



FAIR WORK
COMMISSION

18 January 2016

Mr Des Crowe
Chief Executive Officer, Northern Territory Branch
Australian Hotels Association

Sent via email: admin@ahant.com.au

Dear Mr Crowe

Re: Lodgement of Financial Statements and Accounts – Australian Hotels Association, Northern Territory Branch - for year ended 30 June 2015 (FR2015/316)

I refer to the financial report for the Northern Territory Branch of the Australian Hotels Association. The report was lodged with the Fair Work Commission on 4 December 2015. An amended auditor statement was received on 13 January 2016.

The financial report has been filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

You are not required to take any further action in respect of the report lodged. Please note that the financial report for the year ending 30 June 2016 may be subject to an advanced compliance review.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 6746 3283 or 0429 462 979 or by email at stephen.kellett@fwc.gov.au

Yours sincerely

Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

Independent auditor report to the members of Australian Hotels Association NT Branch Inc.

We have audited the accompanying financial report of Australian Hotels Association NT Branch Inc ("the Branch"), which comprises the statement of financial position as at 30 June 2015, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Committee of Management statement.

The Committee of Management's Responsibility for the Financial Report

The 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 *Fair Work (Registered Organisations) Act 2009*. 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 the financial position and performance of the Australian Hotels Association NT Branch Inc. in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.
- the use of the going concern basis of accounting in the preparation of the financial report as stated in note 1.19 is appropriate.

Merit Partners

Merit Partners



Matthew Kennon

Registered Company Auditor

Member of the Institute of Chartered Accountants Australia and New Zealand

Holder of Certificate of Public Practice

Darwin

30 October 2015

Designated Officer's Certificate
s268 Fair Work (Registered Organisations) Act 2009

I, Mick Burns, President of the Australian Hotels Association Northern Territory Branch, certify that:

1. the documents lodged herewith for the year ended 30 June 2015 are copies of the full report referred to in section 268 of the *Fair Work (Registered Organisations) Act 2009*; and
2. a copy of the full report was available to members on 2 November 2015; and
3. a copy of the full report was presented to the Annual General Meeting of members of the reporting unit on 24 November 2015 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signed:

Dated:3 Dec 2015.....

Australian Hotels Association Northern Territory Branch Inc.

ABN 48 911 463 427

General Purpose Financial Report
for the year ended 30 June 2015

AUSTRALIAN HOTELS ASSOCIATION NT BRANCH INC.

ABN 48 911 463 427

FOR THE YEAR ENDED 30 JUNE 2015

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Independent auditor report to the members of Australian Hotels Association NT Branch Inc.

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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

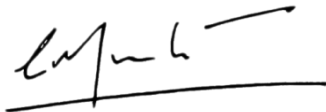
In conducting our audit we have complied with the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

In our opinion the general purpose financial report presents fairly the financial position and performance of the Australian Hotels Association NT Branch Inc. in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.

Merit Partners

Merit Partners

A handwritten signature in black ink, appearing to read 'MunLi Chee', written over a horizontal line.

MunLi Chee
Partner

Darwin
30 October 2015

AUSTRALIAN HOTELS ASSOCIATION NT BRANCH INC.

ABN 48 911 463 427

FOR THE YEAR ENDED 30 JUNE 2015

Prescribed Designated Officer's Certificate

I Francis Dalton being the designated officer responsible of the Australian Hotels Association NT Branch Inc. certify:

- that the documents lodged herewith are copies of the full report for the Australian Hotels Associations NT Branch Inc. for the year ended 30 June 2015 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on Tuesday 24 November 2015; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on Friday, 30 October 2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:.....



Name of prescribed designated officer:.....

FRANK DALTON

Title of prescribed designated officer:Vice President.....

Dated:

30/10/15

OPERATING REPORT

The Committee of Management presents its report on the reporting unit for the financial year ended 30 June 2015.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activities of the Australian Hotels Association NT Branch Inc. (the 'Association') during the financial year were:

- The Australian Hotels Association NT Branch Inc. 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;
- The Australian Hotels Association NT Branch Inc. considers all political developments both Commonwealth and in the Northern Territory affecting the Association and takes steps to initiate, promote, amend, modify or reject as the case may be all or any of such political measure. The Association regularly meets with Members of Parliament and key Government representatives to consult key issues;
- Included in the annual report are the various reports compiled by the President and the Treasurer of the Association outlining the activities for the year (attached). There were no significant changes in the nature of these activities during the year under review;

Significant changes in financial affairs

There were significant changes to the profit/loss for the year (2014 profit \$93,430, 2015 loss \$49,983). The increase in employee expenses can be attributed to an increase in salaries and termination pay for 2 managers. The 2015 Employee expenses are higher in comparison to 2014 however it is only approx. \$18,000 more than 2013.

Right of members to resign

- Under section 174 of the *Fair Work (Registered Organisations) Act 2009*, 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;
- The register of members of the Association was maintained in accordance with the *Fair Work (Registered Organisations) Act 2009*; and
- Section 272 of the *Fair Work (Registered Organisations) Act 2009* outlines the registrar's rights to certain prescribed information.

Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

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.

AUSTRALIAN HOTELS ASSOCIATION NT BRANCH INC.

ABN 48 911 463 427

FOR THE YEAR ENDED 30 JUNE 2015

Number of members

As at 30 June 2015 to which this report relates, the number of members of the Association was 150 including Honorary Life members (124 are voting members).

Number of employees

As at 30 June 2015, the total number of employees employed by the Association was 4.

Names of Committee of Management members and period positions held during the financial year

The office holders during the financial year or up to date of signing:

Michael Burns	President (elected 8 April 2015, outgoing Senior Vice President 2014)
Jason Hanna	Senior Vice President (appointed 10 December 2014)
Frank Dalton	Vice President (elected 8 July 2014)
Doug Sallis	Treasurer (outgoing President 2014)
Justin Coleman	Member (President term expired April 2015, elected as Board Member 18 March 2015)
Lindsay Carmichael	Board Member
Ray Loechel	Board Member
Craig Jervis	Secretary (appointed 26 August 2015)
John Riordan	Board Member (elected 18 March 2015)
Greg Targett	Board Member (elected 18 March 2015)
Peter Severin	Elected 2014, Board member term expired March 2015
Geoff Booth	Elected 2014, Board member term expired March 2015
Fiona Pryde	resigned 21 July 2015 as Secretary and Board Member
Rick Cullen	Resigned 7 October 2015 as Board Member
Scott Simpson	Resigned 11 Nov 2014 as Senior Vice President and Board Member
Noel Fahey	Outgoing Vice President, term expired March 2015
Carey Osborne	Board Member (appointed 13 October 2015)
John Tourish	Board Member (appointed 13 October 2015)
Ian Sloan	Board Member (appointed 13 October 2015)
Paul Palmer	Board Member (appointed 13 October 2015)
Ashleigh Winn	Board Member (appointed 13 October 2015)
Kyle Pearson	Board Member (appointed 13 October 2015)
Jordan Jenkins	Board Member (appointed 13 October 2015)

Signature of designated officer: *F Dalton*

Name and title of designated officer: *FRANK DALTON VICE PRESIDENT*

Dated: *30/10/15*

AUSTRALIAN HOTELS ASSOCIATION NT BRANCH INC.

ABN 48 911 463 427

FOR THE YEAR ENDED 30 JUNE 2015

COMMITTEE OF MANAGEMENT STATEMENT

On Friday, 30 October 2015 the Committee of Management of the Australian Hotels Association NT Branch Inc. passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2015:

The Committee of Management declares 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 General Manager;
- (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; and
- (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 RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer: FRANK DALTON

Name and title of designated officer: FRANK DALTON VICE PRESIDENT

Dated: 30/10/15

AUSTRALIAN HOTELS ASSOCIATION NT BRANCH INC.

ABN 48 911 463 427

FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2015 \$	2014 \$
Revenue			
Membership subscription		36,324	28,246
Interest	3A	28,921	32,345
Other revenue	3B	526,790	484,452
Total revenue		592,035	545,043
Other Income			
Grants and donations	3C	143,592	218,107
Total other income		143,592	218,107
Total income		735,627	763,150
Expenses			
Employee expenses	4A	372,398	271,552
Affiliation fees	4B	6,429	12,212
Administration expenses	4C	391,223	366,091
Depreciation and amortisation	4D	8,660	12,865
Audit fees	11	6,900	7,000
Total expenses		785,610	669,720
Profit (loss) for the year		(49,983)	93,430
Other comprehensive income		0	0
Total comprehensive income for the year		(49,983)	93,430

The above statement should be read in conjunction with the notes.

AUSTRALIAN HOTELS ASSOCIATION NT BRANCH INC.

ABN 48 911 463 427

FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF FINANCIAL POSITION

	Notes	2015 \$	2014 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	510,746	525,781
Trade and other receivables	5B	43,971	44,479
Total current assets		554,717	570,260
Non-Current Assets			
Plant and equipment	6A	10,545	17,750
Other receivable	6B	173,111	173,111
Total non-current assets		183,656	190,861
Total assets		738,373	761,121
LIABILITIES			
Current Liabilities			
Trade payables	7A	81,824	18,520
Other payables	7B	84,076	122,868
Overdraft		0	53
Employee provisions	8A	14,097	11,321
Total current liabilities		179,997	152,762
Total liabilities		179,997	152,762
Net assets		558,376	608,359
EQUITY			
Retained earnings		558,376	608,359
Total equity		558,376	608,359

The above statement should be read in conjunction with the notes.

AUSTRALIAN HOTELS ASSOCIATION NT BRANCH INC.

ABN 48 911 463 427

FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF CHANGES IN EQUITY

	Retained earnings	Total equity
	\$	\$
Balance as at 1 July 2013	514,929	514,929
Profit for the year	93,430	93,430
Closing balance as at 30 June 2014	608,359	608,359
Loss for the year	(49,983)	(49,983)
Closing balance as at 30 June 2015	558,376	558,376

The above statement should be read in conjunction with the notes.

AUSTRALIAN HOTELS ASSOCIATION NT BRANCH INC.

ABN 48 911 463 427

FOR THE YEAR ENDED 30 JUNE 2015

CASH FLOW STATEMENT

	Notes	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units		10,770	20,156
Interest		28,921	32,345
Customers		668,963	773,630
Cash used			
Employees		(368,386)	(271,552)
Suppliers		(347,397)	(518,789)
Payment to other reporting units		(6,451)	(13,666)
Net cash from (used by) operating activities	9A	<u>(13,580)</u>	<u>22,124</u>
INVESTING ACTIVITIES			
Cash used			
Purchase of plant and equipment		(1,455)	(2,957)
Net cash from (used by) investing activities		<u>(1,455)</u>	<u>(2,957)</u>
Net increase (decrease) in cash held		<u>(15,035)</u>	<u>19,167</u>
Cash & cash equivalents at the beginning of the reporting period		525,781	506,614
Cash & cash equivalents at the end of the reporting period	5A	<u>510,746</u>	<u>525,781</u>

The above statement should be read in conjunction with the notes.

AUSTRALIAN HOTELS ASSOCIATION NT BRANCH INC.

ABN 48 911 463 427

FOR THE YEAR ENDED 30 JUNE 2015

RECOVERY OF WAGES ACTIVITY

	2015	2014
	\$	\$
Cash assets in respect of recovered money at beginning of year	0	0
Receipts		
Amounts recovered from employers in respect of wages etc.	0	0
Interest received on recovered money	0	0
Total receipts	0	0
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	0	0
Greater than 12 months	0	0
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	0	0
name of fund	0	0
Name of other reporting unit of the organisation:		
name of account	0	0
name of fund	0	0
Name of other entity:		
name of account	0	0
name of fund	0	0
Deductions of fees or reimbursement of expenses	0	0
Payments to workers in respect of recovered money	0	0
Total payments	0	0
Cash assets in respect of recovered money at end of year	0	0
Number of workers to which the monies recovered relates	0	0
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	0	0
Number of workers the payable relates to	0	0

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Note 6	Non-current assets
Note 7	Current liabilities
Note 8	Provisions
Note 9	Cash flow
Note 10	Related party disclosures
Note 11	Remuneration of auditors
Note 12	Financial instruments
Note 13	Fair value measurements
Note 14	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Hotels Association NT Branch Inc. is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.3 Significant accounting judgements and estimates

The Committee of Management has assessed the balances recognised in the financial statements and has resolved that no accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next reporting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

The accounting policies adopted are consistent with those of the previous financial year except for the following standards, which have been adopted for the first time this financial year:

- AASB 10 *Consolidated Financial Statements* redefines the concept of control. AASB 10 replaces the consolidation requirements of SIC-12 Consolidation—Special Purpose Entities and AASB 127 Consolidated and Separate Financial Statements and is effective for not-for-profit entities with annual periods beginning on or after 1 January 2014. This Standard did not have an impact on the entity.
- AASB 11 *Joint Arrangements* sets out a new framework for the accounting for joint ventures, including removal of the option to use proportionate consolidation. This Standard did not have an impact on the entity.
- AASB 12 *Disclosures of Interests in Other Entities* is a disclosure standard that includes all of the disclosure requirements for subsidiaries, joint arrangements,

associates and consolidated and unconsolidated structured entities. This Standard did not have an impact on the entity

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period are not expected to have a future financial impact on the entity.

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Australian Hotels Association NT Branch Inc. will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Australian Hotels Association NT Branch Inc. recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Australian Hotels Association NT Branch Inc. should purchase, construct otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Australian Hotels

Association NT Branch Inc. with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.7 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The Australian Hotels Association NT Branch Inc. recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.8 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.9 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.10 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.11 Financial instruments

Financial assets and financial liabilities are recognised when Australian Hotels Association NT Branch Inc. becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.12 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans

and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument 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, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, 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 through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.13 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire

combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.14 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.15 Land, Buildings, Plant and Equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

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Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2015	2014
Plant and equipment	15%	15%
Motor vehicles	20%	20%

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.16 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Australian Hotels Association NT Branch Inc. were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.17 Taxation

Australian Hotels Association NT Branch Inc. is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

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

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.18 Fair value measurement

The Australian Hotels Association NT Branch Inc. measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial

assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Australian Hotels Association NT Branch Inc. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Australian Hotels Association NT Branch Inc. uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Australian Hotels Association NT Branch Inc. determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Australian Hotels Association NT Branch Inc. has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.19 Going concern

The Committee of Management has resolved that that Australian Hotels Association NT Branch Inc. is a going concern.

As a result, going concern financial support was not required to be received from another reporting unit during the financial year.

Additionally, going concern financial support was not required to be provided to another reporting unit during the financial year.

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Hotels Association NT Branch Inc.

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	2015	2014
	\$	\$

Note 3 Income

Note 3A: Interest

Deposits	11,507	14,931
Loans	17,414	17,414
Total interest	28,921	32,345

Note 3B: Other income

Corporate sponsorship	217,910	201,212
Functions	189,603	179,443
Conference and Trade Fair	76,927	68,527
Other income	42,350	35,271
Total other income	526,790	484,453

Note 3C: Grants and Donations

Grants	143,592	218,334
Total grants and donations	143,592	218,334

Note 3D: Capitation Fees

Capitation fees	0	0
Total capitation fees	0	0

Note 3E: Levies

Levies	0	0
Total Levies	0	0

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	2015 \$	2014 \$
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	0	0
Superannuation	0	0
Leave and other entitlements	0	0
Separation and redundancies	0	0
Other employee expenses	0	0
Subtotal employee expenses holders of office	0	0
Employees other than office holders:		
Wages and salaries	321,994	255,354
Superannuation	29,682	22,057
Leave and other entitlements	7,799	(7,171)
Separation and redundancies	0	0
Other employee expenses	12,923	1,312
Subtotal employee expenses employees other than office holders	372,398	271,552
Total employee expenses	372,398	271,552
Note 4B: Affiliation fees		
National AHA	6,429	12,212
Total affiliation fees	6,429	12,212

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	2015 \$	2014 \$
Note 4C: Administration expenses		
Consideration to employers for payroll deductions	0	0
Compulsory levies	0	0
Fees/allowances - meeting and conferences	0	0
Conference and meeting expenses	226,272	216,014
Contractors/consultants	15,259	7,460
Property expenses	35,415	32,399
Insurance	8,349	8,125
Travel	26,624	19,802
Publications	11,675	16,444
Other	67,629	65,847
Subtotal administration expense	391,223	366,091
Operating lease rentals:		
Minimum lease payments	0	0
Total administration expenses	391,223	366,091

Note 4D: Depreciation and amortisation

Depreciation		
Property, plant and equipment	8,660	12,865
Total depreciation	8,660	12,865

Note 4E: Grants or donations

Grants:		
Total paid that were \$1,000 or less	0	0
Total paid that exceeded \$1,000	0	0
Donations:		
Total paid that were \$1,000 or less	0	0
Total paid that exceeded \$1,000	0	0
Total grants or donations	0	0

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	2015	2014
	\$	\$
Note 4F: Legal costs		
Litigation	0	0
Other legal matters	0	0
Total legal costs	<u>0</u>	<u>0</u>
Note 4G: Other expenses		
Penalties - via RO Act or RO Regulations	0	0
Total other expenses	<u>0</u>	<u>0</u>
Note 4H: Capitation fees		
Capitation Fees	0	0
Total capitation fees	<u>0</u>	<u>0</u>

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	2015 \$	2014 \$
Note 5 Current Assets		
Note 5A: Cash and Cash Equivalents		
Cash at bank	510,524	525,481
Cash on hand	222	300
Total cash and cash equivalents	510,746	525,781
Note 5B: Trade and Other Receivables		
Receivables from other reporting unit		
AHA National Office	0	10,770
Total receivables from other reporting unit	0	10,770
Less provision for doubtful debts	0	0
Total provision for doubtful debts	0	0
Receivable from other reporting unit	0	10,770
Other receivables:		
GST receivable from the Australian Taxation Office	6,831	10,714
Other trade receivables	37,140	22,995
Total other receivables	43,971	33,709
Total trade and other receivables	43,971	44,479

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	2015	2014
	\$	\$

Note 6 Non-current Assets

Note 6A: Plant and equipment

Plant and equipment:

at cost	100,270	98,815
accumulated depreciation	(89,725)	(81,065)
Total plant and equipment	10,545	17,750

Reconciliation of the Opening and Closing Balances of Plant and Equipment

As at 1 July		
Gross book value	98,815	95,858
Accumulated depreciation and impairment	(81,065)	(68,200)
Net book value 1 July	17,750	27,658
Additions:		
By purchase	1,455	2,957
Depreciation expense	(8,660)	(12,865)
Net book value 30 June	10,545	17,750
Net book value as of 30 June represented by:		
Gross book value	100,270	98,815
Accumulated depreciation and impairment	(89,725)	(81,065)
Net book value 30 June	10,545	17,750

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	2015	2014
	\$	\$

Note 6B: Other Receivables

Loans	173,111	173,111
Total other receivables	173,111	173,111

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	81,824	18,520
Subtotal trade creditors and accruals	81,824	18,520
Payables to other reporting unit	0	0
Subtotal payables to other reporting unit	0	0
Total trade payables	81,824	18,250

Settlement is usually made within 30 days.

Note 7B: Other payables

Superannuation	9,266	8,030
Consideration to employers for payroll deductions	0	0
Legal costs	0	0
Prepayments received/unearned revenue	51,250	89,776
Other	23,560	25,062
Total other payables	84,076	122,868

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	2015	2014
	\$	\$
Note 8 Provisions		
Note 8A: Employee Provisions		
Office Holders:		
Annual leave	0	0
Long service leave	0	0
Separations and redundancies	0	0
Other	0	0
<i>Subtotal employee provisions—office holders</i>	0	0
Employees other than office holders:		
Annual leave	14,097	11,321
Long service leave	0	0
Separations and redundancies	0	0
Other	0	0
<i>Subtotal employee provisions—employees other than office holders</i>	14,097	11,321
Total employee provisions	14,097	11,321
Current	14,097	11,321
Non Current	0	0
<i>Total employee provisions</i>	14,097	11,321

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	2015 \$	2014 \$
Note 9 Cash Flow		
Note 9A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	510,746	525,781
Balance sheet	510,746	525,781
Difference	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Profit/(deficit) for the year	(49,983)	93,430
Adjustments for non-cash items		
Depreciation/amortisation	8,660	12,865
Changes in assets/liabilities		
(Increase)/decrease in net receivables	508	(10,100)
Increase/(decrease) in supplier payables	63,304	7,966
Increase/(decrease) in other payables	(38,845)	(76,637)
Increase/(decrease) in employee provisions	2,776	(5,400)
Net cash from (used by) operating activities	(13,580)	22,124
Note 9B: Cash flow information		
Cash inflows		
AHA National Office	10,770	20,156
Total cash inflows	10,770	20,156
Cash outflows		
AHA National Office	6,451	13,666
Total cash outflows	6,451	13,666

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	2015	2014
	\$	\$

Note 10 Related Party Disclosures

Note 10A: Related Party Transactions for the Reporting Period

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

Revenue received from AHANT Inc includes the following:

Interest	17,414	17,414
Administration Fee	20,000	0

Expenses paid to AHANT Inc includes the following:

Rent	30,000	30,000
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Amounts owed by AHANT Inc include the following:

Accounts receivable	24,255	1,269
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Amounts owed to AHANT Inc include the following:

Trade Payables	1,012	11,792
Other Payables	2,147	0

Loans from AHANT Inc includes the following:

Loan	173,111	173,111
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Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the yearend are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2015, the Australian Hotels Association NT Branch Inc. has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2014: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The loan provided to AHANT Incorporated receives a rate of interest of 10% and is repayable 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.

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	2015	2014
	\$	\$

Note 10B: Key Management Personnel Remuneration for the Reporting Period

Short-term employee benefits

Salary (including annual leave taken)	159,974	155,109
Annual leave accrued	8,199	9,577
Total short-term employee benefits	168,173	164,686

Post-employment benefits:

Superannuation	14,964	13,552
Total post-employment benefits	14,964	13,552

Termination benefits	0	0
Total	183,137	178,238

Note 11 Remuneration of Auditors

Value of the services provided

Financial statement audit services	6,900	7,000
Other services	0	0
Total remuneration of auditors	6,900	7,000

No other services were provided by the auditors of the financial statements.

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Note 12 Financial Instruments

The main risks Australian Hotels Association NT Branch Inc. is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Association's financial instruments consists mainly of deposits with banks, accounts receivables and payables.

The totals for each category of financial instruments as detailed in the accounting policies to these financial statements are detailed below.

	2015 \$	2014 \$
Note 12A: Categories of Financial Instruments		
Financial Assets		
Held-to-maturity investments:		
Cash and cash equivalents	510,746	525,781
Bank overdraft	0	(53)
Total	510,746	525,728
Loans and receivables:		
Trade receivables	37,140	33,765
Other receivables	173,111	173,111
Total	210,251	206,876
Carrying amount of financial assets	720,997	732,604
Financial Liabilities		
Other financial liabilities:		
Trade and other payables	165,900	141,388
Total	165,900	141,388
Carrying amount of financial liabilities	165,900	141,388

Note 12B: Net Income and Expense from Financial Assets

Held-to-maturity		
Interest revenue	11,506	14,931
Net gain/(loss) held-to-maturity	11,506	14,931
Loans and receivables		
Interest revenue	17,414	17,414
Net gain/(loss) from loans and receivables	17,414	17,414
Net gain/(loss) from financial assets	28,921	32,345

The net income from financial assets not at fair value from profit and loss is \$28,921 (2014: \$32,345).

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Note 12D: Credit Risk

The Association has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those specifically provided for. The main source of credit risk to the Association is considered to relate to the class of assets described as 'trade and other receivables'.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

	2015 \$	2014 \$
Financial assets		
Trade receivables	37,140	33,765
Other receivables	173,111	173,111
Total	210,251	206,876

Credit quality of financial instruments not past due or individually determined as impaired

	Not Past Due Nor Impaired 2015 \$	Past due or impaired 2015 \$	Not Past Due Nor Impaired 2014 \$	Past due or impaired 2014 \$
Trade receivables	25,115	12,025	16,300	17,465
Other receivables	173,111	0	173,111	0

Ageing of financial assets that were past due but not impaired for 2015

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade Receivables	0	12,025	0	0	12,025
Total	0	12,025	0	0	12,025

Ageing of financial assets that were past due but not impaired for 2014

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade receivables	0	8,430	3,248	5,787	17,465
Total	0	8,430	3,248	5,787	17,465

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Note 12E: Liquidity Risk

Liquidity risk arises from the Association's management of working capital and it is the risk the Association will encounter in meeting its financial obligations as they fall due.

The Association's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Association maintains cash to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

At the reporting date, these reports indicate that the Association expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Contractual maturities for financial liabilities 2015

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade payables	0	81,824	0	0	0	81,824
Other payables	0	84,076	0	0	0	84,076
Total	0	165,900	0	0	0	165,900

Maturities for financial liabilities 2014 - Parent

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade payables	0	18,520	0	0	0	18,520
Other payables	0	122,868	0	0	0	122,868
Total	0	141,388	0	0	0	141,388

Note 12F: Market Risk

Market risks generally include interest rate risk, price risk, and currency risk.

Interest rate risk

The Association is exposed to interest rate risk on financial assets and financial liabilities whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The financial instruments that primarily expose the Association to interest rate risk are cash and cash equivalents.

The Association's policy is to minimise interest rate cash flow risk exposure by using a mix of fixed and floating rates for cash and cash equivalents.

The following table illustrates the sensitivity of the net result for the year and equity to a reasonable change in interest rates of +0.5% and -0.5% (2014: +0.5% and -0.5%). These changes are considered to be reasonably possible based on observations of current market conditions and economic reports.

AUSTRALIAN HOTELS ASSOCIATION NT BRANCH INC.

ABN 48 911 463 427

FOR THE YEAR ENDED 30 JUNE 2015

Sensitivity analysis of the risk that the entity is exposed to for 2015

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	Cash	+0.5%	2,554	2,554
Interest rate risk	Cash	-0.5%	(2,554)	(2,554)

Sensitivity analysis of the risk that the entity is exposed to for 2014

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	Cash	+0.5%	2,629	2,629
Interest rate risk	Cash	-0.5%	(2,629)	(2,629)

Note 13 Fair Value Measurement

Note 13A: Financial Assets and Liabilities

Management of the reporting unit assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The following table contains the carrying amounts and related fair values for the Australian Hotels Association NT Branch Inc.'s financial assets and liabilities:

	Carrying amount 2015 \$	Fair value 2015 \$	Carrying amount 2014 \$	Fair value 2014 \$
Financial Assets				
Cash and cash equivalents	510,746	510,746	525,781	525,781
Trade and other receivables	217,082	217,082	217,590	217,590
Financial Liabilities				
Trade and other payables	165,900	165,900	141,388	141,388
Bank overdraft	0	0	53	53
Total	561,928	561,928	601,930	601,930

Note 14: Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

- (1) A member of a reporting unit, or the General Manager, 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.
- (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.
- (3) A reporting unit must comply with an application made under subsection (1).