



Australian Government
Australian Industrial Registry

21 May 2009

Mr Frank Morgan
Treasurer
Australian Hotels Association, Tasmanian Branch
email: aha@australianhotels.asn.au

Dear Mr Morgan

Re: Financial Report for the Australian Hotels Association, Tasmanian Branch for year ended 30 June 2006 [FR2006/401] and 2007 [FR2007/385]

I acknowledge receipt of the revised Audit Reports for the above matters in response to correspondence of the Registry dated 12 March 2009. The Audit Reports were lodged with the Registry on 19 May 2009 and a subsequent email regarding the 2006 report received on 20 May 2009.

The financial reports have now been filed.

I make the following comments in relation to the 2007 report to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Operating Report

Trustee of superannuation entity

Subsection 254(2)(d) of Schedule 1 requires details of any *officer or member* of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme to be provided in the operating report *“where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation”*.

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

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

Right of members to resign

Subsection 254(2)(c) requires the operating report to “give details” of the right of members to resign from the reporting unit under section 174 of the RAO Schedule. This requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. It would appear in this case that rule 32 of the organisation’s Rules is applicable.

I note that the information provided does not meet either of the above requirements. Future financial reports should provide the required information.

Schedule 1

Reference to Schedule 1B of the Act, should properly refer to Schedule 1.

Committee of Management statement

Consistency with other reporting units

Paragraph 25 of the Industrial Registrar's Reporting guidelines, as made under section 255 of Schedule 1 states:

"The committee of management statement must include declarations by the committee of management as to whether in the opinion of the committee of management

...

- (e) (iv) *where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;".*

The Committee of Management's Statement has not made reference to the matters as provided in paragraph 25(e)(iv). Could the Branch ensure that future Committee of Management statements include the required resolutions. For your reference I have attached a draft statement which may be of assistance http://www.airc.gov.au/registered/FR/Sample_Committee_of_Management_Statement.doc.

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

Yours sincerely



Kevin Donnellan

Statutory Services Branch

Principal Registry

Email: kevin.donnellan@airc.gov.au

cc. Michael Denehey, Capital3 Accounting

15 May 2009

Mr K Donnellan
Statutory Services Branch
Australian Industrial Relations Commission
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir

AUSTRALIAN HOTELS ASSOCIATION – TASMANIAN BRANCH

As requested please find enclosed amended copies of our 2006 and 2007 audit reports of the above association.

We have also forwarded copies to the Association.

Yours faithfully
PKF



R A Dean
Partner

Encl.

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**INDEPENDENT AUDIT REPORT
TO MEMBERS OF AUSTRALIAN HOTELS ASSOCIATION
– TASMANIAN BRANCH**

Chartered Accountants
& Business Advisers

Scope

The Financial Report and Councillors Responsibility

The financial report comprises the Balance sheet, Income statement, Statement of Changes in Equity, Cash Flow Statement, accompanying Notes to the Financial Statements and Statement by Committee of Management, for Australian Hotels Association – Tasmanian Branch for the year ended 30 June 2006.

The Councillors are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. 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 of Australian Hotels Association – Tasmanian Branch. Our audit was conducted in accordance with Australian Auditing and Assurance Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the requirements of the Workplace Relations Act 1996, Part 3 – Accounts and Audit, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Australian Hotels Association – Tasmanian Branch'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:

- (a) examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- (b) assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

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, the general purpose financial report of Australian Hotels Association – Tasmanian Branch is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996.

PKF
Chartered Accountants

R A Dean
Partner

13 November 2006

Melbourne

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Australian Government
Australian Industrial Registry

12 March 2009

Mr Frank Morgan
Treasurer
Australian Hotels Association, Tasmanian Branch
email: aha@australianhotels.asn.au

Dear Mr Morgan

Re: Financial Report for the Australian Hotels Association, Tasmanian Branch for year ended 30 June 2006 [FR2006/401] and June 2007 [FR2007/385]

I acknowledge receipt of designated officer's certificates for the above reports in response to correspondence of the Registry dated 5 June 2008. The certificates were lodged with the Registry on 5 March 2009.

The following matters require your further attention:

Designated Officer's Certificate

Presentation of the full report to a General Meeting

The designated officer's certificate records that the full report for the financial year ended 31 December 2006 was distributed to members on 28 November 2006 and presented to a general meeting of members held on 28 November 2006. Similarly, it appears the documents for the 2007 report was distributed to members and presented to a meeting on the same date, namely the 22 January 2008.

If a full report is to be presented to a general meeting in satisfaction of the requirements of subsection 265(5) then it needs to be provided to members 21 days before the General Meeting (section 265(5)(a)).

I note that ordinarily this should occur within six months of the end of the financial year. In the instance of these two reports that will not be possible.

Once a full report is presented to an appropriate meeting, the report(s) should be lodged in the Registry together with a Designated Officer's Certificate within 14 days.

Audit Report

Auditor's Opinion

I note the Auditor in their opinions used the term "true and fair view". The requirement for an Auditor to use that term has been repealed. Subsection 257(5) of the RAO Schedule sets out the matters upon which an auditor is required to make an opinion on whether the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the RAO Schedule. The following wording in the auditor's opinion would satisfy the requirements:

"In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996."

2006 Report - Committee of Management Statement

The Committee of Management statement for the 2006 report records that the "statement is made in accordance with a resolution of the councillors made on the xx November 2006 . . ." Item 26(b) of the Reporting Guidelines of the Registrar requires that the Committee of Management statement must specify the date of passage of the resolution.

In reference to the above matters, the Branch is required to obtain from the Auditor, a revised opinion for the 2006 and 2007 reports, provide details of the date of resolution for the Committee of Management statement for the 2006 report and then provide the documents to the Registry.

Also, the Branch will be required to represent the 2006 and 2007 reports to a meeting of members and provide revised designated officer's certificates to the Registry as noted above.

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

Yours sincerely



Kevin Donnellan

Statutory Services Branch

Principal Registry

Email: kevin.donnellan@airc.gov.au

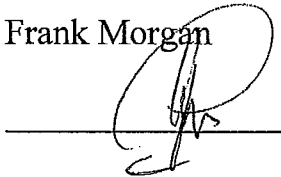
cc. Michael Denehey, Capital3 Accounting

Designated Officer's Certificate – 2006 Return of Information
s.268 of Schedule 1 Workplace Relations Act 1996

I, Frank Morgan, being the Treasurer of the Australian Hotels Association
Tasmanian Branch, certify:

- That the documents lodged herewith are copies of the full report,
referred to in s268 of the RAO Schedule; and
- That the full report was distributed to members on Tuesday 28
November, 2006; and
- That the full report was presented to a general meeting of members
on the Tuesday 28 November 2006, of the reporting unit in
accordance with section 266 of the RAO schedule.

Frank Morgan

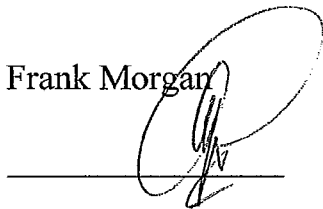


Designated Officer's Certificate – 2006 Return of Information
s.268 of Schedule 1 Workplace Relations Act 1996

I, Frank Morgan, being the Treasurer of the Australian Hotels Association
Tasmanian Branch, certify:

- That the documents lodged herewith are copies of the full report,
referred to in s268 of the RAO Schedule; and
- That the full report was distributed to members on Tuesday 22
January, 2008; and
- That the full report was presented to a general meeting of members
on the Tuesday 22 January, 2008, of the reporting unit in
accordance with section 266 of the RAO schedule.

Frank Morgan





Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7882
Fax: (03) 9655 0410
Email: michelle.baldini@air.gov.au

Ms Victoria Sales
Industrial Relations Officer
Australian Hotels Association
Tasmanian Branch

By email: victoria@australianhotels.asn.au

Dear Ms Sales,

Re: Financial Reports for the year ended 30 June 2006 [FR2006/401] and year ended 30 June 2007 [FR2007/385] - Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

I acknowledge receipt of the financial report of the Tasmanian Branch of the Australian Hotels Association for the financial year ended 30 June 2006 and the designated officer's certificate for 2006 and 2007. The documents were lodged in the Industrial Registry on 2 June 2008.

The financial report has not been filed.

Designated Officer's Certificate

Certificates to be signed and dated by designated officer

The designated officer's certificates must be signed and dated by a 'designated officer' – see section 243 of the RAO Schedule. In order to be a designated officer under section 243, a person will need to be an 'officer' holding an 'office' as those terms are defined in sections 6 and 9 respectively of the RAO Schedule.

I note that Mr Stephen Old is the General Manager of the Tasmanian Branch of the Australian Hotels Association and as he is not an officer, he is not qualified to sign the designated officer's certificates.

Content of designated officer's certificates

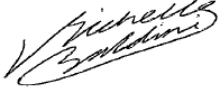
Section 268 of the RAO Schedule requires the certificate by the designated officer to certify that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266.

I note that the designated officer's certificates provided did not state that the full report was provided to members. The certificates also did not give dates for when the financial report was provided to members, or presented to such a meeting.

Accordingly, in order to fulfil the organisation's obligations under the RAO Schedule, I require you to provide an amended designated officer's certificate for each of the financial years ended 30 June 2006 and 2007, taking into account the matters referred to above.

Should you wish to discuss the matters raised in this letter, I can be contacted on (03) 8661 7882 or by email at michelle.baldini@air.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michelle Baldini', written in a cursive style.

Michelle Baldini
Statutory Services Branch

5 June 2008

28 May 2008

Margaret Williams
Statutory Services Branch
Australian Industrial Registry
Level 5, 11 Exhibition Street
MELBOURNE 3000

Dear Margaret,

**RE: Australian Hotels Association – Tasmanian Branch
Annual Return of Information**

Enclosed are the financial records required for our Annual Return of Information for 2006 as well as accompanying designated officers' certificate for the 2006 and 2007 returns.

I welcome you to call me on (03) 6224 7033 if you have any questions.

Yours faithfully,



Victoria Sales
INDUSTRIAL RELATIONS OFFICER

E: victoria@australianhotels.asn.au
M: 0407 869 924



**AUSTRALIAN HOTELS ASSOCIATION – TASMANIAN BRANCH
ABN 16 231 925 997**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

Page No.	CONTENTS
1	Operating Report
3	Statement by Committee of Management
4	Auditors Independence Declaration
5	Income Statement
6	Balance Sheet
7	Statement of Changes in Equity
8	Statement of Cash Flows
9-17	Notes to the Financial Statements
18	Independent Audit Report

AUSTRALIAN HOTELS ASSOCIATION – TASMANIAN BRANCH OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2006

Your councillors submit the operating report of the Australian Hotels Association – Tasmanian Branch for the financial year ended 30 June 2006.

Councillors

The names of the Councillors throughout the year and at the date of this report are:

Councillor	Date of Appointment	Re-Elected	Resigned / Retired
Paul Jubb		November 2005	
Don McQuestin		November 2005	
Jim Bleasel		November 2005	
Frank Morgan		November 2005	
Robert Humphries		November 2005	
Fiona Jones			November 2005
Laurinda Bond	November 2005		
John Dabner		November 2005	
Peter Grubb		November 2005	
Grant Beaumont		November 2005	
Greg Astell		November 2005	
Darren Brown		November 2005	

The following is a summary of Councillors attendance at committee meetings during the financial year.

Councillor	Committee Meeting Held	Committee Meeting Attended
Paul Jubb	4	3
Don McQuestin	4	4
Jim Bleasel	4	3
Frank Morgan	4	4
Robert Humphries	4	1
Fiona Jones	4	1
Laurinda Bond	4	2
John Dabner	4	4
Peter Grubb	4	3
Grant Beaumont	4	2
Greg Astell	4	2
Darren Brown	4	4

Principal Activities

The principal activities for the association during the financial period were:

- The provision of benefits and support to members.

No significant changes in the state of affairs of the company occurred during the financial year.

The operations of the association are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Operating Results

The net result for the year amounted to a loss of \$22,625 (2005: loss of \$21,192)

As a result of the introduction of Australian equivalents to International Financial Reporting Standards (IFRS), the association's financial report has been prepared in accordance with those standards. A reconciliation of adjustments arising on the transition to AIFRS is included in Note 2.

**AUSTRALIAN HOTELS ASSOCIATION – TASMANIAN BRANCH
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

Events Subsequent to Balance date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in future financial years.

Future Developments

The Rules of the Branch are currently in the process of being amended and this process should be finalised during the next financial year. These amendments will include a new division of membership for restaurants and caterers. Up until this time, Australian Hotels Association will continue to manage the affairs of restaurants as members of the Restaurant and Catering Association. Upon finalisation of the Rules, assets (cash) in the form of accumulated restaurant membership fees will be transferred to the Branch. There are not expected to be any liabilities transferred at this time.

Number of Employees

The number of employees as at the end of the year was 5.

Number of Members

The number of members for the year ended 30 June 2006 was 208.

Rights of Members

A Member can resign from membership by written notice and in accordance with Section 174 of Schedule 1B of the Workplace Relations Act 1996 and the rules of Australian Hotels Association.

Indemnifying Officers or Auditors

The association has not during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the association or a related body corporate:

- Indemnified or made any relevant agreement for indemnifying a liability, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

Proceedings on Behalf of the Association

No person has applied for leave to court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or part of those proceedings.

Signed in accordance with a resolution of the Councillors

Councillor

Councillor

Dated this day of November 2006

**AUSTRALIAN HOTELS ASSOCIATION – TASMANIAN BRANCH
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

In the opinion of the Councillors, the financial report as set out on pages 5 to 17;

- 1 Presents a true and fair view of the financial position of the Australian Hotels Association – Tasmanian Branch as at 30 June 2006 and its performance for the year ended on that date in compliance with reporting guidelines of the Industrial Registrar, Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
- 2 During and since the end of the financial year ended 30 June 2006, the;
 - a) meetings of the committee of management were held in accordance with the rules of the association.
 - b) financial affairs have been managed in accordance with the rules of the association and the financial records have been kept and maintained in accordance with the *Workplace Relations Act 1996*.
 - c) information sought in any request of a member of the Australian Hotels Association – Tasmanian Branch or a Registrar has been provided to the member or Registrar in accordance with the *Workplace Relations Act 1996*, and any order for inspection of financial records made by the Commission under Section 273 of the act has been complied with.
- 3 At the date of this statement, there are reasonable grounds to believe that the Australian Hotels Association – Tasmanian Branch will be able to pay its debts as and when they fall due.
- 4 A copy of the Auditor's Independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

This statement is made in accordance with a resolution of the councillors made on the xx November 2006, and is signed for and on behalf of the councillors by:

.....
Councillor

.....
Councillor

Signed at Hobart this day of November 2006

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	<u>Notes</u>	<u>2006</u> \$	<u>2005</u> \$
Revenue	3	667,310	651,439
Depreciation and Amortisation	4	19,508	16,843
Employee Expense	4	275,864	271,465
National Affiliation and Capitation Fees paid to Australian Hotels Association		64,160	45,722
Promotions		65,862	79,500
Promotions -Special Project		63,636	18,182
Occupancy Costs		49,333	49,113
Public Affairs & Governement		6,439	11,257
Newletters & Memberships		34,011	51,825
Carrying Value of Property Plant & Equipment disposed off		1,612	20,909
Office & Administration Expenses		16,455	14,776
Bad & Doubtful Debts	4	10,654	13,073
Vehicle Expenses		10,147	10,266
Accounting & Audit Expenses		17,796	8,799
Postage & Freight Expenses		14,605	9,965
Other expenses		39,853	50,936
		<u>689,935</u>	<u>672,631</u>
Loss before income tax expense		<u>(22,625)</u>	<u>(21,192)</u>
Income tax expense		-	-
Net Loss		<u>(22,625)</u>	<u>(21,192)</u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

BALANCE SHEET AS AT 30 JUNE 2006

	<u>Notes</u>	<u>2006</u> \$	<u>2005</u> \$
CURRENT ASSETS			
Cash and cash equivalents	6	578,171	647,272
Trade and other receivables	7	227,641	176,541
Inventories	8	<u>10,053</u>	<u>3,515</u>
TOTAL CURRENT ASSETS		<u>815,865</u>	<u>827,328</u>
NON - CURRENT ASSETS			
Property, Plant & Equipment	9	<u>75,775</u>	<u>69,470</u>
TOTAL NON - CURRENT ASSETS		<u>75,775</u>	<u>69,470</u>
TOTAL ASSETS		<u>891,640</u>	<u>896,798</u>
CURRENT LIABILITIES			
Trade and other payables	10	262,667	231,524
Interest bearing liabilities	11	976	12,853
Short-term provisions	12	<u>9,605</u>	<u>11,404</u>
TOTAL CURRENT LIABILITIES		<u>273,248</u>	<u>255,781</u>
TOTAL LIABILITIES		<u>273,248</u>	<u>255,781</u>
NET ASSETS		<u>618,392</u>	<u>641,017</u>
MEMBERS FUNDS			
Retained profits	13	<u>618,392</u>	<u>641,017</u>
TOTAL MEMBERS FUNDS		<u>618,392</u>	<u>641,017</u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006**

	Notes	Members Funds \$	Total \$
Balance as at 30 June 2004		662,209	662,209
Loss for the period	13	(21,192)	(21,192)
Balance as at 30 June 2005		641,017	641,017
Loss for the period	13	(22,625)	(22,625)
Balance as at 30 June 2006		<u>618,392</u>	<u>618,392</u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**CASHFLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	<u>Note</u>	2006 \$	2005 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members		644,559	641,100
Payments to suppliers and employees		(706,691)	(750,561)
Other Income		-	6,441
Interest received		<u>32,333</u>	<u>29,949</u>
Net cash provided by/(used in) operating activities	14(b)	<u>(29,799)</u>	<u>(73,071)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceed from sale of Assets		12,727	498,573
Payments for property, plant & equipment		<u>(40,152)</u>	<u>(41,049)</u>
Net Cash used in/(provided by) investing activities		<u>(27,425)</u>	<u>457,524</u>
Net increase /(decrease) in cash held		(57,224)	384,453
Cash at beginning of year		<u>634,419</u>	<u>249,966</u>
Cash at end of year	14(a)	<u><u>577,195</u></u>	<u><u>634,419</u></u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial report is a general purpose financial report that has been prepared for distribution to the members to fulfil the financial reporting requirements under the Workplace Relations Act 1996.

The financial report has been prepared in accordance with Accounting Standards and Urgent Issues Group Interpretations, other pronouncements of the Australian Accounting Standards Board, the requirements of the Workplace Relations Act 1996 and in compliance with other requirements of the law. Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS) adopted in the financial report for the year ending 30 June 2006 and the comparative information presented in that report for the year ending 30 June 2005. The transition to AIFRS is accounted for in accordance with Accounting Standard AASB1 "First-time Adoption of Australian Equivalents to International Financial Reporting Standards" with 1 January 2004 as the date of transition.

The financial statements were authorised for issue by the Committee of Management on the date the Committee of Management Certificate was signed.

Basis of preparation

The financial report has been prepared on the accrual basis of accounting. The historical cost basis has been used except for certain assets which are carried at fair values of the consideration given in exchange for assets.

Financial report complies with AIFRS

Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

(a) Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from those assets.

All items of plant and equipment are depreciated using the diminishing value or straight line method. Plant and equipment are depreciated over their useful lives commencing from the time the asset is held ready for use.

On disposal of an item of plant and equipment, the difference between the sales proceeds and the carrying amount of the asset at the time of disposal is recognised as income or expense.

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

Class of fixed asset	Depreciation	Depreciation
	rates	basis
Plant and Equipment	7.5 - 50 %	Straight Line or Diminishing Value

(b) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(c) Employee Benefits

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

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

(d) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

(e) Revenue

Interest revenue is recognised on an accrual basis.

Membership revenue is recognised on an accruals basis over the period it relates to.

Fundraising income and donations are recognised when recovered by the association.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

(g) Trade and Other Receivables

Trade accounts receivable, amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

The collectibility of debts is assessed at balance date. A provision is raised against this balance to cover any accounts considered doubtful.

(h) Trade and Other Payables

Payables represent the principal amounts outstanding at balance date plus, where applicable, any accrued interest.

Payables are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received.

(i) Interest Bearing Liabilities

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains or losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

(j) Comparative Figures

Comparatives have been reclassified so as to be consistent with the figures presented in the current year. Australian equivalents to International Financial Reporting Standards have been applied to all current and comparative figures consistently.

(k) Income Tax

The association is exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997.

(l) Inventory

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

**AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

(n) Financial Instruments

Recognition

Financial Instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Income Statement.

(o) New and Revised Accounting Standards and Interpretations

All new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Australian Hotels Association - Tasmanian Branch operations and effective for annual reporting periods beginning on 1 July 2005 have been adopted by the Association.

Consideration has been given to new and revised standards and interpretations issued by the AASB that are not yet effective and the Directors do not believe that they will have any material financial impact on the financial statements of the Company

(p) Impact of adoption of AIFRS

The impact of adopting AIFRS on the total equity and profit (loss) as reported under previous Australian Generally Accepted Accounting Principles (AGAAP) are illustrated in note 2.

(q) Information to be provided to Members or Registrar

In accordance with the requirement of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of sub-section (1), (2) and (3) of section 272, which reads as follows:

- (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).

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

2 FIRST-TIME ADOPTION OF AIFRS

The adaption of AIFRS has not had any impact on the Income Statement, Balance Sheet or Cash Flow Statement other than that proceed from the disposal of non current assets of \$21,370 recorded as revenue at 30 June 2005 are no longer regarded as revenue and accordingly revenue has decreased by this amount, which is not recorded as part of loss on disposal.

3 REVENUE	2006	2005
	\$	\$
Revenue from operating activities		
Membership revenue	485,017	477,889
Commissions	4,959	13,300
Promotions	51,332	43,217
Gaming Training	12,167	31,288
Revenue from non operating activities		
Interest revenue	32,333	29,949
Rental revenue	5,604	1,615
Special Project revenue	60,750	40,000
Other	15,148	14,182
Total Revenue	<u><u>667,310</u></u>	<u><u>651,439</u></u>
4 ITEMS INCLUDED IN LOSS		
Depreciation of non current assets		
Plant & Equipment	<u>19,508</u>	<u>16,843</u>
Total depreciation of non current assets	<u><u>19,508</u></u>	<u><u>16,843</u></u>
(Profit)/Loss on disposal of Property Plant and Equipment		
Equipment	1,612	4,170
Bad and Doubtful Debts	10,654	13,073
Operating Lease Expense	28,771	24,763
Employee Expense	275,864	271,465
Defined contribution fund superannuation contributions	21,899	19,951

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

5 KEY MANAGEMENT PERSONNEL REMUNERATION

	Short-term employee benefits	Post- employment benefits	Long term benefits	Other	Total
2006					
Total Income paid or payable to all executives of the Association	95,025	8,552	-	-	103,577
2005					
Total Income paid or payable to all executives of the Association	85,115	7,660	-	-	92,775

	2006 \$	2005 \$
6 CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	782	-
Deposits at call	577,389	647,272
	<u>578,171</u>	<u>647,272</u>

7 TRADE AND OTHER RECEIVABLES		
Trade debtors	240,549	187,031
Provision for Doubtful Debts	<u>(14,024)</u>	<u>(13,073)</u>
	226,525	173,958
Other debtors	10	953
Prepaid Expenditure	<u>1,106</u>	<u>1,630</u>
	<u>227,641</u>	<u>176,541</u>

Trade debtors are non interest bearing and generally on 30 day terms.

8 INVENTORIES		
Stationery at Cost	<u>10,053</u>	<u>3,515</u>
	<u>10,053</u>	<u>3,515</u>

9 PROPERTY, PLANT & EQUIPMENT		
Plant and equipment at cost	137,976	121,824
Less: Provision for Depreciation	<u>(62,201)</u>	<u>(52,354)</u>
	<u>75,775</u>	<u>69,470</u>

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year

	Plant & Equipment	
Opening Balance	69,470	70,344
Additions	40,152	41,038
Disposals	(14,339)	(25,069)
Depreciation Expense	<u>(19,508)</u>	<u>(16,843)</u>
Carrying amount at the end of the year	<u>75,775</u>	<u>69,470</u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

10	TRADE AND OTHER PAYABLES	2006 \$	2005 \$
	Trade Creditors	34,374	24,326
	Income received in advance	197,720	183,540
	Accrued Expenses	7,000	6,820
	GST Liabilities	23,573	16,838
		<u>262,667</u>	<u>231,524</u>

Trade Creditors and accruals are non interest bearing and are normally settled on 30 day terms.
Income in advance represents membership subscriptions which relate to the period of membership subsequent to 30 June 2006.

11 INTEREST-BEARING LIABILITIES

Current		
Bank Overdraft Unsecured	<u>976</u>	<u>12,853</u>

The bank overdraft is unsecured.

The association has a credit card facility with a credit card limit of \$14,000. At 30 June 2006 there was Nil balance outstanding.

12 PROVISIONS

Current		
Employee Entitlements		
Opening Balance at beginning of the year	11,404	6,666
Additional provisions raised during the year	11,191	9,506
Amounts used	<u>(12,990)</u>	<u>(4,768)</u>
Balance at end of year	<u>9,605</u>	<u>11,404</u>

Provision for employee entitlements

A provision has been recognised for employee entitlements relating to annual leave for employees. The measurement and recognition criteria for employee benefits has been included in note 1.

13 RETAINED EARNINGS

Balance at the beginning of the financial year	641,017	662,209
Net profit / (loss)	<u>(22,625)</u>	<u>(21,192)</u>
Balance at the end of the financial year	<u>618,392</u>	<u>641,017</u>

14 CASH FLOW INFORMATION

(a) Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Cash at bank and on hand	782	-
Deposits at call	577,389	647,272
Bank Overdraft	<u>(976)</u>	<u>(12,853)</u>
	<u>577,195</u>	<u>634,419</u>

(b) Reconciliation of net profit / (loss) after tax to the net cash flows from operations

Net Profit /(Loss)	(22,625)	(21,192)
Non-cash items		
Depreciation	19,508	16,843
Bad & Doubtful Debts	10,654	13,073
Loss on disposal of property, plant & equipment	1,612	4,170

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

14 CASH FLOW INFORMATION (CONT)

	2006	2005
	\$	\$
Changes in Assets & Liabilities:		
(Increase) / Decrease in receivables	(62,277)	(67,125)
(Increase) / Decrease in inventories	(6,538)	1,238
(Increase) / Decrease in prepayments	524	4,313
Increase / (Decrease) in payables	10,048	1,788
Increase / (Decrease) in accrued expenses	180	770
Increase / (Decrease) in GST Liabilities	6,735	(27,599)
Increase/ (Decrease) in Pre Paid Income	14,180	(4,088)
Increase / (Decrease) in provisions	(1,800)	4,738
Net cash flow from operating activities	<u>(29,799)</u>	<u>(73,071)</u>

15 FINANCIAL INSTRUMENTS

Financial Risk Management

The association's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable.

(a) Interest Rate Risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on these financial assets and financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate	
	2006	2005	2006	2005
	%	%	\$	\$
Financial Assets:				
Cash and cash equivalents	5.10	5.20	578,172	647,272
Total Financial Assets			<u>578,172</u>	<u>647,272</u>
Financial Liabilities:				
Bank overdraft unsecured	14.25	14.25	976	12,853
Total Financial Liabilities			<u>976</u>	<u>12,853</u>
	Non-interest Bearing		Total	
	2006	2005	2006	2005
	\$	\$	\$	\$
Financial Assets:				
Cash and cash equivalents	-	-	578,172	647,272
Total Financial Assets	<u>-</u>	<u>-</u>	<u>578,172</u>	<u>647,272</u>
Financial Liabilities:				
Bank overdraft unsecured	-	-	976	12,853
Trade and other payables	64,947	47,984	64,947	47,984
Total Financial Liabilities	<u>64,947</u>	<u>47,984</u>	<u>65,924</u>	<u>60,837</u>

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Balance Sheet and notes to the financial statements.

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

(c) Price risk

The association is not exposed to any material commodity price risk.

**AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

Net Fair Values

The aggregate net fair values are materially consistent with the carrying amounts of financial assets and financial liabilities as disclosed in the Balance Sheet and in the notes to the financial statements.

16 Related Party Transactions

The Australian Hotels Association - National is a related entity. Affiliation fees paid by Australian Hotels Association - Tasmania Branch were on normal commercial terms. There were no loans during the year to councillors of the association or to councilor related entities.

The members of the Committee of Management were:

Paul Jubb
Don McQuestin
Jim Bleasel
Frank Morgan
Robert Humphries
Fiona Jones
John Dabner
Peter Grubb
Grant Beaumont
Greg Astell
Darren Brown

The members of the Committee of Management who held office during the financial year received no remuneration.

17 Association Details

The principal place of business of the association is:
Australian Hotels Association - Hobart Branch
11 Morrison Street
Hobart TAS 7000
The principal activities of the association is the provision of support and benefits to its members. It is incorporated and domiciled in Australia.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

18	Capital and Leasing Commitments	2006	2005
	<i>Lease Expenditure Commitments</i>	\$	\$
	Minimum lease payments		
	not later than one year	28,035	28,035
	later than one year and not later than five years	3,072	30,994
	Aggregate lease expenditure contracted at reporting date	<u>31,107</u>	<u>59,029</u>

The commitment relates to the Associations's rented premises.

- 19 Segment**
Australian Hotels Association - Tasmanian Branch operates in one geographical segment being Tasmania.

20 Events Subsequent to Balance date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in future financial years

21 Auditors Remuneration

Amounts received or due and receivable		
Audit services	<u>7,000</u>	<u>6,200</u>



**INDEPENDENT AUDIT REPORT
TO MEMBERS OF AUSTRALIAN HOTELS ASSOCIATION
- TASMANIAN BRANCH**

Chartered Accountants
& Business Advisers

Scope

The Financial Report and Councilors Responsibility.

The financial report comprises the Balance sheet, Income statement, Statement of Changes in Equity, Cash Flow Statement, accompanying Notes to the Financial Statements and Statement by Committee of Management, for Australian Hotels Association - Tasmanian Branch for the year ended 30 June 2006.

The Councilors are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. 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 of Australian Hotels Association - Tasmanian Branch. Our audit was conducted in accordance with Australian Auditing and Assurance Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the requirements of the Workplace Relations Act 1996, Part 3 - Accounts and Audit, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Australian Hotels Association - Tasmanian Branch'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:

- (a) examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- (b) assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

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, the financial report of Australian Hotels Association - Tasmanian Branch is in accordance with:

- (a) the Workplace Relations Act 1996, including:
 - (i) giving a true and fair view of Australian Hotels Association - Tasmanian Branch's financial position at 30 June 2006, and of its performance for the year ended on that date, and
 - (ii) complying with Accounting Standards in Australia and the requirements of the Workplace Relations Act 1996, Part 3 - Accounts and Audit; and
- (b) other mandatory financial reporting requirements in Australia.

PKF
Chartered Accountants

R A Dean
Partner

13 November 2006
Melbourne

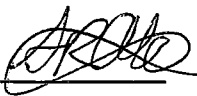
Tel: +61 3 9603 1700 | Fax: +61 3 9602 3870 | www.pkf.com.au
Victorian Partnership | ABN 56 527 914 493
Level 11, CGU Tower | 485 La Trobe Street | Melbourne | Victoria 3000 | Australia
GPO Box 5099 | Melbourne | Victoria 3001

Designated Officer's Certificate - 2006 Return of Information
s.268 of Schedule 1 *Workplace Relations Act* 1996

I, Stephen Old, being the General Manager of the Australian Hotels Association
Tasmanian Branch, certify :

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report was presented to a general meeting of members of the reporting unit in accordance with section 266 of the RAO Schedule.

Stephen Old 28/05/08





Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7882
Fax: (03) 9655 0410
Email: michelle.baldini@air.gov.au

Ms Victoria Sales
Industrial Relations Officer
Australian Hotels Association
Tasmanian Branch

By email: victoria@australianhotels.asn.au

Dear Ms Sales,

Re: Financial Reports for the Year ended 30 June 2006 [FR2006/401] and Year ended 30 June 2007 [FR2007/385] - Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

I acknowledge receipt of the financial report of the Tasmanian Branch of the Australian Hotels Association for the financial years ended 30 June 2006 and 30 June 2007. The documents were lodged in the Industrial Registry on 15 May 2008.

The financial report has not been filed.

Financial Report for the year ended 30 June 2006

I note that the copy of the financial report for the year ended 30 June 2006 provided to the Registry is not clearly legible. Please provide a new copy of the documents submitted for the financial year ended 30 June 2006.

Designated Officer's Certificate

Section 268 of the RAO Schedule requires the certificate by the designated officer to certify that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266 of the RAO Schedule.

I note that the designated officer's certificate for the financial years ended 30 June 2006 and 30 June 2007 was not provided. A designated officer's certificate for each of the financial years ended 30 June 2006 and 30 June 2007 is required so that examination of the financial documents can be completed.

Therefore, I ask that the Association provide me with following documents so that examination of the financial documents can be completed:

- A designated officer's certificate for each of the financial years ended 30 June 2006 and 30 June 2007.
- Legible copy of financial report for the year ended 30 June 2006.

Should you wish to discuss the matters raised in this letter, I can be contacted on (03) 8661 7882 or by email at michelle.baldini@air.gov.au.

Yours sincerely

Michelle Baldini
Statutory Services Branch

19 May 2008



AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
RESTAURANT & CATERING ASSOCIATION - TASMANIA

25/93 Salamanca Place, Hobart Tas 7000 T: 03 6224 7033 F: 03 6224 7988
PO Box 191, Battery Point 7004
E: aha@australianhotels.asn.au W: www.australianhotels.asn.au

12 May 2008

Ref: FR2007/385-[124N-TAS]

Robert Pfeiffer
Statutory Services Branch
Australian Industrial Registry
11 Exhibition Street
Melbourne 3000

Dear Robert,

RE: OUTSTANDING FINANCIAL DOCUMENTS

I enclose the requested financial documents for the years ending 30 June 2006 and 30 June 2007.

I welcome you to call me on (03) 6224 7033 if you have any questions.

Yours faithfully,

Victoria Sales
INDUSTRIAL RELATIONS OFFICER

E: victoria@australianhotels.asn.au
M: 0407 869 924

AUSTRALIAN HOTELS ASSOCIATION – TASMANIAN BRANCH
ABN 16 231 925 997

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006

Page No.

CONTENTS

1	Operating Report
3	Statement by Committee of Management
4	Auditors Independence Declaration
5	Income Statement
6	Balance Sheet
7	Statement of Changes in Equity
8	Statement of Cash Flows
9-17	Notes to the Financial Statements
18	Independent Audit Report

AUSTRALIAN HOTELS ASSOCIATION – TASMANIAN BRANCH **OPERATING REPORT** **FOR THE YEAR ENDED 30 JUNE 2006**

Your councillors submit the operating report of the Australian Hotels Association – Tasmanian Branch for the financial year ended 30 June 2006.

Councillors

The names of the Councillors throughout the year and at the date of this report are:

Councillor	Date of Appointment	Re-Elected	Resigned / Retired
Paul Jubb		November 2005	
Don McQuestin		November 2005	
Jim Bleasel		November 2005	
Frank Morgan		November 2005	
Robert Humphries		November 2005	
Fiona Jones			November 2005
Laurinda Bond	November 2005		
John Dabner		November 2005	
Peter Grubb		November 2005	
Grant Beaumont		November 2005	
Greg Astell		November 2005	
Darren Brown		November 2005	

The following is a summary of Councillors attendance at committee meetings during the financial year.

Councillor	Committee Meeting Held	Committee Meeting Attended
Paul Jubb	4	3
Don McQuestin	4	4
Jim Bleasel	4	3
Frank Morgan	4	4
Robert Humphries	4	1
Fiona Jones	4	1
Laurinda Bond	4	2
John Dabner	4	4
Peter Grubb	4	3
Grant Beaumont	4	2
Greg Astell	4	2
Darren Brown	4	4

Principal Activities

The principal activities for the association during the financial period were:

- The provision of benefits and support to members.

No significant changes in the state of affairs of the company occurred during the financial year.

The operations of the association are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Operating Results

The net result for the year amounted to a loss of \$22,625 (2005: loss of \$21,192)

As a result of the introduction of Australian equivalents to International Financial Reporting Standards (IFRS), the association's financial report has been prepared in accordance with those standards. A reconciliation of adjustments arising on the transition to AIFRS is included in Note 2.

**AUSTRALIAN HOTELS ASSOCIATION – TASMANIAN BRANCH
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

Events Subsequent to Balance date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in future financial years.

Future Developments

The Rules of the Branch are currently in the process of being amended and this process should be finalised during the next financial year. These amendments will include a new division of membership for restaurants and caterers. Up until this time, Australian Hotels Association will continue to manage the affairs of restaurants as members of the Restaurant and Catering Association. Upon finalisation of the Rules, assets (cash) in the form of accumulated restaurant membership fees will be transferred to the Branch. There are not expected to be any liabilities transferred at this time.

Number of Employees

The number of employees as at the end of the year was 5.

Number of Members

The number of members for the year ended 30 June 2006 was 208.

Rights of Members

A Member can resign from membership by written notice and in accordance with Section 174 of Schedule 1B of the Workplace Relations Act 1996 and the rules of Australian Hotels Association.

Indemnifying Officers or Auditors

The association has not during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the association or a related body corporate:

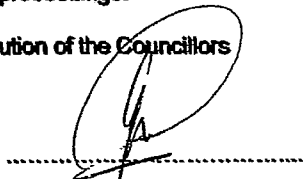
- Indemnified or made any relevant agreement for indemnifying a liability, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

Proceedings on Behalf of the Association

No person has applied for leave to court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or part of those proceedings.

Signed in accordance with a resolution of the Councillors

Councillor



Councillor



Dated this

13th

day of November 2006

**AUSTRALIAN HOTELS ASSOCIATION – TASMANIAN BRANCH
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

In the opinion of the Councillors, the financial report as set out on pages 5 to 17;

- 1 Presents a true and fair view of the financial position of the Australian Hotels Association – Tasmanian Branch as at 30 June 2006 and its performance for the year ended on that date in compliance with reporting guidelines of the Industrial Registrar, Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
- 2 During and since the end of the financial year ended 30 June 2006, the;
 - a) meetings of the committee of management were held in accordance with the rules of the association.
 - b) financial affairs have been managed in accordance with the rules of the association and the financial records have been kept and maintained in accordance with the *Workplace Relations Act 1996*.
 - c) information sought in any request of a member of the Australian Hotels Association – Tasmanian Branch or a Registrar has been provided to the member or Registrar in accordance with the *Workplace Relations Act 1996*, and any order for inspection of financial records made by the Commission under Section 273 of the act has been complied with.
- 3 At the date of this statement, there are reasonable grounds to believe that the Australian Hotels Association – Tasmanian Branch will be able to pay its debts as and when they fall due.
- 4 A copy of the Auditor's Independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

This statement is made in accordance with a resolution of the councillors made on the xx November 2006, and is signed for and on behalf of the councillors by:

Councillor



Councillor

Signed at Hobart this 13th day of November 2006

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	<u>Notes</u>	<u>2006</u> \$	<u>2005</u> \$
Revenue	3	667,310	651,439
Depreciation and Amortisation	4	19,508	16,843
Employee Expense	4	275,864	271,465
National Affiliation and Capitation Fees paid to Australian Hotels Association		64,160	45,722
Promotions		65,862	79,500
Promotions -Special Project		63,636	18,182
Occupancy Costs		49,333	49,113
Public Affairs & Governement		6,439	11,257
Newletters & Memberships		34,011	51,825
Carrying Value of Property Plant & Equipment disposed off		1,612	20,909
Office & Administration Expenses		16,455	14,776
Bad & Doubtful Debts	4	10,654	13,073
Vehicle Expenses		10,147	10,266
Accounting & Audit Expenses		17,796	8,799
Postage & Freight Expenses		14,605	9,965
Other expenses		39,853	50,936
		<u>689,935</u>	<u>672,631</u>
Loss before income tax expense		<u>(22,625)</u>	<u>(21,192)</u>
Income tax expense			
Net Loss		<u>(22,625)</u>	<u>(21,192)</u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

BALANCE SHEET AS AT 30 JUNE 2006

	<u>Notes</u>	<u>2006</u> \$	<u>2005</u> \$
CURRENT ASSETS			
Cash and cash equivalents	6	578,171	647,272
Trade and other receivables	7	227,641	176,541
Inventories	8	<u>10,053</u>	<u>3,515</u>
TOTAL CURRENT ASSETS		<u>815,865</u>	<u>827,328</u>
NON - CURRENT ASSETS			
Property, Plant & Equipment	9	<u>75,775</u>	<u>69,470</u>
TOTAL NON - CURRENT ASSETS		<u>75,775</u>	<u>69,470</u>
TOTAL ASSETS		<u>891,640</u>	<u>896,798</u>
CURRENT LIABILITIES			
Trade and other payables	10	262,667	231,524
Interest bearing liabilities	11	976	12,853
Short-term provisions	12	<u>9,605</u>	<u>11,404</u>
TOTAL CURRENT LIABILITIES		<u>273,248</u>	<u>255,781</u>
TOTAL LIABILITIES		<u>273,248</u>	<u>255,781</u>
NET ASSETS		<u>618,392</u>	<u>641,017</u>
MEMBERS FUNDS			
Retained profits	13	<u>618,392</u>	<u>641,017</u>
TOTAL MEMBERS FUNDS		<u>618,392</u>	<u>641,017</u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2006

	Notes	Members Funds \$	Total \$
Balance as at 30 June 2004		662,209	662,209
Loss for the period	13	(21,192)	(21,192)
Balance as at 30 June 2005		✓ 641,017	641,017
Loss for the period	13	✓ (22,625)	(22,625)
Balance as at 30 June 2006		✓ 618,392	618,392

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**CASHFLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	<u>Note</u>	2006 \$	2005 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members		644,559	641,100
Payments to suppliers and employees		(706,691)	(750,561)
Other Income		-	6,441
Interest received		<u>32,333</u>	<u>29,949</u>
Net cash provided by/(used in) operating activities	14(b)	<u>(29,799)</u>	<u>(73,071)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceed from sale of Assets		12,727	498,573
Payments for property, plant & equipment		<u>(40,152)</u>	<u>(41,049)</u>
Net Cash used in/(provided by) investing activities		<u>(27,425)</u>	<u>457,524</u>
Net increase /(decrease) in cash held		(57,224)	384,453
Cash at beginning of year		<u>634,419</u>	<u>249,966</u>
Cash at end of year	14(a)	<u>577,195</u>	<u>634,419</u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial report is a general purpose financial report that has been prepared for distribution to the members to fulfil the financial reporting requirements under the Workplace Relations Act 1996.

The financial report has been prepared in accordance with Accounting Standards and Urgent Issues Group Interpretations, other pronouncements of the Australian Accounting Standards Board, the requirements of the Workplace Relations Act 1996 and in compliance with other requirements of the law. Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS) adopted in the financial report for the year ending 30 June 2006 and the comparative information presented in that report for the year ending 30 June 2005. The transition to AIFRS is accounted for in accordance with Accounting Standard AASB1 "First-time Adoption of Australian Equivalents to International Financial Reporting Standards" with 1 January 2004 as the date of transition.

The financial statements were authorised for issue by the Committee of Management on the date the Committee of Management Certificate was signed.

Basis of preparation

The financial report has been prepared on the accrual basis of accounting. The historical cost basis has been used except for certain assets which are carried at fair values of the consideration given in exchange for assets.

Financial report complies with AIFRS

Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

(a) Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from those assets.

All items of plant and equipment are depreciated using the diminishing value or straight line method. Plant and equipment are depreciated over their useful lives commencing from the time the asset is held ready for use.

On disposal of an item of plant and equipment, the difference between the sales proceeds and the carrying amount of the asset at the time of disposal is recognised as income or expense.

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

Class of fixed asset	Depreciation rates	Depreciation basis
Plant and Equipment	7.5 - 50 %	Straight Line or Diminishing Value

(b) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(c) Employee Benefits

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

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

(iv) **Cash and Cash Equivalents**
For the purposes of the Cash Flow Statement, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

(v) **Revenue**
Interest revenue is recognised on an accrual basis.

Membership revenue is recognised on an accruals basis over the period it relates to.

Fundraising income and donations are recognised when recovered by the association.

(vi) **Goods and Services Tax (GST)**
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

(vii) **Trade and Other Receivables**
Trade accounts receivable, amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

The collectability of debts is assessed at balance date. A provision is raised against this balance to cover any accounts considered doubtful.

(viii) **Trade and Other Payables**
Payables represent the principal amounts outstanding at balance date plus, where applicable, any accrued interest. Payables are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received.

(ix) **Interest Bearing Liabilities**
All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains or losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

(x) **Comparative Figures**
Comparatives have been restated so as to be consistent with the figures presented in the current year. Australian equivalents to International Financial Reporting Standards have been applied to all current and comparative figures consistently.

(xi) **Income Tax**
The association is exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997.

(xii) **Inventory**
Inventories are measured at lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

**AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

(n) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Income Statement.

(o) New and Revised Accounting Standards and Interpretations

All new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Australian Hotels Association - Tasmanian Branch operations and effective for annual reporting periods beginning on 1 July 2005 have been adopted by the Association.

Consideration has been given to new and revised standards and interpretations issued by the AASB that are not yet effective and the Directors do not believe that they will have any material financial impact on the financial statements of the Company.

(p) Impact of adoption of AIFRS

The impact of adopting AIFRS on the total equity and profit (loss) as reported under previous Australian Generally Accepted Accounting Principles (AGAAP) are illustrated in note 2.

(q) Information to be provided to Members or Registrar

In accordance with the requirement of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of sub-section (1), (2) and (3) of section 272, which reads as follows:

- (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).

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

2 FIRST-TIME ADOPTION OF AIFRS

The adoption of AIFRS has not had any impact on the Income Statement, Balance Sheet or Cash Flow Statement other than that proceeds from the disposal of non current assets of \$21,370 recorded as revenue at 30 June 2005 are no longer regarded as revenue and accordingly revenue has decreased by this amount, which is not recorded as part of loss on disposal.

3 REVENUE	2006	2005
	\$	\$
Revenue from operating activities		
Membership revenue	485,017	477,889
Commissions	4,959	13,300
Promotions	51,332	43,217
Gaming Training	12,167	31,288
Revenue from non operating activities		
Interest revenue	32,333	29,949
Rental revenue	5,604	1,615
Special Project revenue	60,750	40,000
Other	15,148	14,182
Total Revenue	<u>667,310</u>	<u>651,439</u>
4 ITEMS INCLUDED IN LOSS		
Depreciation of non current assets		
Plant & Equipment	19,508	16,843
Total depreciation of non current assets	<u>19,508</u>	<u>16,843</u>
(Profit)/Loss on disposal of Property Plant and Equipment	1,612	4,170
Bad and Doubtful Debts	10,654	13,073
Operating Lease Expense	28,771	24,763
Employee Expense	275,864	271,465
Defined contribution fund superannuation contributions	21,899	19,951

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

5 KEY MANAGEMENT PERSONNEL REMUNERATION

	Short-term employee benefits	Post- employment benefits	Long term benefits	Other	Total
2006					
Total Income paid or payable to all executives of the Association	95,025	8,552	-	-	103,577
2005					
Total Income paid or payable to all executives of the Association	85,115	7,660	-	-	92,775

6 CASH AND CASH EQUIVALENTS

	2006 \$	2005 \$
Cash at bank and on hand	782	-
Deposits at call	577,389	647,272
	<u>578,171</u>	<u>647,272</u>

7 TRADE AND OTHER RECEIVABLES

	243,674	
Trade debtors	240,549	187,031
Provision for Doubtful Debts	(14,024)	(13,073)
	<u>226,525</u>	<u>173,958</u>
Other debtors	10	953
Prepaid Expenditure	1,106	1,630
	<u>227,641</u>	<u>176,541</u>

Trade debtors are non interest bearing and generally on 30 day terms.

8 INVENTORIES

Stationery at Cost	10,053	3,515
	<u>10,053</u>	<u>3,515</u>

9 PROPERTY, PLANT & EQUIPMENT

Plant and equipment at cost	137,976	121,824
Less: Provision for Depreciation	(62,201)	(52,354)
	<u>75,775</u>	<u>69,470</u>

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year

Plant & Equipment

Opening Balance	69,470	70,344
Additions	40,152	41,038
Disposals	(14,339)	(25,069)
Depreciation Expense	(19,508)	(16,843)
Carrying amount at the end of the year	<u>75,775</u>	<u>69,470</u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

10	TRADE AND OTHER PAYABLES	2006 \$	2005 \$
	Trade Creditors	34,374	24,326
	Income received in advance	197,720	183,540
	Accrued Expenses	7,000	6,820
	GST Liabilities	23,573	16,838
		<u>262,667</u>	<u>231,524</u>

Trade Creditors and accruals are non interest bearing and are normally settled on 30 day terms. Income in advance represents membership subscriptions which relate to the period of membership subsequent to 30 June 2006.

11 INTEREST-BEARING LIABILITIES

Current		
Bank Overdraft Unsecured	<u>976</u>	<u>12,853</u>

The bank overdraft is unsecured.

The association has a credit card facility with a credit card limit of \$14,000. At 30 June 2006 there was Nil balance outstanding.

12 PROVISIONS

Current		
Employee Entitlements		
Opening Balance at beginning of the year	11,404	6,666
Additional provisions raised during the year	11,191	9,506
Amounts used	<u>(12,990)</u>	<u>(4,768)</u>
Balance at end of year	<u>9,605</u>	<u>11,404</u>

Provision for employee entitlements

A provision has been recognised for employee entitlements relating to annual leave for employees. The measurement and recognition criteria for employee benefits has been included in note 1.

13 RETAINED EARNINGS

Balance at the beginning of the financial year	641,017	662,209
Net profit / (loss)	<u>(22,625)</u>	<u>(21,192)</u>
Balance at the end of the financial year	<u>618,392</u>	<u>641,017</u>

14 CASH FLOW INFORMATION

(a) Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Cash at bank and on hand	782	-
Deposits at call	577,389	647,272
Bank Overdraft	<u>(976)</u>	<u>(12,853)</u>
	<u>577,195</u>	<u>634,419</u>

(b) Reconciliation of net profit / (loss) after tax to the net cash flows from operations

Net Profit / (Loss)	(22,625)	(21,192)
Non-cash items		
Depreciation	19,508	16,843
Bad & Doubtful Debts	10,654	13,073
Loss on disposal of property, plant & equipment	1,612	4,170

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

14 CASH FLOW INFORMATION (CONT)

	2006	2005
	\$	\$
Changes in Assets & Liabilities:		
(Increase) / Decrease in receivables	(62,277)	(67,125)
(Increase) / Decrease in inventories	(6,538)	1,238
(Increase) / Decrease in prepayments	524	4,313
Increase / (Decrease) in payables	10,048	1,788
Increase / (Decrease) in accrued expenses	180	770
Increase / (Decrease) in GST Liabilities	6,735	(27,599)
Increase / (Decrease) in Pre Paid Income	14,180	(4,088)
Increase / (Decrease) in provisions	(1,800)	4,738
Net cash flow from operating activities	<u>(29,799)</u>	<u>(73,071)</u>

15 FINANCIAL INSTRUMENTS

Financial Risk Management

The association's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable.

(a) Interest Rate Risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on these financial assets and financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate	
	2006	2005	2006	2005
	%	%	\$	\$
Financial Assets:				
Cash and cash equivalents	5.10	5.20	578,172	647,272
Total Financial Assets			<u>578,172</u>	<u>647,272</u>
Financial Liabilities:				
Bank overdraft unsecured	14.25	14.25	976	12,853
Total Financial Liabilities			<u>976</u>	<u>12,853</u>
	Non-Interest Bearing		Total	
	2006	2005	2006	2005
	\$	\$	\$	\$
Financial Assets:				
Cash and cash equivalents	-	-	578,172	647,272
Total Financial Assets	<u>-</u>	<u>-</u>	<u>578,172</u>	<u>647,272</u>
Financial Liabilities:				
Bank overdraft unsecured	-	-	976	12,853
Trade and other payables	64,947	47,984	64,947	47,984
Total Financial Liabilities	<u>64,947</u>	<u>47,984</u>	<u>65,924</u>	<u>60,837</u>

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Balance Sheet and notes to the financial statements.

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

(c) Price risk

The association is not exposed to any material commodity price risk.

**AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

Net Fair Values

The aggregate net fair values are materially consistent with the carrying amounts of financial assets and financial liabilities as disclosed in the Balance Sheet and in the notes to the financial statements.

16 Related Party Transactions

The Australian Hotels Association - National is a related entity. Affiliation fees paid by Australian Hotels Association - Tasmania Branch were on normal commercial terms. There were no loans during the year to councillors of the association or to councilor related entities.

The members of the Committee of Management were:

Paul Jubb
Don McQuestin
Jim Bleasel
Frank Morgan
Robert Humphries
Fiona Jones
John Dabner
Peter Grubb
Grant Beaumont
Greg Astell
Darren Brown

The members of the Committee of Management who held office during the financial year received no remuneration.

17 Association Details

The principal place of business of the association is:
Australian Hotels Association - Hobart Branch
11 Morrison Street
Hobart TAS 7000

The principal activities of the association is the provision of support and benefits to its members. It is incorporated and domiciled in Australia.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

18	Capital and Leasing Commitments	2006	2005
	<i>Lease Expenditure Commitments</i>	\$	\$
	Minimum lease payments		
	not later than one year	28,035	28,035
	later than one year and not later than five years	3,072	30,994
	Aggregate lease expenditure contracted at reporting date	<u>31,107</u>	<u>59,029</u>
	The commitment relates to the Associations's rented premises.		
19	Segment		
	Australian Hotels Association - Tasmanian Branch operates in one geographical segment being Tasmania.		
20	Events Subsequent to Balance date		
	No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in future financial years		
21	Auditors Remuneration		
	Amounts received or due and receivable		
	Audit services	<u>7,000</u>	<u>6,200</u>



**INDEPENDENT AUDIT REPORT
TO MEMBERS OF AUSTRALIAN HOTELS ASSOCIATION
– TASMANIAN BRANCH**

Chartered Accountants
& Business Advisers

Scope

The Financial Report and Councillors Responsibility.

The financial report comprises the Balance sheet, Income statement, Statement of Changes in Equity, Cash Flow Statement, accompanying Notes to the Financial Statements and Statement by Committee of Management, for Australian Hotels Association – Tasmanian Branch for the year ended 30 June 2006.

The Councillors are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. 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 of Australian Hotels Association – Tasmanian Branch. Our audit was conducted in accordance with Australian Auditing and Assurance Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the requirements of the Workplace Relations Act 1996, Part 3 – Accounts and Audit, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Australian Hotels Association – Tasmanian Branch'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:

- (a) examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- (b) assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

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, the financial report of Australian Hotels Association – Tasmanian Branch is in accordance with:

- (a) the Workplace Relations Act 1996, including:
 - (i) giving a true and fair view of Australian Hotels Association – Tasmanian Branch's financial position at 30 June 2006, and of its performance for the year ended on that date, and
 - (ii) complying with Accounting Standards in Australia and the requirements of the Workplace Relations Act 1996, Part 3 – Accounts and Audit; and
- (b) other mandatory financial reporting requirements in Australia.

PKF
Chartered Accountants

R A Dean
Partner

13 November 2006
Melbourne

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