



FAIR WORK
AUSTRALIA

13 August 2010

Mr Paul Jubb
President
Australian Hotels Association, Tasmanian Branch

email: aha@australianhotels.asn.au

Dear Mr Jubb

Re: Financial Reports for the Australian Hotels Association, Tasmanian Branch for year ended 30 June 2008 & 2009 – FR2008/322 and FR2009/10088

I acknowledge receipt of the revised financial report documentation for the Australian Hotels Association, Tasmanian Branch (the Branch) for the years ended 30 June 2008 and 2009 in response to correspondence of Fair Work Australia on 2 March 2010. The documentation was lodged with Fair Work Australia on 25 May, 19 July and 9 August 2010.

The financial reports have now been filed.

I have included comments for the 2008 and 2009 reports to assist you when you next prepare a financial report. You are not required to take any further action in respect of the reports lodged.

Distribution of full reports to members prior to presentation to a General Meeting

The correspondence dated 2 March 2010 requested that both the 2008 and 2009 revised reports were to be circulated to members and presented to an appropriate meeting.

If the full report is to be presented to a General Meeting, the report must be provided to members 21 days before the General Meeting. Once the full report is presented to the meeting, it is to be lodged with Fair Work Australia together with a Designated Officer's Certificate within 14 days.

The revised designated officer's certificates indicated that the reports were distributed to members and presented to a general meeting on 21 May 2010. Could the Branch ensure that future reports are distributed to members, within the requisite timeframe, before presentation to a general meeting.

Operating Report

The Operating Reports indicate that *'this Operating Report covers the results of those activities that were provided for the financial year ended 31 December 2008'* for the 2008 report and *'31 December 2009'* for the 2009 report. Please note that the financial year for the Branch is *'30 June 2008'* and *'30 June 2009'* respectively.

Right of members to resign

Subsection 254(2)(c) of the *Fair Work (Registered Organisations) Act 2009* (the Act) requires the operating report to 'give details' of the right of members to resign from the reporting unit under section 174 of the Act. 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.

Trustee of superannuation entity

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

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

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

Notes to the financial statements

Note 1 of the notes to the financial statements makes reference to *'general purpose report'* and the *'Workplace Relations Act 1986'*. Please note these references should be *'general purpose financial statement'* and *'Workplace Relations Act 1996'*. In future reports the appropriate reference will be to the *Fair Work (Registered Organisations) Act 2009*.

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

Yours sincerely

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

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au



TASMANIAN HOSPITALITY ASSOCIATION

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

Designated Officer's Certificate or other Authorised Officer ***s268 Fair Work (Registered Organisations) Act 2009***

I Paul Jubb being the President 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 *Fair Work (Registered Organisations) Act 2009*; and
- that the full report, was provided to members on Friday 21 May, 2010; and
- that the full report was presented to a general meeting of members of the reporting unit on Friday 21 May 2010; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:

A handwritten signature in black ink, appearing to read 'P Jubb', written in a cursive, flowing style.

Paul Jubb

Date: 21 May 2010



TASMANIAN HOSPITALITY ASSOCIATION

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Designated Officer's Certificate or other Authorised Officer ***s268 Fair Work (Registered Organisations) Act 2009***

I Paul Jubb being the President 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 *Fair Work (Registered Organisations) Act 2009*; and
- that the full report, was provided to members on Tuesday 3rd November, 2009; and
- that the full report was presented to a general meeting of members of the reporting unit on Wednesday 19 May 2010; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:

A handwritten signature in black ink, appearing to read 'P Jubb', written over a light blue horizontal line.

Paul Jubb

Date: 19th May 2010



TASMANIAN HOSPITALITY ASSOCIATION

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PO Box 191, Battery Point TAS 7004
E: aha@australianhotels.asn.au W: www.australianhotels.asn.au

Designated Officer's Certificate - 2009 Return of Information s.268 of Schedule 1 Workplace Relations Act 1996

I, Paul Jubb, being the President 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 3rd November, 2009; and
- That the full report was presented to a general meeting of members on the Wednesday 25 November 2009, of the reporting unit in accordance with section 266 of the RAO schedule.

A handwritten signature in black ink, appearing to read 'P Jubb', is written over a faint circular stamp.

Paul Jubb

Dated 19th May 2010

**AUSTRALIAN HOTELS ASSOCIATION — TASMANIAN BRANCH
OPERATING REPORT**

FOR THE YEAR ENDED 31ST DECEMBER 2009

This Operating Report covers the results of those activities that were provided for the financial year ended 31 December 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Association, as conducted through the Council and the Executive Board during the past year fell into the following categories:

- Provision of Industrial support to members including advice on legal and legislative matters, contractual obligations and representation of state members. Administration of Federal awards, the variation of awards following major test cases.
- Media and Communications to members and to the broader community via media releases in support of campaigns, targeted publications including national magazines.
- Provision of information for members providing up to date material relevant to hotels.
- Organisation of events to members such as Awards for Excellence, National Convention, Charity Fund Raising etc. in order to recognise their achievements and contribution to the community.

FINANCIAL ACTIVITIES

There were no significant changes in the nature of the Association's financial activities during the year.

SIGNIFICANT CHANGES

There were no significant changes in the nature of the Association's principal activities during the year.

NUMBER OF MEMBERS

The number of persons who, at the end of the reporting period, were recorded on the Register of Members of the Association was 216.

NUMBER OF EMPLOYEES

The number of persons who were, at the end of the reporting period, employees of the Association was 6 comprised of 4 full time and 2 part time staff.

**AUSTRALIAN HOTELS ASSOCIATION — TASMANIAN BRANCH
OPERATING REPORT**

FOR THE YEAR ENDED 31ST DECEMBER 2009

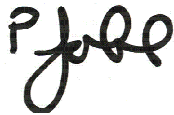
MEMBERS OF COMMITTEE OF MANAGEMENT

The persons who held office as members of the Committee of Management of the Association during the reporting period are:

Paul Jubb (President)
Darren Brown (Vice President)
Frank Morgan (Treasurer)

Alan Williams
Robert Humphries
Greg Astell
Grant Beaumont
John Dabner
Rohan Kelly

Paul Jubb
President

A handwritten signature in black ink, appearing to read 'P Jubb', with a stylized, cursive script.

Dated this 21st day of May 2010



FAIR WORK
AUSTRALIA

2 March 2010

Mr Paul Jubb
President
Australian Hotels Association, Tasmanian Branch

email: aha@australianhotels.asn.au

Dear Mr Jubb

Re: Financial Report for the Australian Hotels Association, Tasmanian Branch for year ended 30 June 2009 – FR2009/10088

I acknowledge receipt of the financial report and Audit Report for the Australian Hotels Association, Tasmanian Branch (the Branch) for the year ended 30 June 2009. The report and Audit Report were lodged with Fair Work Australia on 9 and 16 February 2010 respectively.

The financial report has not been filed.

The following matters require your attention before any action can be taken to file the above report.

Timescale Requirements

Financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in Fair Work Australia within certain timescale requirements. For your assistance I have attached a diagrammatic summary of the financial reporting process and time-limits contained in fact sheet 9 http://www.fwa.gov.au/documents/organisations/factsheets/RO_factsheet_9.pdf.

As you will note from the enclosed diagram the reporting process begins with a meeting of the committee of management. At that meeting a resolution is passed authorising the making of a statement by the committee in which it makes certain declarations with respect to the reporting unit's compliance with various aspects of the *Fair Work (Registered Organisations) Act 2009* (the Act) and the General Manager's Guidelines. This Committee of Management Statement and the General Purpose Financial Report are then audited.

The General Purpose Financial Report, including the Committee of Management Statement and the Operating Report, and the Auditor's Report – known as the full report – are then provided to members. Depending on the rules of the reporting unit, a copy of the full report must be provided to members at least 21 days before they are presented to a general meeting, or, if the rules allow for the full report to be presented to the committee of management, then the documents must be provided within 5 months of the end of the financial year.

The full report, accompanied by a Designated Officer's Certificate, must be lodged with Fair Work Australia within 14 days of its presentation to an appropriate meeting.

From the information available, a report, which included the Committee of Management Statement dated 25 November 2009 and Auditor's Report dated 21 December 2009, was supplied to members on 3 November 2009.

If the dates on the documents are correct, it is apparent that the (albiet incomplete) report could not have been supplied to members on 3 November 2009. Under these circumstances, the reporting unit cannot have discharged its responsibilities in the required sequence.

Operating Report

The financial report did not contain an Operating Report as required by sub-section 254(1) of the Act containing matters outlined in ss254(2) and prescribed information contained in Regulation 159 of the *Fair Work (Registered Organisations) Regulations 2009*.

I have attached the relevant extracts from the above section and regulation for the Branch to compile an Operating Report as required.

Notes to financial reports

Loans, Grants and Donations

I note the income and expenditure statement refers to an amount of \$5980 for donations/gifts that were made in the reporting period. Under subsection 237(1) of the Act there are certain steps that need to be taken if an individual donation exceeds \$1000.

As no subsection 237(1) statement has been lodged we assume that no single donation exceeded \$1000. Should this not be the case, please immediately advise Fair Work Australia of the details and ensure that there is compliance with the reporting requirements of section 237, other than with respect to the required timeframe. I have attached a link to a template Statement you may wish to use (if appropriate) -

http://www.fwa.gov.au/documents/organisations/factsheets/RO_sampledoc_3.doc.

Further action required

The Branch will need to:

- prepare an Operating Report;
- recirculate to members the full report (including the Operating Report) and represent the full report to a general meeting of members of the Branch;
- prepare a revised Designated Officer's Certificate to be lodged, with the full report, with Fair Work Australia;
- if appropriate, a Statement of Loans Grants and Donations should be prepared. This document can be lodged separately.

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

Yours sincerely



Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

254 Reporting unit to prepare operating report

(1) As soon as practicable after the end of each financial year, the committee of management of a reporting unit must cause an operating report to be prepared in relation to the financial year.

(2) The operating report must:

(a) contain a review of the reporting unit's principal activities during the year, the results of those activities and any significant changes in the nature of those activities during the year; and

(b) give details of any significant changes in the reporting unit's financial affairs during the year; and

(c) give details of the right of members to resign from the reporting unit under section 174; and

(d) give details (including details of the position held) of any officer or member of the reporting unit who is:

(i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or

(ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

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; and

(e) contain any other information that the reporting unit considers is relevant; and

(f) contain any prescribed information.

(3) To avoid doubt, the operating report may be prepared by the committee of management or a designated officer.

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

159 Prescribed information contained in operating report (s 254 (2)(f))

For paragraph 254 (2) (f) of the Act, the following information is prescribed:

(a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for section 230 of the Act and who are taken to be members of the reporting unit under section 244 of the Act;

(b) the number of persons who were, at the end of the financial year to which the report relates, employees of the reporting unit, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis;

(c) the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position.



Wise Lord & Ferguson

advice to advantage



Chartered Accountants

Independent auditor's report to the members of the Australian Hotels Association Tasmanian Branch

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

Association's Branch Executive's Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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



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Partners: Peter Beven, Harvey Gibson, Danny McCarthy, Douglas Thomson,
Joanne Doyle, Stuart Clutterbuck, Ian Wheeler, Dean Johnson, Marg Marshall
Managers: Sharon Breen, Alicia Leis, Melanie Richardson, Nick Carter,
Paul Lyons, Kate Barnes, Simon Jones

Independence

In conducting our audit we have met the independence requirements of the Australian professional accounting bodies

Auditor's Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of the Australian Hotels Association Tasmanian Branch as of 30 June 2009, and of its financial performance and cash flows for the year then ended in accordance with the *Workplace Relations Act 1996*.

A handwritten signature in blue ink, appearing to read 'J Doyle', with a long horizontal line extending to the left.

J DOYLE
PARTNER
WISE LORD & FERGUSON

160 Collins Street
Hobart TAS 7001

Date : 21st December 2009

Designated Officer's Certificate - 2009 Return of Information
s.268 of Schedule 1 Workplace Relations Act 1996

I, Paul Jubb, being the President 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 3rd November, 2009; and
- That the full report was presented to a general meeting of members on the Wednesday 25 November 2009, of the reporting unit in accordance with section 266 of the RAO schedule.

A handwritten signature in black ink, appearing to read 'P Jubb', is written over a vertical line.

Paul Jubb

Dated 25 November 2009

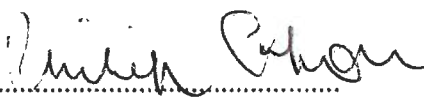
**AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

In the opinion of the Councillors, the financial report as set out on pages 1-13;

1. Presents a true and fair view of the financial position of the Australian Hotels Association-Tasmanian Branch as at 30 June 2009 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 2009, the;
 - a) Meeting 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 kept and maintained 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.

This statement is made in accordance with a resolution of the councillors made on the 25 November 2009 and is signed for and behalf of the councillors by:


.....
Councillor


.....
Councillor

Signed at Hobart on 25.11.09

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009 \$	2008 \$
REVENUES FROM ORDINARY ACTIVITIES	2	725,059	639,350
Depreciation and Amortisation		6,626	12,773
Employee Expense		363,637	364,911
National Affiliation and Capitation Fees paid to Australian Hotels		54,748	34,296
Promotions – Awards for Excellence		112,384	66,853
Occupancy Costs		31,038	45,844
Loss on Disposals		11,299	-
Newsletters and Memberships		10,599	31,175
Office and Administration Expenses		34,674	23,820
Bad and Doubtful Debts		10,841	(11,664)
Vehicle Expenses		35,608	14,450
Accounting and Audit Expenses		28,125	41,520
Postage and Freight Expenses		10,380	13,788
Settlement and Court Proceedings		12,252	17,345
Donations/Gifts		5,980	13,139
Bank Fees		2,850	3,625
Training		3,065	5,307
Travel/Meetings		37,962	30,214
Other expenses		30,305	21,483
		<hr/> 802,373	<hr/> 728,879
PROFIT/(LOSS) FROM OPERATING ACTIVITIES		(77,314)	(89,529)
Prior Period Adjustment - Rent		(7,716)	-
PROFIT/(LOSS) BEFORE INCOME TAX EXPENSE	3	(85,030)	(89,529)
INCOME TAX EXPENSE		-	-
NET PROFIT/(LOSS)		<hr/> (85,030)	<hr/> (89,529)

The accompanying notes form part of these financial statements

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

BALANCE SHEET AS AT THE 30 JUNE 2009

	Notes	2009 \$	2008 \$
CURRENT ASSETS			
Cash and Cash Equivalents	5	29,193	12,958
Trade and Other Receivables	6	259,479	77,931
Inventories	7	4,895	4,675
TOTAL CURRENT ASSETS		293,567	95,564
 NON-CURRENT ASSETS			
Plant and Equipment	8	29,964	52,732
Loan Tasmanian Hospitality		624,523	623,023
TOTAL NON CURRENT ASSETS		654,487	675,755
TOTAL ASSETS		948,054	771,319
 CURRENT LIABILITIES			
Trade and Other Payables	9	469,274	217,099
Provisions	10	28,210	18,620
TOTAL CURRENT LIABILITIES		497,484	235,719
TOTAL LIABILITIES		497,484	235,719
 NET ASSETS		450,570	535,600
 MEMBERS FUNDS			
Retained Profits		450,570	535,600
TOTAL MEMBERS FUNDS		450,570	535,600

The accompanying notes form part of these financial statements

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	Retained Profits	Total Members Funds
	\$	\$
Balance as at 30 June 2007	625,129	625,129
	<hr/>	<hr/>
Profit/(Loss) for the Period	(89,529)	(89,529)
Balance as at 30 June 2008	535,600	535,600
	<hr/>	<hr/>
Profit/(Loss) for the period	(85,030)	(85,030)
Balance as at 30 June 2009	450,570	450,570
	<hr/>	<hr/>

The accompanying notes form part of these financial statements

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009 \$	2008 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		816,461	652,026
Payments to Suppliers and Employees		(808,200)	(731,972)
Interest Received		4,632	13,090
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	11(b)	12,893	(66,856)
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Assets		27,045	-
Payments for property, plant and equipment		(22,202)	(6,022)
Loan to Tasmanian Hospitality for premises		(1,500)	(623,023)
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		3,343	(629,045)
Net increase/(decrease) in Cash Held		16,235	(695,901)
Cash at Beginning of Year		12,958	708,859
Cash at End of Year	11(a)	29,193	12,958

The accompanying notes form part of these financial statements

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

Australian Hotels Association – Tasmanian Branch (the Association) is an entity incorporated and domiciled in Tasmania. The financial report is a general purpose report, which was prepared in accordance with the requirements of the Workplace Relations Act 1986. The financial statements are presented in Australian dollars. The registered office and principal place of business is Australian Hotels Association – Tasmanian Branch, 25/93 Salamanca Place, Hobart, Tasmania.

The financial report was authorised for issue by the Committee of Management of Australian Hotels Association – Tasmanian Branch on the date the Committee of Management Certificate was signed.

The operations and principal activities of the entity during the year were to provide benefits and support to members.

The financial report has been prepared in accordance with Accounting Standards (including Australian Accounting 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.

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

Basis of preparation

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.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(a) Plant and Equipment

Each class of 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 are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount of these 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 been discounted to their present values in determining recoverable amounts.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(a) Plant and Equipment (Cont'd)

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line or diminishing value basis over their useful lives to the entity commencing from the time the asset is held ready for use. 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 assets are:

Class of fixed assets	Depreciation Rate
Plant and Equipment	7.5 – 50% Straight Line or Diminishing Value

(b) 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 company are classified as finance leases.

Finance leases are capitalised by recoding 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 lease interest expense for the period.

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

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.

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

(c) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows required to settle the obligation.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are grouped within short-term borrowings in current liabilities on the balance sheet.

(e) Revenue

Interest revenue is recognised as it accrues.

Membership revenue is recognised on an accruals basis, allocated to the financial period it relates to.

Fundraising income and donations are recognised when received by the Association.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(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.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(g) Trade and Other Receivables

Trade receivables, which generally have a 30-60 day term, are recognised initially at fair value, less an allowance for impairment.

The collectability 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 liabilities for goods and services provided to the Association prior to the end of the financial year that are unpaid. 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, the amounts are unsecured and usually paid within 30 days from recognition.

(i) Provisions

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

(j) 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.

(k) Income Tax

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

(l) Inventory

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

m) Financial Instruments

Recognition

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

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Financial Instruments (Cont'd)

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 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 expenses to the Income Statement.

(n) New and Revised Accounting Standards and Interpretations

Certain new accounting standards and Australian Accounting Interpretations have been published that are not mandatory for the 30 June 2009 reporting period. The Committee of Management have given due consideration to new and revised standards and interpretations issued by the AASB that are not yet effective and do not believe they will have any material impact on the financial statements.

(o) 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).

(p) Critical Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgements estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in note 11 where judgements have been made in relation to the value of employee entitlements.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

2. REVENUE	Notes	2009 \$	2008 \$
Revenues from Operating Activities			
Membership Revenue		589,869	553,261
Commissions		5,219	5,831
Promotions – Awards for Excellence		82,140	46,524
Total Revenue from Operating Activities		<u>677,228</u>	<u>605,616</u>
Revenues from Non-Operating Activities			
Interest Revenue		4,632	13,090
Rental Revenue		6,005	5,133
Special Project Revenue		27,943	14,166
Other		9,251	1,345
Total Revenues from Ordinary Activities		<u>725,059</u>	<u>639,350</u>

3. EXPENSES

Depreciation of Non Current Assets			
Plant and Equipment		6,626	12,773
Total Depreciation of Non Current Assets		<u>6,626</u>	<u>12,773</u>
Expenses			
Bad and Doubtful Debts		10,841	4,371
Operating Lease Expense		21,488	15,407
Litigation settlement expense		12,252	17,345
Employee Benefits Expenses		<u>363,637</u>	<u>391,971</u>

4. KEY MANAGEMENT PERSONNEL REMUNERATION

	Short-term employee benefits	Post- employment benefits	Long term benefits	Other	Total
2009					
Total Income Paid or Payable to all Executives of the Association	110,100	-	-	-	110,100
2008					
Total Income Paid or Payable to all Executives of the Association	110,100	-	-	-	110,100

5. CASH AND CASH EQUIVALENTS

Cash at Bank and On Hand	29,193	6,727
Deposits at Call	-	6,231
	<u>29,193</u>	<u>12,958</u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009 \$	2008 \$
6. TRADE AND OTHER RECEIVABLES			
Trade Debtors		264,594	68,956
Provision for Doubtful Debts		(13,669)	(4,199)
		<u>250,925</u>	<u>64,757</u>
Other Debtors		-	5,588
Prepaid Expenditure		8,554	7,586
		<u>259,479</u>	<u>77,931</u>

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

7. INVENTORIES

Stationery at Cost	4,895	4,675
	<u>4,895</u>	<u>4,675</u>

8. PROPERTY, PLANT & EQUIPMENT

Plant and Equipment at Cost	78,494	143,998
Less: Provision for Depreciation	(48,530)	(91,266)
	<u>29,964</u>	<u>52,732</u>

(a) Movements in Carrying Amounts

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

Plant and Equipment

Opening Balance	52,732	59,483
Additions	22,202	6,022
Disposals	(38,389)	-
Depreciation Expense	(6,581)	(12,773)
Carrying Amount at the End of the Year	<u>29,964</u>	<u>52,732</u>

9. TRADE AND OTHER PAYABLES

Trade Creditors	54,737	16,680
Income Received in Advance	387,836	188,997
Accrued Expenses	4,114	6,100
GST Liabilities	22,587	5,322
	<u>469,274</u>	<u>217,099</u>

Trade Creditors and accruals are non interest bearing and are normally settled on 30 day terms. The Association has a credit card facility with a credit card limit of \$10,000.

Income in advance represents membership subscriptions which relate to the period of membership subsequent to 30 June 2009.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009 \$	2008 \$
10. PROVISIONS			
Current			
Employee Entitlements		28,210	18,620
		28,210	18,620

Provision for employee entitlements

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

11. 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	29,193	6,727
Deposits at call	-	6,231
	29,193	12,958

(b) Reconciliation of Net Profit/(Loss) after tax to the Net Cash Flows from Operations

Net Profit/(Loss)	(85,030)	(89,529)
Non-cash items		
Depreciation	6,626	12,773
Bad and Doubtful debts	9,471	(11,664)
Loss on Disposal of Property Plant and Equipment	11,299	-
Changes in Assets and Liabilities		
(Increase)/Decrease in Receivables	(190,049)	201,478
(Increase)/Decrease in Inventories	(220)	2,760
(Increase)/Decrease in Prepayments	(968)	(7,586)
Increase/(Decrease) in Payables	37,955	(5,260)
Increase/(Decrease) in Accrued Expenses	(4,703)	3,144
Increase/(Decrease) in GST Liabilities	17,264	(21,316)
Increase/(Decrease) in Pre Paid Income	201,658	(158,976)
Increase/(Decrease) in Provisions	9,590	7,320
Net Cash Flow from Operating Activities	12,893	(66,856)

12. 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:

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

12. FINANCIAL INSTRUMENTS (Cont'd)

Maturity Analysis

	Non-interest Bearing		0-5 year		Total	
	2009	2008	2009	2008	2009	2008
Financial Assets:						
Cash and cash equivalents	-	-	-	-	29,193	12,958
Receivables	259,479	77,931	-	-	259,479	77,931
Loan to Tasmanian Hospitality	-	-	624,523	623,023	624,523	623,023
Total Financial Assets	259,479	77,931	624,523	623,023	913,195	713,912
Financial Liabilities:						
Trade and other payables	76,406	28,103	5,032	-	81,438	28,103
Total Financial Liabilities	76,406	28,103	5,032	-	81,438	28,103

A 1 percentile movement in the interest rate will create a \$281 movement in interest income.

(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.

Net Fair Values

The aggregate net fair values are materially consistent with the carrying amounts of financial assets and

13. 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 Councillor Related Entities.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

13. RELATED PARTY TRANSACTIONS (Cont'd)

The councillors of the Committee of Management were:

Don McQuestin
Paul Jubb
Frank Morgan
John Dabner
Darren Brown
Peter Grubb
Phil Capon
Geoff Copping
Rod Ascui
Grant Beaumont
Greg Astell
Robert Humphries
Laurinda Bond
Fiona Jones
Tony Kennedy
Alan Williams

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

14. ASSOCIATION DETAILS

The principal place of business of the association is:
Australian Hotels Association – Hobart Branch
25/93 Salamanca Place
Hobart TAS 7000

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

15. CAPITAL AND LEASING COMMITMENTS

	2009 \$	2008 \$
Lease Expenditure Commitments		
Minimum lease payments not later than one year	24,533	-
Later than one year and not later than five years	26,577	-
Aggregate lease expenditure contracted at reporting date	<u>51,110</u>	<u>-</u>

The commitment relates to the Association's motor vehicle leases which began in July 2008.

16. SEGMENT REPORTING

Australian Hotels Association – Tasmanian Branch operates in one geographical segment being Tasmania.

17. EVENTS SUBSEQUENT TO REPORTING DATE

No significant subsequent events are noted.

18. AUDITORS REMUNERATION

Amounts received or due and receivable
Audit services

6,340	6,100
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**AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

In the opinion of the Councillors, the financial report as set out on pages 1-13;

1. Presents a true and fair view of the financial position of the Australian Hotels Association-Tasmanian Branch as at 30 June 2009 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 2009, the;
 - a) Meeting 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 kept and maintained 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.

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

.....
Councillor

.....
Councillor

Signed at Hobart on ____