sincerely,



Amy Williamson
Executive Director

Enclosures

Executive Director AHANT

From: Amin Islam [A.Islam@meritpartners.com.au]
Sent: Friday, 9 January 2009 3:28 PM
To: Executive Director AHANT
Cc: Candice Thomson; Cheryl Marmita
Subject: [Spam?]RE: AHA NT Branch Financial Return 30/06/07: FR

Amy

Happy New Year

In relation to AIR's letter and your queries on 30/6/8 accounts, please note our comments

1) Provision for annual leave balance in the balance sheet is made up of

Balance at 1 July 2007	\$4,351
Add: additional provisions for the year charged to the Income statement (for 4 employees of AHANT)	6,236

Balance at 30 June 2008 (as per balance sheet)	\$10,587
--	----------

2) Office holders and other employees

On the basis of further explanation provided for Section 9 of the RAO the disclosure of office holders Note 3 b in the accounts is incorrect as it stands.

We are happy to amend the note and reissue it should you desire so.

Please call me if you require any further clarification

Regards,

Amin Islam
Partner
Merit Partners
Level 2 9-11 Cavenagh Street
Darwin NT 0800
Phone 61 8 8982 1403
Fax 61 8 8982 1475
<http://www.meritpartners.com.au>

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From: Executive Director AHANT [mailto:ed@ahant.com.au]
Sent: Friday, 9 January 2009 10:54 AM
To: Amin Islam
Subject: FW: AHA NT Branch Financial Return 30/06/07: FR

4/02/2009