



FAIR WORK
AUSTRALIA

25 February 2010

Mr Emmanuel Cruz
Secretary
Australian Hotels Association, Northern Territory Branch

email: admin@ahant.com.au

Dear Mr Cruz

**Re: Financial Report for the Australian Hotels Association, Northern Territory Branch
for year ended 30 June 2009 – FR2009/10087**

I acknowledge receipt of the financial report for the Australian Hotels Association, Northern Territory Branch (the Branch) for the year ended 30 June 2009. The report was lodged with Fair Work Australia on 11 February 2010.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Operating Report

Trustee of superannuation entity

Subsection 254(2)(d) of *Fair Work (Registered Organisations) Act 2009* (the Act) requires 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 to be provided in the operating report “*where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation*”.

If no officers or members of the reporting unit is a trustee of a superannuation entity, the preferred wording to satisfy the s254(2)(d) is:

“No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.”

Timing of Financial Documents - Lodgement of Documents in Fair Work Australia

Section 268 of the Act requires the Branch to lodge its financial documents with Fair Work Australia within 14 days of the date of the General Meeting of Members at which they were presented (that is, by 15 December 2009). The documents were not lodged with Fair Work Australia, however, until 11 February 2010. You are requested to lodge documents within the 14 day period in future.

References to Schedule 1B

The Designated Officer's Certificate contains reference to Schedule 1 of the *Workplace Relations Act 1996*. This reference should have been to the *Fair Work (Registered Organisations) Act 2009* for Designated Officer's Certificates prepared after 1 July 2009.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to be 'K Donnellan', with a long horizontal stroke extending to the right.

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

**Australian Hotels Association
Northern Territory Branch**

ABN 48 911 463 427

**General Purpose Financial Report
for the year ended 30 June 2009**

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Committee of Management Statement

On 30 October 2009, 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 2009:

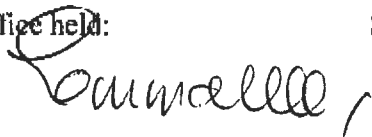
The Committee of Management declares in relation to the GPFR that in its opinion:

- (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:

30/10/09

Operating Report

I, Emmanuel Cruz, being the designated officer responsible for preparing this report for the financial year ended 30 June 2009 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 (**attached**). 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 3 November 2008, 11 March 2009 as well as the National Board meeting on 26 August 2008.

(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.

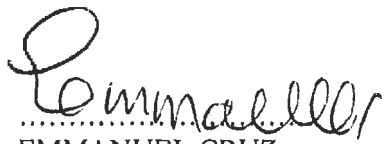
(d) Prescribed and other information

- (i) As at 30 June 2009 to which this report relates, the number of members of the AHA was 142 including Honorary Life members (120 are voting members);
- (ii) As at 30 June 2009, 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
- Doug Sallis Senior Vice President
- Andrew Hay Vice President
- Justin Coleman Treasurer
- Emmanuel Cruz Secretary
- Geoff Booth
- Frank Dalton
- Peter Severin
- Lindsay Carmichael
- Adam Glass
- John Tourish
- Ray Loechel
- Tony Adams

There was one position which was not filled at the 2009 election and remained vacant as at 30 June 2009.



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EMMANUEL CRUZ

Date: 30 October 2009

Independent auditor's report**To the members of the Australian Hotels Association (NT Branch) Inc.****Report on the Financial Report**

We have audited the accompanying financial report of Australian Hotels Association (NT Branch) Inc. ("the Branch"), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the committee of management's statement.

The Committee of Management's Responsibility for the Financial Report

The Branch's Committee of management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and with 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, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

In our opinion the general purpose financial report presents 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 of 1996.

Merit Partners

Merit Partners

Aminul Islam

Aminul Islam, Fellow of the Institute of Chartered Accountants in Australia.

Director

Registered Company Auditor

Also holds a current Public Practice Certificate

Darwin

Date: *30 October 2009*

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
REVENUE	2	778,922	767,761
Depreciation and amortisation expense	3	(7,688)	(8,693)
Employee benefits expenses	3	(276,422)	(231,290)
Other Expenses	4	(394,126)	(365,968)
Profit before income tax		100,686	161,810
Income tax expense	15	0	0
Profit from Operations		100,686	161,810

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

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

BALANCE SHEET AS AT 30 JUNE 2009

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	10	444,037	258,010
Trade and Other Receivables	5	241,541	87,230
Other current assets	6	3,210	2,544
TOTAL CURRENT ASSETS		688,788	347,784
NON-CURRENT ASSETS			
Property, plant and equipment	7	25,237	27,948
Receivables	5	173,111	173,392
TOTAL NON-CURRENT ASSETS		198,348	201,340
TOTAL ASSETS		887,136	549,124
CURRENT LIABILITIES			
Trade and Other Payables	8	445,835	198,444
Provision for Employee Entitlements		13,465	10,587
Borrowings	9	0	12,943
TOTAL CURRENT LIABILITIES		459,300	221,974
TOTAL LIABILITIES		459,300	221,974
NET ASSETS		427,836	327,150
EQUITY			
Retained earnings		427,836	327,150
TOTAL EQUITY		427,836	327,150

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

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	Retained Earnings \$	Total \$
Balance at 1 July 2007	165,340	165,340
Profit attributable to members	161,810	161,810
Balance at 30 June 2008	327,150	327,150
Profit attributable to members	100,686	100,686
BALANCE at 30 JUNE 2009	427,836	427,836

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

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and funding bodies		809,257	727,111
Payments to Suppliers and Employees		(639,156)	(579,348)
Interest Received		33,681	23,052
Net cash flows provided by / (used in) operating activities	10	203,782	170,815
CASH FROM INVESTING ACTIVITIES			
Purchases of Assets		(5,093)	(991)
Advance to related party		0	(173,392)
Repayment of loan to related party		281	0
Net cash flows (used in) investing activities		(4,812)	(174,383)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(12,943)	(5,110)
Net cash flows (used in) financing activities		(12,943)	(5,110)
Net increase / (decrease) in cash held		186,027	(8,677)
Cash at beginning of financial year		258,010	266,688
Cash at end of financial year	10	444,037	258,010

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

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Overview

The financial report covers Australian Hotels Association (NT Branch) Inc. "The Branch" as an individual entity. The 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.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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.

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 report complies with these standards. Some Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. The Association is a not-for-profit entity and has applied these requirements, so while this financial report complies with Australian Accounting Standards it cannot make this statement.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Branch for the annual reporting period ended 30 June 2009.

There are a number of new accounting standards which are issued but none of them will have any material effect on its financial statements. The following standards will only effect the disclosure requirement of the financial statements:

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reference	Title	Summary	Application date of standard*	Impact on the Entities financial report
AASB 101 (Revised), AASB 2007-8 and AASB 2007-10	Presentation of Financial Statements and consequential amendments to other Australian Accounting Standards	Introduces a statement of comprehensive income. Other revisions include impacts on the presentation of items in the statement of changes in equity, new presentation requirements for restatements or reclassifications of items in the financial statements, changes in the presentation requirements for dividends and changes to the titles of the financial statements.	1 January 2009	New Presentation requirements in line with the standard

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.

Membership Fees

Membership subscriptions are recognised on a straight-line basis over the financial year in which it relates.

Sponsorship

Sponsorships are recognised on a straight-line basis over the financial year in which they relate.

Interest income

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

1.6 Provision for Employee Entitlements

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits are expected to be settled within one year and have been measured at the amounts expected to be paid when the liability is settled.

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 members 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.

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.7 Borrowing Costs

All borrowing costs are expensed in the period in which they are incurred.

1.8 Cash and cash equivalents

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

1.9 Financial Instruments

Financial Assets

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.

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.

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

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.

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

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 income statement 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:	2009	2008
• Motor vehicles	20%	20%
• Plant & equipment	20% - 40%	20% - 40%
• Leasehold Improvements	20%	20%

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.

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.11 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 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.

1.12 Goods and Services Tax "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.

1.13 Prior year error

In the prior year, note 3 to the financial statements recognised one employee as being an office holder and the employee benefits expense for that employee was recorded accordingly (total \$98,403). It has since been noted that the employee is not an office holder and that the Association pays no employee benefits to any office holder's. The employee benefits expense for 2008 has been amended accordingly in the current year financial statements to reflect the correct information.

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 2. REVENUE

	2009 \$	2008 \$
Commission	0	39,878
Conference and Trade Fair	53,739	72,354
Corporate Sponsorship	205,415	164,381
Functions	129,982	119,628
Grant Income	180,440	138,249
Interest Received	33,681	23,052
Membership Fees and Subscriptions	145,518	146,474
Sundry Income	30,147	63,745
	778,922	767,761

NOTE 3. EXPENSES

Depreciation		
Motor Vehicle	2,884	3,605
Plant & Equipment	4,148	4,269
Leasehold Improvements	656	819
	7,688	8,693

Employee Benefits Expense

The compensation of the office holders and employees
as of 30 June 2009 is as follows:

	Office Holders	Non-Office Holders
Wages and salaries	-	236,000
Annual leave and sick leave	-	16,127
Superannuation contributions	-	21,419
Payroll tax and other employee benefits	-	2,876
	-	276,422

The compensation of the office holders and employees
as of 30 June 2008 is as follows:

Wages and salaries	-	151,543
Annual leave and sick leave	-	14,889
Superannuation contributions	-	18,343
Payroll tax and other employee benefits	-	46,515
	-	231,290

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
NOTE 4. OTHER EXPENSES			
Affiliation Fees and Levies	16	12,968	8,636
Audit and Accounting Fees		12,528	10,814
Bank Charges		2,602	2,791
Conference and Trade Fairs		107,073	123,087
Consultants		0	10,102
Doubtful Debts Expense		545	3,956
Functions		69,493	69,094
Insurance		7,617	7,584
Legal Fees		515	5,215
Magazine Expenses		5,395	6,039
Motor Vehicle Expenses		1,934	2,269
Office Equipment		4,444	2,481
Postage and Stationery		7,862	7,541
Power and Body Corporate		2,906	7,589
Professional Fees		5,280	6,462
Rental		31,035	28,986
Repairs and Maintenance		4,920	3,260
Sundry		24,952	32,492
Taxi Rank Security		67,000	0
Telephone and Facsimile		12,511	9,776
Trainings and Seminars		1,379	1,750
Travel and Accommodation		11,167	16,044
		394,126	365,968
NOTE 5. TRADE AND OTHER RECEIVABLES			
Note 5a: CURRENT			
Trade debtors		244,811	90,397
Provision for doubtful debts		(3,270)	(3,270)
Other		0	103
		241,541	87,230

Current trade receivables are non-interest bearing and generally are receivable within 60 days. A provision for impairment is recognised against Trade Debtors where this is objective evidence that an individual trade receivable is impaired.

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 5. TRADE AND OTHER RECEIVABLES (continued)

Credit Risk

The entity has no significant concentration of credit risk with respect to any signed counterparty or group of counterparties other than those receivables specially provided for and mentioned within Note 5. The main source of credit risk to the entity is considered to relate to the class of assets described as Trade Debtors.

The following table details the entity's Trade Debtors exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the entity and the counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the entity.

The balances of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)			Within initial trade terms
			<30	31-60	>61	
2009	\$	\$	\$	\$	\$	\$
Trade Debtors	244,811	3,270	9,095	7,579	4,901	219,966
2008						
Trade Debtors	90,397	3,270	37,180	321	2,970	46,656
Other	103	0	0	0	0	103

The entity does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired

Collateral held as security

No collateral is held as security for any of the trade and other receivable balances.

Note 5b: NON-CURRENT

Loans to related party

2009	2008
\$	\$
173,111	173,392
173,111	173,392

For terms and conditions relating to the related party loan refer to note 12.

Details regarding fair values, interest rate risk and credit risk, refer to note 16.

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 6. OTHER CURRENT ASSETS

	2009 \$	2008 \$
Prepayments	3,010	2,344
Others	200	200
	3,210	2,544

NOTE 7. PROPERTY, PLANT & EQUIPMENT

Motor vehicle		
At cost	27,881	27,881
Accumulated Depreciation	(16,345)	(13,461)
	11,536	14,420
Plant and equipment		
At cost	31,933	28,190
Accumulated Depreciation	(20,854)	(17,940)
	11,079	10,250
Leasehold Improvements		
At cost	10,001	10,001
Accumulated Depreciation	(7,379)	(6,723)
	2,622	3,278
	25,237	27,948

Movement in carrying amounts:

	Motor Vehicles \$	Plant & Equipment \$	Leasehold Improvements \$	Total \$
Balance at 1 July 2007	18,025	13,526	4,097	35,648
Additions	0	991	0	991
Disposals	0	0	0	0
Depreciation expense	(3,605)	(4,267)	(819)	(8,691)
Balance at the beginning of year	14,420	10,250	3,278	27,948
Additions	0	5,093	0	5,093
Disposals	0	(118)	0	(118)
Depreciation expense	(2,884)	(4,146)	(656)	(7,686)
Carrying amount at the end of year	11,536	11,079	2,622	25,237

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 8. TRADE AND OTHER PAYABLES

	2009 \$	2008 \$
Trade Creditors	32,572	3,241
Advance funding and sponsorship	370,876	152,548
Other payables	42,387	42,655
	445,835	198,444
Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables		
- Total current	445,835	198,444
- Total non-current	0	0
	445,835	198,444
Less: advance funding and sponsorship	(370,876)	(152,548)
Financial liabilities as trade and other payables	74,959	45,896

NOTE 9. BORROWINGS

CURRENT

Lease liability	0	12,943
Financial liabilities at amortised cost classified as borrowings	0	12,943
Finance lease commitments		
Payable – minimum lease payments:		
- not later than 12 months	0	13,097
- between 12 months and 5 years	0	0
Minimum lease payments	0	13,097
Less future finance charges	0	(154)
Present value of minimum lease payments	0	12,943

NOTE 10. CASH FLOW INFORMATION

a) Reconciliation of cash and cash equivalents

Cash balance comprises:

- Cash on hand	346	200
- Cash in bank	443,691	257,810
	444,037	258,010

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 10. CASH FLOW INFORMATION (continued)

b) Reconciliation of cash flow from operations with profit after income tax

	2009 \$	2008 \$
Profit after income tax	100,686	161,810
Depreciation	7,688	8,693
Loss on disposal of assets	116	0
Changes in assets and liabilities:		
Decrease/(Increase) in Trade and Other Receivables	(154,311)	(13,644)
Decrease/(Increase) in Other current assets	(666)	2,970
(Decrease)/Increase in Trade and Other Payables	247,391	4,750
Increase/(Decrease) in Provision for Employee Entitlements	2,878	6,236
Net cash flows provided by/(used in) operating activities	203,782	170,815

NOTE 11. AUDITORS REMUNERATION

Remuneration of the auditor of the Branch for:

- auditing the financial report	4,000	3,200
- non assurance services	3,000	2,000
	7,000	5,200

NOTE 12. RELATED PARTY TRANSACTIONS

During the year ended 30 June 2008, the Branch provided an unsecured loan of \$173,392 to AHANT Incorporated to purchase units 20 and 23 at 24 Cavenagh Street, Darwin NT where the Branch currently operates. The loan accrues interest at 10% per annum and is paid monthly. The interest earned for the year was \$17,408 (2008: \$15,894).

There are no set principal repayments terms, however the loan must be repaid in full; within 30 days of being notified in writing by the Branch, or immediately in the event of; the appointment of a statutory manager under the Associations Act (NT), dissolution of AHANT Incorporated, or if AHANT Incorporated becomes insolvent, enters into an agreement with its creditors or an application or order is made for the winding up of AHANT Incorporated.

AHANT Incorporated has agreed to lease the units back to the Branch at a rate of \$15,000 per unit per annum. Rent paid for the year ended 30 June 2009 was \$30,000.

The loan is secured by a charge over the units.

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.

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

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) and (3) of Section 272 which reads as follows:

SECTION 272 INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

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

272(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

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

NOTE 15. INCOME TAX

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 Branch however believes that it is exempt and as such no liability has been booked in the accounts.

NOTE 16. AFFILIATION FEES

Affiliation fees paid by the Branch during the year (total \$12,968) were paid to the Australian Hotels Association National Office. No other affiliation fees have been paid by the Branch.

NOTE 17. FINANCIAL INSTRUMENTS

The Branch's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. There has been no change in the risk factors from the prior year or management thereof.

The Branch's financial instruments consist mainly of deposits with banks, accounts receivable and payable. The main risks that the Branch is exposed through financial instruments are deposit interest rate risk and credit risk.

The total for each category of financial instruments measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2009 \$	2008 \$
Financial Assets			
Cash and cash equivalents	10	444,037	258,010
Receivables	5	241,541	87,230
Loans to related parties	5	173,111	173,392
		<u>858,689</u>	<u>518,632</u>
Financial Liabilities			
Financial liabilities at amortised cost:			
-trade and other payables	8	445,835	198,444
		<u>445,835</u>	<u>198,444</u>

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 17. FINANCIAL INSTRUMENTS (continued)

(a) Market Risk

(i) Currency Risk & Price Risk

The Branch has no exposure to "currency risk" or "price risk"

(ii) Interest Rate Risk

The Branch earns minimal interest on the amounts deposited with banks. Although the Branch is exposed to interest rate risk, sensitivity to interest rate risk is minimal and is not considered to have a significant impact on the Branch's operations.

30 June 2009

Financial Instruments	Floating Interest rate	Fixed interest rate maturing in:			Non- Interest bearing	Total carrying amount	Weighted average interest rate
		within 12 months	1 –5 Years	Over 5 years			
	\$	\$	\$	\$	\$	\$	%
(i) Financial assets							
Cash and cash equivalents	444,037	0	0	0	0	444,037	0.175%
Receivables	0	0	0	0	241,541	241,541	N/A
Loans to related party	0	0	0	173,111	0	173,111	10.0%
Total Financial Assets	444,037	0	0	173,111	241,541	858,689	
(ii) Financial liabilities							
Payables	0	0	0	0	445,835	445,835	N/A
Total financial liabilities	0	0	0	0	445,835	445,835	

30 June 2008

Financial Instruments	Floating Interest rate	Fixed interest rate maturing in:			Non- Interest bearing	Total carrying amount	Weighted average interest rate
		within 12 months	1 –5 Years	Over 5 years			
	\$	\$	\$	\$	\$	\$	%
(i) Financial assets							
Cash and cash equivalents	258,010	0	0	0	0	258,010	7.0%
Receivables	0	0	0	0	87,230	87,230	N/A
Loans to related party	0	0	0	173,392	0	173,392	10.0%
Total Financial Assets	258,010	0	0	173,392	87,230	518,632	
(ii) Financial liabilities							
Payables	0	0	0	0	198,444	198,444	N/A
Borrowings	0	12,943	0	0	0	12,943	7.6%
Total financial liabilities	0	12,943	0	0	198,444	211,387	

(b) Credit Risk

The Branch's exposure to credit risk is mainly restricted to accounts receivable. The maximum exposure to credit risk is the risk that arises from potential default of debtors and is equivalent to the carrying value of those financial assets as presented in the balance sheet.

AUSTRALIAN HOTELS ASSOCIATION (NT BRANCH) INC.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 17. FINANCIAL INSTRUMENTS (continued)

The Branch holds no collateral to mitigate against credit risk.

There has been no change in credit risk from the previous period.

(c) Liquidity Risk

The Branch's exposure to liquidity risk is mainly restricted to accounts payable. The exposure to liquidity risk is based on the notion that the Branch will encounter difficulties in meeting its obligations associated with paying these debts.

The Branch manages its risk through the following mechanisms:

- Regular review of profit and loss and balance sheet items to ensure the Branch is in a position to pay liabilities as they arise
- Monitoring the recovery of trade debtors.

No financial assets have been pledged as security for any financial liability.

(d) Fair Value Estimation

The carrying amount of all financial instruments is a reasonable approximation of fair value in both the current and prior years.