



Mr Robert Dellar
Secretary/Treasurer
Queensland Branch
Australian Hotels Association
GPO Box 343
BRISBANE QLD 4001

Dear Mr Dellar,

Australian Hotels Association - Queensland Branch
Financial Report for the Year Ended 31st December 2006 - FR2006/540
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

Thank you for the financial report of the Queensland Branch of the Australian Hotels Association for the year ended 31st December 2006. The documents were lodged in the Industrial Registry on 29th June 2007. Receipt is also acknowledged of your letter dated 15th November 2007, in response to my letter of 15th August 2007, advising that audited financial accounts were re-distributed to members on 31st August 2007 and then presented to a meeting of members on 25th September 2007.

The documents have been filed.

I make the following comments to assist you in preparing financial documents in the future. You do not need to take any further action in respect of the documents that have been lodged.

Date of Operating Report

The Operating Report has been signed by you as Branch Secretary/Treasurer but is not dated.

Would you please ensure in future that the Operating Report is both signed and dated as a matter of course.

General Purpose Financial Report (GPFR) – Disclosure of Expenditure

As was discussed in our correspondence regarding last year's financial return (FR2005/622), when preparing a GPFR section 253(2) of the RAO Schedule requires a reporting unit to provide information that is specified in the Industrial Registrar's Reporting Guidelines. Guideline 11 sets out in detail those items of expense that must be disclosed by a reporting unit either in the notes to, or on the face of, a financial statement.

Employment Benefits

The detailed Income and Expenditure Statement includes an item for 'Salaries & Wages'. As you are aware, the expenditure statement must separately disclose employment benefits paid to officer holders and to employees (other than office holders). The covering letter from Mr Justin O'Connor notes that, as a matter of policy, the Association does not pay benefits to office holders (other than covering expenses related to attendance at meetings etc). You are therefore requested in future to identify this expense as 'Salaries & Wages – employee benefits' in order to make it apparent on the face of the accounts that this item does not include benefits paid to office holders.

Conference Related Expenses

As was mentioned last year, the Guidelines distinguish between:

- fees or allowances (other than employee benefits such as salary/wages) paid for attendance as Branch representatives at conferences or other meetings (11(i)); and
- expenses incurred in connection with meetings of Branch members and any conferences or meetings of Branch councils, committees, panels or other bodies (11(k)).

For the precise wording, please refer to the Guidelines themselves (which are available at www.airc.gov.au – go to ‘Registered Organisations’ and then select ‘RAO reporting guidelines’ and ‘253’).

In particular, the two items of ‘Meeting costs’ and ‘Travel, accom & conference’ may need to be re-examined in light of the Guidelines. From your covering letter it seems that neither officers nor employees are paid any fees or allowances for attending meetings or conferences so it may be that there are no expenses incurred that must be itemised under paragraph 11(i). Since the Branch does, however, meet the direct costs of the attendance of office holders at meetings, conferences and representative commitments, it does appear that there are items of expenditure which need to be disclosed in accordance with paragraph 11(k) in the future. Similarly, any costs that the Branch meets in relation to the attendance by employees at conferences (such as accommodation and travel) would need to be included under paragraph 11(k) unless they are already accounted for elsewhere (as part of the employees’ benefits).

GPFR – Disclosure of Revenue

As with disclosure of expenditure, the Registrar’s Reporting Guidelines also set out a smaller number of items of revenue that must be separately disclosed in the income and expenditure statement.

Guideline 10(d) requires disclosure of ‘compulsory levies raised from the members’. It may be that ‘Residential Levies’ falls within this category. If so, then the Guidelines also require disclosure of ‘the amount and a brief description of the purpose of each such levy’.

Statement of Loans, Grants and Donations

The detailed Income and Expenditure Statement shows ‘Donations’ totalling \$13,322.71 that were made by the Branch during the financial year. Our records do not, however, indicate that the Branch has lodged a Statement of Loans, Grants and Donations as required by section 237 of the RAO Schedule. Subsection (1) requires a reporting entity to lodge a Statement within 90 days of the end of the financial year (that is, by 31st March 2007) setting out the relevant particulars in relation to each loan, grant or donation *of an amount exceeding \$1,000* made during the financial year.

Should any of the amounts that were donated exceed the \$1,000 threshold, you are requested to lodge a Statement of Loans, Grants and Donations as soon as possible. A pro-forma statement is included for your assistance.

Notice under Section 272(5) of the RAO Schedule

As was set out in our letter last year, the Notes to the GPFR are required to include a notice drawing attention to the fact that information that is prescribed by the RAO Regulations is available to members on request (see Guideline 8(c) of the Reporting Guidelines, which requires disclosure of the notice required by section 272(5) of the RAO Schedule).

This notice has been included this year but, rather than including an extract of subsections 272(1), (2) and (3) of the RAO Schedule, Note 1 includes a general statement summarising information regarding the availability of specified prescribed information.

The wording of section 272(5) of the RAO Schedule is as follows (emphasis added):

- (5) A general purpose financial report prepared under section 253, a concise report prepared under section 265 and a report prepared under subsection 270(4) must include a notice drawing attention to subsections (1), (2) and (3) of this section **and setting out those subsections.**

Would you please ensure in future that the Notes contain this extract of the RAO Schedule:

272 Information to be provided to members or Registrar

- (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.
- (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).

Note: This subsection is a civil penalty provision (see section 305).

Timing of Lodgement of Documents with the Registry

Section 268 of the RAO Schedule requires the Branch to lodge its financial documents with the Registry within 14 days of the date of the General Meeting at which they were presented (that is, by 19th June, 2007). The documents were not lodged with the Registry, however, until 29th June, 2007. You are requested to lodge documents within the 14 day period in future.

Preparation of Special Purpose Financial Report for the Purposes of the *Associations Incorporation Act*

While the documents that were lodged contained the financial statements and reports that are required by the federal *Workplace Relations Act* 1996, they also contained another set of accounts (in the form of a special purpose financial report) that appear to have been prepared in order to comply with State legislative requirements affecting bodies incorporated under the *Queensland Associations Incorporation Act* 1981.

It is not necessary to file documents with the Registry that have been prepared to meet the requirements of the *Associations Incorporation Act* 1981. In future, it is sufficient just to lodge the GPFR and associated documents that are prepared in order to comply with the *Workplace Relations Act* 1996.

Please do not hesitate to contact me by email at ailsa.carruthers@air.gov.au or on (03) 8661 7767 on a Monday, Wednesday or Thursday if you wish to discuss this letter.

A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/024Nqld>.

Yours sincerely,



Ailsa Carruthers
Statutory Services Branch

29th November, 2007



Statement of loans, grants and donations exceeding \$1,000 for financial year ending / /

Please refer to section 237 of the Registration and Accountability of Organisations Schedule when completing this form. This statement when lodged in the Industrial Registry may only be viewed by a member of the organisation. Use of this form is optional.

Organisation's details

Name of organisation including division or branch

Postal Address

Postcode

Details of officer completing the statement

Name

Name of office held in organisation

(An officer of the organisation should complete the statement)

Postal Address

Postcode

Telephone number (BH)

Facsimile number

Email

I certify that the information contained in this statement and its attachments is true and complete.

Signature

Date

An organisation must lodge this statement within 90 days of the end of its financial year.

Enquiries and statements should be addressed to:

INDUSTRIAL REGISTRAR
AUSTRALIAN INDUSTRIAL REGISTRY
GPO BOX 1994
MELBOURNE VIC 3001
Tel: (03) 8661 7777
Fax: (03) 9654 0410
Email: riateam3@air.gov.au

AUSTRALIAN INDUSTRIAL REGISTRY

Australian Industry Registry

LOANS, GRANTS AND DONATIONS EXCEEDING \$1,000 MADE BY ORGANISATION

(if insufficient space, please attach separate sheet)

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan

Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant

Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

DONATIONS

Name of Recipient of Donation	Address	Amount	Purpose of Donation

Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.



15 November 2007

Ms Ailsa Carruthers
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Dear Ms Carruthers

Thank you for your letter of 15 August 2007 providing advice in relation to the lodgement of the Australian Hotels Association – Queensland Branch's Financial Report for the year ended 31 December 2006.

I confirm that copies of the audited financial accounts were distributed to members on 31 August 2007, and presented to and approved by a meeting of members held on 25 September 2007, in accordance with your advice of the 15th of August.

Yours faithfully

R.E. Dellar
Secretary / Treasurer
Queensland Hotels Association



Australian Government

Australian Industrial Registry

Level 36, 80 Collins Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0401
Email: melbourne@air.gov.au

Mr Robert Dellar
Secretary/Treasurer
Queensland Branch
Australian Hotels Association
GPO Box 343
BRISBANE QLD 4001

Attention: Mr Justin O'Connor

Dear Mr Dellar,

**Australian Hotels Association - Queensland Branch
Financial Report for the Year Ended 31st December 2006 - FR2006/540
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial report of the Queensland Branch of the Australian Hotels Association for the year ended 31st December 2006. The documents were lodged in the Industrial Registry on 29th June 2007.

It is not possible, at this stage, to file the financial reports as there is one item requiring further action:

Circulation of Auditor's Report to Members

Section 265(1) of the RAO Schedule provides as follows (emphasis added):

265 Copies of full report or concise report to be provided to members

(1) A reporting unit must provide free of charge to its members either:

(a) a full report consisting of:

(i) *a copy of the report of the auditor* in relation to the inspection and audit of the financial records of the reporting unit in relation to a financial year; and

(ii) a copy of the general purpose financial report to which the report relates; and

(iii) a copy of the operating report to which the report relates; or

(b) a concise report for the financial year that complies with subsection (3).

...

(5) The copies referred to in subsection (1) must be provided within:

(a) if a general meeting of members of the reporting unit to consider the reports is held within 6 months after the end of the financial year—the period starting at the end of the financial year and ending *21 days before that meeting*; or

(b) in any other case—the period of 5 months starting at the end of the financial year.

A Registrar may, upon application by the reporting unit, extend the period during which the meeting referred to in paragraph (a) may be held, or the period set out in paragraph (b), by no more than one month.

Note: This subsection is a civil penalty provision (see section 305).

The combined effect of subsections 265(1)(a)(i) and (5)(a) is that:

- the Auditor's Report must be included in the financial documents that are provided to members; and
- the financial documents must be provided a minimum of 21 days before the general meeting to which they are presented.

The Secretary's Certificate states that the financial report was provided to members on 15th May, 2007. The Auditor's Report, however, is dated 4th June, 2007. It therefore would not have been possible for the Auditor's Report to have been circulated with other financial documents on 15th May, 2007. Further, the fact that the documents were presented to a meeting of members on 5th June, 2007 (that is, the day after the signing of the Auditor's Report) means that, even if it was separately provided to members, the Auditor's Report could not have been provided to members a minimum of 21 days prior to the meeting.

It is therefore now necessary to provide a copy of the Auditor's Report to Branch members and subsequently to present it to a meeting of members (which must be held at least 21 days after the date of circulation). Once this has occurred, would you please advise me in writing so that I may finalise the processing of the financial return.

Please contact me by email at ailsa.carruthers@air.gov.au or on (03) 8661 7767 on a Monday, Wednesday or Thursday if you wish to discuss this letter.

Yours sincerely,



Ailsa Carruthers
Statutory Services Branch

15th August, 2007

28 June 2007

Mr Robert Pfeiffer
Assistant Team Manager
Statutory Services Branch (Melbourne)
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001

Dear Mr Pfeiffer

Subject: Financial Return for Financial Year Ended 31 December 2006 for the Australian Hotels Association (Queensland Branch)

In accordance with the provisions of Schedule 1 of the Registration and Accountability of Organisations Schedule of the Workplace Relations Act 1996, please find attached the following documents:

- Operating Report
- General Purpose Financial Report (GPFR)
- Statement of Cash Flows
- Auditor's Report which has been prepared in accordance with the provisions of the Australian Accounting Standards
- Committee of Management Statement
- Secretary's Certificate under s268 of the RAO Schedule

The documents reflect changes resulting from your letter of 6 December 2006 providing guidance and suggestions for improvement to the documents for future years, with one exception. You advised that the General Purpose Financial Report (GPFR) should disclose more detailed expenditure in the areas of employment benefits paid to office holders and/or employees. Please note that the Association, as a matter of policy, does not pay benefits to office holders other than to meet the direct costs of their attendance at meetings, conferences and representative commitments. Similarly, employees are not paid benefits other than those aggregated under the 'Salaries & Wages' section of the Income and Expenditure Statement, other than the reimbursement of direct costs expended by the employees in the course of their official duties for accommodation, travel and so on. Notwithstanding, the Association will review its chart of accounts and disclosure procedures with a view to providing as accurate a picture as possible of these two areas in future Disclosure of

Expenditure statements. Please note that the expenditure under question was almost entirely completed for the Financial Year in question when your letter of 6 December 2006 was received.

Yours faithfully



Justin O'Connor
Chief Executive

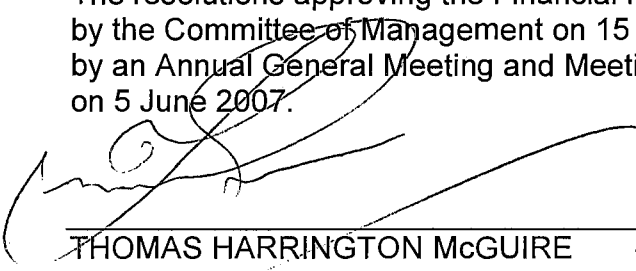
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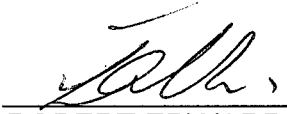
COMMITTEE OF MANAGEMENT STATEMENT

We, THOMAS HARRINGTON McGUIRE and ROBERT EDWARD DELLAR, being two members of the Committee of Management of the Australian Hotels Association (Queensland Branch), do hereby state on behalf of the Committee and in accordance with a resolution passed by the Committee on 15 May 2007 that, in relation to the GPFR that in our opinion:

- i. the attached Financial Statements and notes comply with the Australian Accounting Standards and the reporting guidelines of the Industrial Registrar for purposes of section 270 of the RAO Schedule;
- ii. 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;
- iii. 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
- iv. during the financial year to which the GPFR relates and since the end of that year:
 - a. meetings of the committee of management were held in accordance with the rules of the Association;
 - b. the financial affairs of the reporting unit have been managed in accordance with the rules of the Association;
 - c. the financial records of the Association have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
 - d. the information sought in any request of a member of the Association or a Registrar duly made under section 272 of the RAO Schedule has been provided to the member or Registrar;
 - e. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule; and
 - f. There has been no activity related to the recovery of wages.

The resolutions approving the Financial Reports of the Association were passed by the Committee of Management on 15 May 2007, and subsequently approved by an Annual General Meeting and Meeting of the State Board of the Association on 5 June 2007.


THOMAS HARRINGTON McGUIRE (President) 18 JUN 2007 Date


ROBERT EDWARD DELLAR (Secretary/Treasurer) 18 JUN 2007 Date

SECRETARY'S CERTIFICATE

I, ROBERT EDWARD DELLAR, being appointed the Secretary/Treasurer of the Australian Hotels Association (Queensland Branch) do hereby state on behalf of the Committee that:

- i. That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- ii. Financial reports were provided to members on 15 May 2007; and
- iii. That the full report was presented to a General Meeting of Members of the Association on 5 June 2007 in accordance with section 266 of the RAO Schedule.



ROBERT EDWARD DELLAR

DATE: 18 JUN 2007

AUSTRALIAN HOTELS ASSOCIATION (QUEENSLAND BRANCH) AND ITS CONTROLLED ENTITIES

OPERATING REPORT 2006

Introduction

This Operating Report covers the results of the activities and operations of the Australian Hotels Association (Queensland Branch) and its controlled entities for the Financial Year ended 31 December 2006. It is provided as a standing requirement of Schedule 1B (Registration and Accountability of Organisations [RAO] Schedule) of the *Workplace Relations Act 1996*.

Principal Objects of the Association

The principal objects of the Association during the reporting year were to:

- Promote and represent the interests and objectives of the members of the Australian Hotels Association (Queensland Branch) and its entities;
- Provide a range of services to members of the Association including but not limited to training, industrial relations, employment relations, business development, workplace health & safety, and compliance;
- Provide industry advice to members, government agencies and liquor industry stakeholders;
- Promote and develop the hotel and hospitality industries in Queensland through the publication of magazines and newsletters, and sponsorship of trade shows, recreational events and members' functions; and
- Contribute to the development of the national liquor, hotel and hospitality industries through participation in programs and events conducted by the Australian Hotels Association.

Principal Activities during the Reporting Year

The principal activities of the Association during the reporting year were to:

- Participate in a range of liquor industry and government forums dealing with development or review of policies or legislation related to the sale of liquor, the administration of gaming, the application of law and order policies specific to the licensed industry in Queensland, responsible service and promotion of alcohol, responsible gambling, patron care and community safety, alcohol management plans, and related subjects.
- Provide advice and support to members of the Association through a range of media including but not limited to a dedicated members' Internet site, Association magazines, Association newsletters, members' information forums, members' networking functions, and telephone response line.

- Organise members' events such as charity days, sponsors' sporting and promotional events, and industry forums to promote the objectives of the Association and to raise funds for donation to community causes.
- Organise events to promote excellence in the Queensland hotel and hospitality industries including but not limited to trade and hospitality expos, Awards for Excellence program and awards presentation functions, and sponsors events.
- Provide a range of specific-to-industry training to members and associates in specific fields including gaming, hotel operations, alcohol service, responsible service and practice, and workplace health and safety.
- Provide advice and industry audit services to members and associates on food safety, workplace health and safety and compliance with legislation.
- Provide industrial and employment relations advice and support to members and associates related to employment conditions and contracts, industrial agreements, industrial representation, administration and interpretation of industrial legislation, industrial award interpretation, and liaison on behalf of members with trade unions and similar bodies.
- Provide advice on and administer Federal and State industrial awards and variations of awards following legislative and administrative change.
- To function as a Registered Training Organisation under the AQTF framework;
- Represent members and interests of the Association through participation in a range of Government and industry forums including the Queensland Government's Responsible Gambling Advisory Committee, Liquor Consultative Group and the Wine Industry Development Council.
- Conduct and promote public affairs activities related to the objectives of the Association including media interviews and media releases, contributions to Association and industry publications, and support for product, media or policy launches relevant to the licensed industry.
- Provide information, business management and counseling support to members affected by natural disaster, or financial or personal hardship.
- Promote community and charity events, and fundraising events specific to particular charitable causes.
- Raise funds for medical research and regional hospitals in Queensland through the annual Hotel Care Week activities.

Members' Rights of Resignation

The Registered Rules of the Australian Hotels Association (Queensland Branch) provide that a member of the Association may resign his/her membership by notice in writing if:

- He/she ceases to be an employer in the (hotel) industry or ceases to be engaged therein;
- On giving the (Association) Zone Secretary notice of his/her intention so to do and the payment of all dues to the date of his/her resignation.

The same Rules also provide for the vacation of and/or resignation from elected office by elected members.

Number of Members

As at 31 December 2006, the Association recorded 903 financial members.

Changes to the Association's Financial Position

During the reporting year, there were no substantial changes to the financial position or asset holdings of the Association. The full financial position of the Association is reflected in the financial accounts attached to this report.

Number of Employees

During the reporting year, the Association employed 15 full time equivalent (FTE) employees, 14 of whom were based in Brisbane and one of whom was based in Townsville, North Queensland.

Committee of Management

During the entire period of the reporting year, the Committee of management of the Association comprised the following elected officers:

Appointment:

Incumbent:

President

Mr Thomas McGuire
Hotelier and Company Director
C/- Colmlie Hotel
Cnr Wynnum and Junction Roads
MORNINGSIDE QLD 4170

Senior Vice President

Mr Michael White
Hotelier
Bracken Ridge Tavern
Cnr Barrett and Denham Streets
BRACKEN RIDGE QLD 4017

Vice-President
(Accommodation)

Mr Don Goode
Hotel Manager
Rydges Southbank Hotel
Glenelg Street
SOUTH BRISBANE QLD 4101

Secretary/Treasurer

Mr Robert Dellar
Hotelier
AHA (Qld Branch)
GPO Box 343
BRISBANE QLD 4001

Election of Delegates

During the reporting year, the following representatives were either elected to or maintained representation on the following committees:

Position	Delegate(s)	Date of Election
Representative to AHA National Accommodation Division	Mr Don Goode Rydges South Bank Hotel	October 2005
Representatives to the AHA National Board	Mr T.H. McGuire Mr R. Dellar Mr M. White Mr J. Paine	April 2005

Trusteeships and/or Directorships

(Involvement of officers or members or staff members relating to superannuation trust funds – section 254) During the reporting year, The following members or members of staff were involved in trusteeships or directorships on behalf of the Association as Directors of the Intrust Superannuation Fund:

Mr Sandy McDonald Board Member
Ms Peta Irvine Manager, Accommodation Department

No remuneration was provided or received for duties associated with these directorships.

Penalties Imposed

No penalties were imposed on the Association under the *Workplace Relations Act* during the reporting period, and no contingent penalties are foreseeable.



Robert Dellar
Secretary / Treasurer

Australian Hotels Association QLD Branch

Financial Statements
For the year ended 31 December 2006

M A Quinn and Co
Chartered Accountant
1/37 Sunderland Drive
Banksia Beach QLD 4507

Phone: (07) 3408 9644 Fax: (07) 3408 9688
Email: maq1@bigpond.com

Australian Hotels Association QLD Branch

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Income and Expenditure Statement

Detailed Balance Sheet

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Statement by Members of the Committee

Certificate by Member of the Committee

Australian Hotels Association QLD Branch
Committee's Report
For the year ended 31 December 2006

Your committee members submit the financial accounts of the Australian Hotels Association QLD Branch for the financial year ended 31 December 2006.

Committee Members

The names of committee members at the date of this report are:

Principal Activities

The principal activities of the association during the financial year were: .

Significant Changes

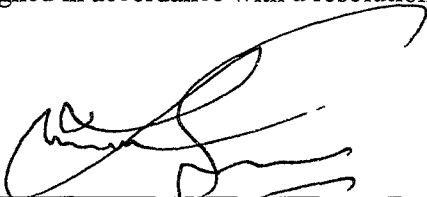
No significant change in the nature of these activities occurred during the year.

Operating Result

The profit from ordinary activities after providing for income tax amounted to


Year ended 31 December 2006 \$	Year ended PrevYearEnd \$
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Signed in accordance with a resolution of the Members of the Committee on : 0 5 JUN 2007



President

0 5 JUN 2007



Secretary / Treasurer

0 5 JUN 2007

Australian Hotels Association QLD Branch
Income and Expenditure Statement
For the year ended 31 December 2006

	2006 \$	2005 \$
Income		
Contributions	136,548.00	136,848.00
Total income	136,548.00	136,848.00
Expenses		
Affiliation Fees & Levies	136,548.00	136,848.00
Total expenses	136,548.00	136,848.00
Profit from ordinary activities before income tax		
Income tax revenue relating to ordinary activities		
Net profit attributable to the association		
Total changes in equity of the association		
Opening retained profits	1.00	1.00
Net profit attributable to the association		
Closing retained profits	1.00	1.00

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Australian Hotels Association QLD Branch
Detailed Balance Sheet As At 31 December 2006

	Note	2006 \$	2005 \$
Non-Current Assets			
Receivables			
Loan - Queensland Hotels Association		1.00	1.00
		1.00	1.00
Total Non-Current Assets		1.00	1.00
Total Assets		1.00	1.00
Net Assets		1.00	1.00
Members' Funds			
Accumulated surplus (deficit)		1.00	1.00
Total Members' Funds		1.00	1.00

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Australian Hotels Association QLD Branch

Notes to the Financial Statements

For the year ended 31 December 2006

Note 1: Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act. The committee has determined that the association is not a reporting entity.

The report has been prepared in accordance with the requirements of the Associations Incorporation Act and the following Australian Accounting Standards:

AASB 112:	Income Taxes
AASB 1031:	Materiality
AASB 110:	Events after the Balance Sheet Date
AASB 117:	Leases

No other Australian Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

(a) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation, and the anticipation that the association will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(b) Fixed Assets

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

Australian Hotels Association QLD Branch
Notes to the Financial Statements
For the year ended 31 December 2006

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(c) 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 entity, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the interest expense for that period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful or over the term of the lease.

Lease payments for 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.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

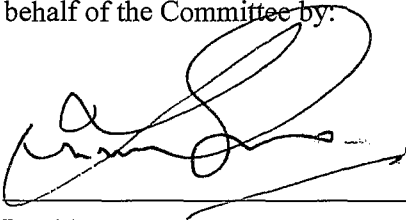
Australian Hotels Association QLD Branch
Statement by Members of the Committee
For the year ended 31 December 2006

The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of Australian Hotels Association QLD Branch as at 31 December 2006 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



President



Treasurer

**Australian Hotels Association
Queensland Branch**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
AUSTRALIAN HOTELS ASSOCIATION
QUEENSLAND BRANCH**

Scope

We have audited the financial report, being a special purpose financial report, of Australian Hotels Association Queensland Branch for the year ended 31 December 2006 as set out on pages 1 to 6. The Committee is responsible for the financial report and has determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Associations Incorporation Act Queensland and are appropriate to meet the needs of the members. We have conducted an Independent Audit of this financial report in order to express an opinion on it to the members of Australian Hotels Association Queensland Branch. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporation Act Queensland. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any other person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with the Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosure in the financial report opinion whether, in all material respects, the financial report is presented fairly in accordance with the Association's financial position, and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion the financial report presents fairly in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of Australian Hotels Association Queensland Branch as at 31 December 2006 and the results of its operations and cash flows for the year then ended.

Signed at Caboolture this *K.M.* day of June 2007.

Bob Hills & Associates
Bob Hills & Associates
Chartered Accountants

Queensland Hotels Association
Union of Employers

Financial Statements
For the year ended 31 December 2006

M A Quinn and Co
Chartered Accountant
1/37 Sunderland Drive
Banksia Beach QLD 4507

Phone: (07) 3408 9644 Fax: (07) 3408 9688
Email: maq1@bigpond.com

Queensland Hotels Association Union of Employers

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**Queensland Hotels Association
Union of Employers
Committee's Report
For the year ended 31 December 2006**

Your committee members submit the financial accounts of the Queensland Hotels Association for the financial year ended 31 December 2006.

Committee Members

The names of committee members at the date of this report are:

Principal Activities

The principal activities of the association during the financial year were: .

Significant Changes

No significant change in the nature of these activities occurred during the year.

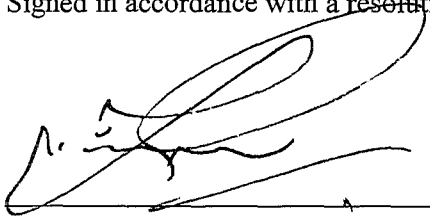
Operating Result

The profit from ordinary activities after providing for income tax amounted to


Year ended 31 December 2006	Year ended PrevYearEnd
\$ 99,533.04	\$ (98,181.45)

Signed in accordance with a resolution of the Members of the Committee on :

05 JUN 2007



President



Secretary / Treasurer

**Queensland Hotels Association
Union of Employers
Statement of Financial Performance
For the year ended 31 December 2006**

	Note	2006 \$	2005 \$
Revenues from ordinary activities		2,359,098.80	2,266,214.19
Borrowing costs expense		(114.28)	(478.69)
Depreciation and amortisation expenses		(22,059.00)	(38,010.00)
Other expenses from ordinary activities		<u>(2,237,392.48)</u>	<u>(2,325,906.95)</u>
Profit from ordinary activities before income tax		99,533.04	(98,181.45)
Income tax revenue relating to ordinary activities			
Net profit attributable to members of the association		<u>99,533.04</u>	<u>(98,181.45)</u>
Items recognised directly in equity:			
Net increase in Asset Revaluation Reserve		280,447.06	287,085.17
Total revenues, expenses and valuation adjustments attributable to members of the association and recognised directly in equity		<u>280,447.06</u>	<u>287,085.17</u>
Total changes in equity of the association		<u>379,980.10</u>	<u>188,903.72</u>
Opening retained profits		2,874,661.56	2,972,843.01
Net profit attributable to members of the company		<u>99,533.04</u>	<u>(98,181.45)</u>
Closing retained profits		<u>2,974,194.60</u>	<u>2,874,661.56</u>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

**Queensland Hotels Association
Union of Employers
Statement of Financial Position As At 31 December 2006**

	Note	2006 \$	2005 \$
Current Assets			
Cash assets		4,810,785.40	4,378,423.07
Receivables		62,363.26	150,734.02
Current tax assets		27,707.46	(16,422.36)
Other		13,243.78	15,495.36
Total Current Assets		<u>4,914,099.90</u>	<u>4,528,230.09</u>
Non-Current Assets			
Other financial assets		300.00	300.00
Property, plant and equipment		<u>54,669.00</u>	<u>71,435.08</u>
Total Non-Current Assets		<u>54,969.00</u>	<u>71,735.08</u>
Total Assets		<u>4,969,068.90</u>	<u>4,599,965.17</u>
Current Liabilities			
Payables		75,292.71	141,139.99
Interest-bearing liabilities		830,655.42	775,139.37
Current tax liabilities		13,202.00	12,945.00
Provisions		<u>88,000.00</u>	<u>88,802.14</u>
Total Current Liabilities		<u>1,007,150.13</u>	<u>1,018,026.50</u>
Non-Current Liabilities			
Interest-bearing liabilities		<u>307,407.06</u>	<u>307,407.06</u>
Total Non-Current Liabilities		<u>307,407.06</u>	<u>307,407.06</u>
Total Liabilities		<u>1,314,557.19</u>	<u>1,325,433.56</u>
Net Assets		<u>3,654,511.71</u>	<u>3,274,531.61</u>
Equity			
Reserves		680,317.11	399,870.05

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

**Queensland Hotels Association
Union of Employers
Statement of Financial Position As At 31 December 2006**

	Note	2006 \$	2005 \$
Retained profits		<u>2,974,194.60</u>	<u>2,874,661.56</u>
Total Members' Funds		<u><u>3,654,511.71</u></u>	<u><u>3,274,531.61</u></u>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

**Queensland Hotels Association
Union of Employers
Statement of Cash Flows
For the year ended 31 December 2006**

	2006 \$	2005 \$
Cash Flow From Operating Activities		
Receipts from customers	2,194,644.00	2,201,599.19
Payments to Suppliers and employees	(2,237,506.76)	(2,263,465.12)
Interest received	164,454.80	212,605.19
Interest and other costs of finance	(114.28)	(478.69)
Net cash provided by (used in) operating activities	<u>121,477.76</u>	<u>150,260.57</u>
Cash Flow From Financing Activities		
Proceeds of borrowings	330,397.83	438,928.73
Repayment of borrowings	<u>(19,513.26)</u>	<u>(529.28)</u>
Net cash provided by (used in) financing activities	<u>310,884.57</u>	<u>438,399.45</u>
Net increase (decrease) in cash held	432,362.33	590,417.58
Cash at the beginning of the year	<u>4,378,423.07</u>	<u>3,788,005.49</u>
Cash at the end of the year (note 2)	<u><u>4,810,785.40</u></u>	<u><u>4,378,423.07</u></u>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

**Queensland Hotels Association
Union of Employers
Notes to the Financial Statements
For the year ended 31 December 2006**

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers Queensland Hotels Association as an individual entity.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Income tax

No provision for income tax is necessary as the Association is exempt from tax under Section 50-15 of the ITAA 1997.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

a) Plant and equipment

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

b) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to Queensland Hotels Association commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

**Queensland Hotels Association
Union of Employers
Notes to the Financial Statements
For the year ended 31 December 2006**

Class of Asset	Depreciation Rate %
Plant & Other Equipment	10-40%

Future Capital Commitments

Future commitments for the year ended 31 December 2007 involved the commitment of \$57,713.92 for lift modernisation.

Investments

Shares in listed companies held as current assets are valued at those shares' market value at each balance date. The gains or losses, whether realised or unrealised, are included in profit from ordinary activities before income tax.

Non-current investments are measured on the cost basis. The carrying amount of non-current investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments.

The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

Employee entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Contributions are made by Queensland Hotels Association to an employee superannuation fund and are charged as expenses when incurred.

Queensland Hotels Association does not record, as an asset or a liability, the difference between the employer established defined benefit superannuation plan's accrued benefits and the net market value of the plans assets.

Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in all call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

Comparative Figures

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

**Queensland Hotels Association
Union of Employers
Notes to the Financial Statements
For the year ended 31 December 2006**

Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

Change in Accounting Policy

The Committee Members are of the opinion that there will be no significant impact on the Association's accounting policies which will arise from the adoption of IFRS.

Information Available to Members

Any financial member of the Association, or a Registrar, may apply to the Association for specified prescribed information in relation to the Association to be made available to the Member or person making the application

Any such 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 be not less than 14 days after the application is given to or received by the Association.

The Association must comply with an application made under the provisions of this section, and civil penalty provisions apply.

**Queensland Hotels Association
Union of Employers
Statement of Cash Flows
For the year ended 31 December 2006**

2006

2005

Note 2. Reconciliation Of Cash

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

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

NAB - Deposit Account	169,363.33	200,130.19
NAB - Cheque Account	16,361.89	15,550.52
NAB Business Account	187,035.49	14,516.52
Deposit - Cabcharge	200.00	200.00
FBT Prepaid	7,074.00	3,017.00
MLC Investment	4,426,420.94	4,106,046.91
Cash Drawer Account		30,835.93
Petty Cash	400.00	1,000.00
Stock on Hand - At Cost	3,929.75	7,126.00
	<u>4,810,785.40</u>	<u>4,378,423.07</u>

**Queensland Hotels Association
Union of Employers
Depreciation Schedule for the year ended 31 December, 2006**

		DISPOSAL			ADDITION		DEPRECIATION				PROFIT			LOSS						
		Total	Priv	OWDV	Date	Consid	Date	Cost	Value	T	Rate	Deprec	Priv	CWDV	Upto	+	Above	Total	-	Priv
Office Equipment																				
Chairs x 2	309.00 14/04/04	309	0.00	0		0		0	0	D	100.00	0	0	0	0		0	0	0	0
Celeron Computer - Workstation	654.00 17/03/04	654	0.00	0		0		0	0	D	100.00	0	0	0	0		0	0	0	0
Notice Board	130.00	130	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Chairs x 4	843.00	843	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Tables (10) Chairs	1,365.00	1,365	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Chairs x 30	3,270.00	3,270	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Flip Chart	257.00	257	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Typewriter	349.00	349	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Video Trolley	280.00	280	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
TV NEC	395.00	395	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Microwave - Sharp	550.00	550	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Urn - Kambrook	55.00	55	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Video - Philips	395.00	395	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Whiteboard	326.00 01/02/02	326	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Tripod	273.00 01/02/02	273	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Leather Chair	135.00 01/11/02	135	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Cutlery	527.00	527	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Office Chair - Credenza	289.00	289	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Picture Prints	103.00	103	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Mobile Phone	1,242.00	1,242	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Copy Holder	130.00	130	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Library - Training	107.00	107	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Whiteboard	505.00	505	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Mobile (2nd Hand)	400.00	400	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Desk & 2 Chairs	901.00	901	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Desk & Chair	733.00	733	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Shopfitting	87,805.00	87,805	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Compactus	5,443.00	5,443	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Office Chairs x 8	1,541.00	1,541	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Reception Seats x 2 & Table	1,047.00	1,047	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Reception Signs x 2	812.00	812	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Fridge - Boardroom	357.00	357	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Shelves/Bookcase	1,370.00	1,370	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Conference Desks	976.00	976	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Shelves x 15	1,835.00	1,835	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Brochure Stands x 2	1,100.00	1,100	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Executive/Visitors Chairs x 2	800.00	800	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Office Chairs x 2	1,032.00	1,032	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Philips Pocket Recorder	475.00	475	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0
Minolta 500SI Camera	586.00 27/01/99	586	0.00	0		0		0	0	P	100.00	0	0	0	0		0	0	0	0

**Queensland Hotels Association
Union of Employers
Depreciation Schedule for the year ended 31 December, 2006**

		Total	Priv	OWDV	DISPOSAL		ADDITION		DEPRECIATION				PROFIT			LOSS			
					Date	Consid	Date	Cost	Value	T	Rate	Deprec	Priv	CWDV	Upto	+	Above	Total	-
Office Chairs x 2	1,032.00	1,032	0.00	0		0		0	0	P	100.00	0	0	0	0	0	0	0	0
Philips Pocket Recorder	475.00	475	0.00	0		0		0	0	P	100.00	0	0	0	0	0	0	0	0
Minolta 500SI Camera	586.00 27/01/99	586	0.00	0		0		0	0	P	100.00	0	0	0	0	0	0	0	0
Whiteboard	355.00	355	0.00	0		0		0	0	P	100.00	0	0	0	0	0	0	0	0
Flip Chart	1,380.00	1,380	0.00	245		0		245	P	13.72	189	0	56	0	0	0	0	0	0
Hot Water Heater	764.00 02/05/01	764	0.00	380		0		380	P	13.79	105	0	275	0	0	0	0	0	0
Bookcases x 4	1,432.00	1,432	0.00	277		0		277	P	20.17	277	0	0	0	0	0	0	0	0
50HD Hornefile File Cabinet	151.45 09/09/05	151	0.00	150		0		150	P	2.32	4	0	146	0	0	0	0	0	0
Fellows PS-60 Shredder	249.00 18/08/05	249	0.00	243		0		243	P	6.17	15	0	228	0	0	0	0	0	0
Mitsubishi Projector	700.00 05/06/05	700	0.00	674		0		674	P	6.58	46	0	628	0	0	0	0	0	0
Zip Chill (Water Chiller Installation)	1,298.00 10/03/05	1,298	0.00	1,255		0		1,255	P	4.05	53	0	1,202	0	0	0	0	0	0
Hot Water Unit	165.00 11/09/04	165	0.00	0		0		0	D	100.00	0	0	0	0	0	0	0	0	0
Jan Chloe Timber Chair (17)	1,700.00 10/02/06	1,700	0.00	0		0	10/02/06	1,700	1,700	D	100.00	1,514	0	186	0	0	0	0	0
Jan Chloe Timber Frame Chair (30)	3,000.00 25/05/06	3,000	0.00	0		0	25/05/06	3,000	3,000	D	100.00	1,816	0	1,184	0	0	0	0	0
Feltex Carpets	6,745.20 28/11/06	6,745	0.00	0		0	28/11/06	6,745	6,745	D	25.00	157	0	6,588	0	0	0	0	0
Feltex Carpet	1,486.70 06/12/06	1,487	0.00	0		0	06/12/06	1,487	1,487	D	25.00	26	0	1,461	0	0	0	0	0
Cornerstone 1000 Credenza	544.55 11/12/05	545	0.00	0		0	11/12/05	545	545	D	100.00	545	0	0	0	0	0	0	0
Cornerstone 2000 Boardroom Table	2,299.09 11/12/06	2,299	0.00	0		0	11/12/06	2,299	2,299	D	20.00	26	0	2,273	0	0	0	0	0
G80 Clerical Chairs (9)	2,814.55 22/12/06	2,815	0.00	0		0	22/12/06	2,815	2,815	D	100.00	77	0	2,738	0	0	0	0	0
G80 Typist Chair (1)	266.36 22/12/06	266	0.00	0		0	22/12/06	266	266	D	100.00	7	0	259	0	0	0	0	0
		145,053		3,224		0		18,857	22,081			4,857	0	17,224					
								Deduct Private Portion				0							
								Net Depreciation				4,857							

**Queensland Hotels Association
Union of Employers
Depreciation Schedule for the year ended 31 December, 2006**

		Total	Priv	OWDV	DISPOSAL		ADDITION		DEPRECIATION				Priv	CWDV	PROFIT			LOSS		
					Date	Consid	Date	Cost	Value	T	Rate	Deprec			Upto	+	Above	Total	-	Priv
Computer Equipment																				
Onsite Computer	170.00 10/05/04	170	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Labour Power Supply																				
Microsoft Office 2003	400.00 07/04/04	400	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Philips Real Flat Monitor	185.00 05/04/04	185	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Dell All in One Printer	163.00 10/10/04	163	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Dell Kit for Inspiron	260.00 10/10/04	260	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Net Comm Modem	207.00 16/04/02	207	0.00	0		0	0	0	P	100.00	0	0	0	0	0	0	0	0		
Fax Sharp FO-1480	479.00 17/03/99	479	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
HP Server	1,350.00 22/10/99	1,350	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Adobe Pagemaker	220.00 19/07/01	220	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
MYOB Premier 7 - Upgrade	422.00	422	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Onsite Computer	625.00 26/03/04	625	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Labour Installation																				
Onsite Computer	800.00 13/05/04	800	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Labour Charge Email																				
LCD Screen - Reception	1,201.00 30/07/01	1,201	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Home Workstation - Computer	3,019.00 09/03/00	3,019	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
HP NetServer 333	5,190.00 25/03/99	5,190	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Compaq Laptop	3,865.00 10/11/99	3,865	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Laptop Computer	2,185.00 02/03/01	2,185	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Computer Equipment	2,304.00 10/05/04	2,304	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Computer & Software	1,920.00 16/08/02	1,920	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
Harvey Norman Computer	2,790.00 30/03/04	2,790	0.00	986		0	0	986	D	37.50	370	0	616	0	0	0	0	0		
Sony SVGA Projector	7,400.00 09/01/99	7,400	0.00	803		0	0	803	D	37.50	301	0	502	0	0	0	0	0		
Backup Software	3,226.00 01/09/02	3,226	0.00	702		0	0	702	P	40.00	702	0	0	0	0	0	0	0		
Network Cards Inc RAM	4,135.00 05/09/01	4,135	0.00	1,028		0	0	1,028	D	37.50	385	0	643	0	0	0	0	0		
Dell Computer	2,770.00 10/10/04	2,770	0.00	1,584		0	0	1,584	D	37.50	594	0	990	0	0	0	0	0		
Sony Data Projector	2,961.00	2,961	0.00	1,444		0	0	1,444	D	37.50	542	0	902	0	0	0	0	0		
Reconfiguration of Network	4,316.00 01/09/02	4,316	0.00	0		0	0	0	D	100.00	0	0	0	0	0	0	0	0		
NEC TelSystem	16,768.00 19/04/01	16,768	0.00	4,942		0	0	4,942	D	20.00	988	0	3,954	0	0	0	0	0		
Computer	3,585.00 04/03/05	3,585	0.00	609		0	0	609	D	100.00	609	0	0	0	0	0	0	0		
Netgear Switch	198.00 15/09/05	198	0.00	192		0	0	192	D	10.89	21	0	171	0	0	0	0	0		
250 Sheet Paper Tray	333.30 08/02/05	333	0.00	233		0	0	233	D	33.49	78	0	155	0	0	0	0	0		
Wireless Internet Card	229.95 22/12/05	230	0.00	230		0	0	230	D	0.92	2	0	228	0	0	0	0	0		
Samsung 17" LCD Monitor	359.00 21/10/05	359	0.00	354		0	0	354	D	7.29	26	0	328	0	0	0	0	0		
Microsoft Office Pro 2003	482.32 30/06/05	482	0.00	433		0	0	433	P	20.16	97	0	336	0	0	0	0	0		

**Queensland Hotels Association
Union of Employers
Depreciation Schedule for the year ended 31 December, 2006**

		DISPOSAL			ADDITION		DEPRECIATION				PROFIT			LOSS							
		Total	Priv	OWDV	Date	Consid	Date	Cost	Value	T	Rate	Deprec	Priv	CWDV	Upto	+	Above	Total	-	Priv	
Microsoft Office 2003	390.50 21/12/05	390	0.00	390		0	0	390	P	1.10	4	0	386	0	0	0		0		0	
MYOB Premier V9 Upgrade	499.00 06/07/05	499	0.00	451		0	0	451	P	19.51	97	0	354	0	0	0		0		0	
Details Plus (Database Licenses)	550.05 25/11/05	550	0.00	548		0	0	548	P	3.95	22	0	526	0	0	0		0		0	
Adobe Pagemaker V7 02	880.00 28/01/05	880	0.00	579		0	0	579	P	36.93	325	0	254	0	0	0		0		0	
Evolution UPS (Backup Power Supply)	726.00 11/07/05	726	0.00	665		0	0	665	D	17.77	118	0	547	0	0	0		0		0	
Microsoft Windows 2003	825.00 11/07/05	825	0.00	758		0	0	758	P	16.96	140	0	618	0	0	0		0		0	
Samsung 17" Black Monitor x 2	869.00 30/06/05	869	0.00	795		0	0	795	D	16.90	134	0	661	0	0	0		0		0	
Goldmine Upgrade Software x 10	792.00 29/11/05	792	0.00	789		0	0	789	D	3.51	28	0	761	0	0	0		0		0	
IBM Desktop Network Computer	1,470.70 16/09/05	1,471	0.00	1,424		0	0	1,424	D	10.89	155	0	1,269	0	0	0		0		0	
IBM Desktop Network Computer x 2	1,940.88 30/06/05	1,941	0.00	1,755		0	0	1,755	D	18.90	332	0	1,423	0	0	0		0		0	
IBM C-M Notebook	1,822.50 21/11/05	1,822	0.00	1,614		0	0	1,614	D	4.38	71	0	1,543	0	0	0		0		0	
Toshiba Satellite Laptop	1,999.00 16/12/05	1,999	0.00	1,997		0	0	1,997	D	2.05	41	0	1,956	0	0	0		0		0	
Goldmine BCM 6.7 (10 users)	2,217.45 22/11/05	2,217	0.00	2,207		0	0	2,207	P	4.27	95	0	2,112	0	0	0		0		0	
HP Laserjet Colour	3,297.80 25/01/05	3,298	0.00	2,222		0	0	2,222	D	34.93	776	0	1,446	0	0	0		0		0	
Database Upgrade (About Solutions) 2005	5,472.50 30/07/05	5,472	0.00	5,104		0	0	5,104	P	15.82	866	0	4,238	0	0	0		0		0	
Database Upgrade (About Solutions) 2005	11,000.00 31/05/05	11,000	0.00	9,481		0	0	9,481	D	23.45	2,223	0	7,258	0	0	0		0		0	
Toshiba Satellite P100 Laptop & Mouse	2,336.32 23/05/06	2,336	0.00	0		0 23/05/06	2,336	2,336	D	66.68	952	0	1,384	0	0	0		0		0	
Toshiba Satellite A100 Laptop & Mouse	2,035.32 09/10/06	2,035	0.00	0		0 09/10/06	2,035	2,035	D	66.68	312	0	1,723	0	0	0		0		0	
		113,640		44,319		0	4,371	48,690			11,406	0	37,284								
								Deduct Private Portion				0									
								Net Depreciation				11,406									

**Queensland Hotels Association
Union of Employers
Depreciation Schedule for the year ended 31 December, 2006**

		DISPOSAL				ADDITION		DEPRECIATION				PROFIT			LOSS					
		Total	Priv	OWDV	Date	Consid	Date	Cost	Value	T	Rate	Deprec	Priv	CWDV	Upto	+	Above	Total	-	Priv
<hr/>																				
Motor Vehicles																				
Holden Commodore	28,982.00	28,982	0.00	5,957		0		0	5,957	P	20.00	5,796	0	161	0		0	0		0
558EWZ																				
		<hr/>		<hr/>		<hr/>		<hr/>				<hr/>		<hr/>						
		28,982		5,957		0		0	5,957			5,796	0	161						
									Deduct Private Portion			0								
												<hr/>								
									Net Depreciation			<hr/>								
												5,796								

**Queensland Hotels Association
Union of Employers
Income and Expenditure Statement
For the year ended 31 December 2006**

	2006 \$	2005 \$
Income		
Education & Training	277,156.97	283,430.96
Industrial Relations Services	70,359.18	52,102.13
Platinum Sponsorship	187,272.73	70,000.00
Awards for Excellence	57,300.06	79,746.97
Profit on Sale of Stock		5,170.01
Publication Sales		8,212.26
Residential Levies	157,383.71	101,168.77
Subscription Income	809,499.66	779,293.16
WHS Services	73,053.48	16,473.05
Commissions Received	105,880.58	211,355.40
Other Functions	8,148.02	
Other Sponsorship	268,469.69	298,351.76
Trade Show	83,783.79	83,222.61
QHA Review	24,270.00	
PPCA Legal Challenge Funds	15,454.55	
Interest received	164,454.80	212,605.19
Other income	45,766.25	51,983.38
Loss on Sale of Asset		(64,615.00)
Total capital gains	327.27	
Rents received	10,518.06	13,098.54
Total income	2,359,098.80	2,201,599.19
Expenses		
Advertising	2,658.03	10,475.65
Awards for Excellence	198,220.44	161,903.69
Auditors Remuneration	10,975.00	15,363.00
Bad Debts	3,768.20	
Bank Fees And Charges	5,737.25	5,453.71
Bookkeeping Fees		30,600.00
Capitation Fees	136,548.00	136,548.00
Cleaning & Waste Removal	10,602.51	8,969.35
Commissions		3,258.67
Catering & Venue	41,372.68	31,028.29

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

**Queensland Hotels Association
Union of Employers
Income and Expenditure Statement
For the year ended 31 December 2006**

	2006 \$	2005 \$
Computer repairs	7,639.76	5,066.40
Consultants fees	422,344.48	355,122.11
Credit card commission	1,022.62	
Depreciation - other	22,059.00	38,010.00
Donations	13,322.71	3,181.81
Education & Training	8,300.48	11,543.87
Electricity	12,958.90	11,709.08
Entertainment		5,926.63
Equipment	6,741.50	4,342.88
Fringe benefits tax	14,757.38	(2,249.28)
General expenses	3,685.59	3,403.07
Hire/rent of Plant & Equipment	10,161.20	14,938.20
Industrial Relations		2,571.30
Insurance	19,426.44	14,439.28
Interest	114.28	478.69
Legal fees	72,231.35	33,426.64
Membership Liaison Expenses	30,517.42	20,439.99
Meeting costs	5,311.13	3,240.32
Motor Vehicle Expenses	7,275.27	12,533.64
National board	3,861.81	
Postage	42,702.09	36,874.17
Printing & stationery	77,109.54	78,448.70
Rent on land & buildings	43,636.32	48,000.00
Registration & fees	514.50	783.64
Repairs & maintenance	18,701.58	5,854.42
Research		9,000.00
Resources	6,815.79	4,449.44
Salaries & Wages	699,766.07	640,660.73
Salary Sacrifice expenses	26,902.32	26,960.37
Provision for Annual leave	14,000.00	
Sponsorship		1,809.09
State President		66,905.20
Stationery for resale	3,259.17	
Subscriptions	5,125.45	1,828.18
Sundry expenses	2.52	
Superannuation	103,042.12	238,881.81

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

**Queensland Hotels Association
Union of Employers
Income and Expenditure Statement
For the year ended 31 December 2006**

	2006 \$	2005 \$
Telephone	33,577.63	55,731.40
Training manuals	5,545.45	22,882.19
Transport costs - taxi & parking	18,954.15	15,913.64
Travel, accom & conference	84,447.14	88,624.96
Website Expenses	3,850.49	14,447.71
Total expenses	<u>2,259,565.76</u>	<u>2,299,780.64</u>
Profit from ordinary activities before income tax	99,533.04	(98,181.45)
Income tax revenue relating to ordinary activities		
Net profit attributable to the association	<u>99,533.04</u>	<u>(98,181.45)</u>
Items recognised directly in equity:		
Net increase in Asset Revaluation Reserve	280,447.06	287,085.17
Total revenues, expenses and valuation adjustments attributable to the association and recognised directly in equity	<u>280,447.06</u>	<u>287,085.17</u>
Total changes in equity of the association	<u>379,980.10</u>	<u>188,903.72</u>
Opening retained profits	2,874,661.56	2,972,843.01
Net profit attributable to the association	<u>99,533.04</u>	<u>(98,181.45)</u>
Closing retained profits	<u>2,974,194.60</u>	<u>2,874,661.56</u>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

**Queensland Hotels Association
Union of Employers
ABN 54 878 166 941**

**Independent Audit Report
to the Members of
Queensland Hotels Association
Union of Employers**

Scope

The Financial Report and Committees' Responsibility

The financial report comprises the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes to the financial statements, and the Statement by the Committee of Management for the Queensland Hotels Association, Union of Employers (the Association), for the year ended 31 December 2006.

The committee is responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understandings of the Association's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- Assessing the appropriateness of the accounting estimates made by the Committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion:

- (i) there were kept by the organization in respect of the year ended 31 December 2006, satisfactory accounting records, details of the source and nature of the income of the organization (including income from members) and the nature and purpose of expenditure, as required under Subsection 252 of the RAO Schedule.
- (ii) all information and explanations were provided by the officers of the Association as required under Subsection 272 of the RAO Schedule.
- (iii) the accounts and statements prepared under section 253 in relation to the year were properly drawn up so as to give a true and fair view of:
 - (a) the financial statements of the organization as at the end of the year;
 - (b) the income and expenditure, and any surplus or deficit, of the organization for the year; and
- (iv) the financial report presents fairly in accordance with Australian Accounting Standards and the requirements of the relevant section of the RAO Schedule, as at 31 December 2006, and the results of its operations and cash flows for the year then ended.

Bob Hills & Associates

Bob Hills & Associates
Chartered Accountants

Bob Hills

Bob Hills

Dated this *4th* day of June 2007.

Principal