



6 June 2013

Mr Paul Jubb
President, Tasmanian Branch (Tasmanian Hospitality Association)
Australian Hotels Association
PO Box 191
BATTERY POINT TAS 7001

Dear Mr Jubb,

Re: Lodgement of Financial Statements and Accounts - Australian Hotels Association, Tasmanian Branch (Tasmanian Hospitality Association) - for year ended 30 June 2012 (FR2012/451)

I refer to the above financial statements and accounts which were lodged with the Fair Work Commission ('FWC') on 23 January 2013. An amended Certificate by Prescribed Designated Officer was lodged on 5 June 2013.

The documents were not completed or signed in the prescribed sequence, giving rise to questions about compliance with various provisions of the Fair Work (Registered Organisations) Act 2009. Following advice from the Auditor, and confirmation that the report has been provided to the members, I have filed the documents. However I draw your attention to the following matters relating to the preparation, provision and presentation of the report.

Signing of key documents - key events

To ensure the reporting unit complies with the Act in the future, it is necessary to understand that the date of signature on each document is what indicates to FWC when the key event to which each document relates, occurred.

The Committee of Management Statement is the document that confirms when the report can be said to have been prepared. It must make reference to the date of passing of the resolution by the committee of management making the various declarations set out on it. The report must be prepared as soon as practicable after the end of the financial year.¹ It should be signed before the date of the Auditor's report.

The Operating Report is part of the full report to be provided to the members. It must be signed before the documents comprising the full report are provided to the members.

The Auditor's Report is the document that confirms that the accounts and statements have been audited. It should be signed before the full report is provided to the members.

The full report that must be provided to the members must include the various financial statements, and the documents mentioned above.² Because rule 12(d) of the rules of the reporting unit provides that the financial report³ must be presented to the Annual General

¹ See section 253(1), RO Act

² See subsection 265(1)

³ Literally: "*the Auditor's report, balance sheet and statement of receipts and expenditure*"

Meeting, the full report must be provided to the members *at least 21 days prior to the holding of the Annual General Meeting*.⁴

The full report must then be presented to a general meeting of members (in this case, the Annual General Meeting) within 6 months,⁵ that is, by no later than 31 December.

The financial report must then be lodged with FWC within 14 days after the Annual General Meeting, with a Certificate by Prescribed Designated Officer⁶, that is, by no later than 14 January.

To ensure that the time frames will be complied with, I recommend that the reporting unit first determine the date for its Annual General Meeting. This will identify the latest date by which the full report must be provided to the members, namely, the date occurring 21 days prior. The date calculated to be the date when the full report will be provided to members will necessarily be a date occurring after the date(s) the committee of management statement, the operating report and the auditor's report are finalised and signed.

Extensions of time possible

If it is anticipated that the Annual General Meeting cannot be held before 31 December, an extension of time for up to one month can be applied for under subsection 265(5). If granted, this would have an effect of allowing the reporting unit to present its report to an Annual General Meeting held before 31 January. This would also have the practical effect of allowing the reporting unit more time to prepare its report and provide it to the members. The reporting unit should make every effort however to complete the key events within the ordinary periods prescribed.

I now turn to various issues of interpretation and/or disclosure.

Committee of Management Statement - prescribed declaration

The Committee of Management Statement omitted one of the declarations required by the Reporting Guidelines, namely, a declaration that the financial records have been kept, as far as practicable, in a consistent manner to each of the other reporting units within the organisation.⁷

This declaration applies because the reporting unit is one of several reporting units within the federally registered Australian Hotels Association.

Operating report - full-time equivalent employees

The operating report discloses the number of full-time and part-time employees. Regulation 159(b) requires Operating Reports to disclose the number of employees "measured on a full-time equivalent basis", where both full-time and part-time employees are included. For the avoidance of doubt, the total should in future be calculated and expressed as a "full-time equivalent".

Operating report - period of office

The Operating report lists the names of the members of the Committee of Management "during the reporting period". It is not completely clear whether this means they held office for the entire reporting period. Regulation 159(c) requires Operating Reports to disclose the period for which person held office. For the avoidance of doubt, if the persons hold office for the entire year, a statement that all persons listed held office for the entire year unless otherwise indicated would be sufficient.

⁴ See subsection 265(5): (if a general meeting of members of the reporting unit to consider the reports is held within 6 months after the end of the financial year) "(T)he copies referred to.... must be provided within.....the period starting at the end of the financial year and ending 21 days before that meeting".

⁵ See subsection 266(1)

⁶ See section 268

⁷ See paragraph 25(e)(iv) of the Reporting Guidelines attached

Operating report - results of activities

Subsection 254(2)(a) requires operating reports to contain a review of the “principal activities, the results of those activities (my underlining) and any significant changes in the nature of those activities...”. The Operating report lists the principal activities and states that there were no significant changes in the nature of the principal activities but omits any mention of results.

This has been a frequently overlooked provision. Although the nature of the principal activities may not change from year to year, the consequences or benefits of them may vary. The provision does not refer to financial results but results one might expect from helping, recruiting, promoting and representing members. The extent or manner in which the results of the principal activities might be reviewed is not prescribed but I would suggest that a brief statement describing or referring to any successes or developments arising from the activities described as “provision of industrial support to members”, “media releases in support of campaigns” etc would meet the provision.

Donations

A balance of \$8,824 is disclosed for the item “Donations/Gifts”. If this amount included any individual donation exceeding \$1,000, then a separate Statement of Loan Grants and Donations under section 237 of the RO Act must be lodged setting out the prescribed particulars.⁸ I enclose a proforma which may be completed and signed if applicable.

Please note that ordinarily, statements under section 237 must be lodged within 90 days of the end of the relevant financial year.

If you have any queries about the reporting requirements at any time, I may be contacted on (02) 6723 7237.

Yours sincerely



Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Ms Joanne Doyle, Partner, Wise Lord & Ferguson

cc. Mr Bruno Palermo, Capital3 Accounting

⁸ See extract from s237 attached



6 June 2013

Mr Bruno Palermo
Capital3 Accounting
GPO Box 1394
HOBART TAS 7001

Dear Mr Palermo,

Re: Lodgement of Financial Statements and Accounts - Australian Hotels Association, Tasmanian Branch (Tasmanian Hospitality Association) - for year ended 30 June 2012 (FR2012/451)

I refer to the above financial statements and accounts which were lodged with the Fair Work Commission on 23 January 2013.

I have written to the Association in relation to various issues and I attach a copy of that letter for your information.

Thank you for your assistance in this matter. If you have any queries about the reporting requirements at any time, I may be contacted on (02) 6723 7237.

Yours sincerely

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch



6 June 2013

Ms Joanne Doyle
Partner - Audit
Wise Lord & Ferguson
GPO Box 1083
HOBART TAS 7001

Dear Ms Doyle,

Re: Lodgement of Financial Statements and Accounts - Australian Hotels Association, Tasmanian Branch (Tasmanian Hospitality Association) - for year ended 30 June 2012 (FR2012/451)

Thank you for your advice about the completion of the audit and the signing of the above financial statements and accounts.

I have written to the Association in relation to various issues and I attach a copy of that letter for your information.

Thank you for your assistance in this matter. If you have any queries about the reporting requirements at any time, I may be contacted on (02) 6723 7237.

Yours sincerely

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

s268 Fair Work (Registered Organizations) Act 2009

I,Paul Jubb.....,

being the President and the prescribed designated officer of the Australian Hotels Association, Tasmanian Branch, certify:

- that the financial statements and accounts for the year ended 30 June 2012 which were lodged with the Fair Work Commission on 23 January 2013 are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*;
- that copies of the full report were provided to members on/from 20 May 2013;
- that the financial statements were presented to a general meeting of members of the reporting unit called for and held on Tuesday, 4 December 2012

(Signature) _____

(Position) _____

Date 05 / 06 / 2013



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30 June 2012 Audited Financial Reports

To view our audited financial report for the year ending 30 June 2012, please click the below links:

[30th June 2012, Audited Financial Report Part a](#)

[30th June 2012, Audited Financial Report Part b](#)



[back to t](#)

Tasmanian Hospitality Association

25/93 Salamanca Place, Hobart 7000 | PO Box 191, Battery Point TAS 7004

Ph: (03) 6224 7033 | **Fax:** (03) 6224 7988 | **Email:** aha@australianhotels.asn.au

You are receiving this newsletter because you are a financial member of the Tasmanian Hospitality Association
You can [unsubscribe](#) at any time.

From: KELLETT, Stephen
To: "naomi@australianhotels.asn.au"
Subject: FW: Attention: Ms Naomi Burgess - Provision of full report to members - section 265(5) of Fair Work (Registered Organisations) Act 2009
Date: Friday, 10 May 2013 12:57:00 PM

Dear Naomi,

Further to our conversation this morning I write to confirm that, based on your advice, it is my understanding that the financial documents for the year end 30 June 2012 prepared under the *Fair Work (Registered Organisations) Act 2009* have not been provided to the members of the Association in a way that could be said to have satisfied the legislative requirement. The Association's practice of regularly emailing a newsletter to all members appears to me to offer a practicable way of ensuring the report is adequately provided to members.

So there is no doubt as to what they must receive/have access to, I draw your attention to the extract from sub-section 265(1) here:

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

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

(a) a full report consisting of:

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

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

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

The 2012 report that was lodged with Fair Work Commission included the Operating report, the Committee of Management Statement, the Auditor's Report, the Statement of Comprehensive Income, the Statement of Financial position, the Statement of Changes in Equity, the Statement of Cashflows, and the Notes to the financial statements.

I will defer filing the 2012 report until I receive confirmation that the report has been distributed electronically. Thank you for your clarification and assistance today. Please don't hesitate to contact me if you have any questions.

Yours sincerely

STEPHEN KELLETT

Senior Adviser,

Regulatory Compliance Branch



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 Tuesday 4th December 2012; and
- That the full report was presented to a general meeting of members of the reporting unit on Tuesday 4th December 2012; 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 style.

Paul Jubb

Date: 23 January 2013

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

FOR THE YEAR ENDED 30 JUNE 2012

This Operating Report covers the results of those activities that were provided for the financial year ended 30 June 2012.

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 371.

NUMBER OF EMPLOYEES

The number of persons who were, at the end of the reporting period, employees of the Association was 6 comprised of 5 full time and 1 part time staff.

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

FOR THE YEAR ENDED 30 JUNE 2012

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)

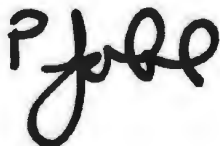
Alan Williams
Greg Astell
Phil Capon
Angelo Fraraccio
Dominic Baker
John Dabner
James Harding
Peter Scollard
Adrian Sampson
Mick Acquarola

RESIGNATION OF MEMBERS

Members can resign from the branch under rule 32.

TRUSTEE OF SUPERANNUATION ENTITY

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.



Paul Jubb
President

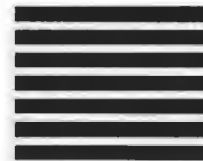
Dated this 23rd day of January 2013



Australian Hotels Association – Tasmanian Branch

Financial Statements

**For the year ended
30 June 2012**



Wise Lord & Ferguson



advice to advantage
Chartered Accountants



AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	2012 \$	2011 \$
REVENUES FROM ORDINARY ACTIVITIES	2	933,738	854,826
Depreciation and Amortisation		7,242	7,576
Employee Expense		444,074	380,205
National Affiliation and Capitation Fees paid to Australian Hotels		24,100	14,101
Promotions – Awards for Excellence		96,687	93,445
Other Functions		18,992	13,116
Occupancy Costs		23,928	19,019
Loss on Disposals		511	145
Newsletters and Memberships		22,405	26,718
Office and Administration Expenses		44,106	26,544
Vehicle Expenses		42,489	38,658
Accounting and Audit Expenses		15,865	17,750
Postage and Freight Expenses		10,946	10,068
Settlement and Court Proceedings		3,658	16,922
Donations/Gifts		8,824	7,692
Bank Fees		2,181	2,308
Training		2,166	3,076
Travel/Meetings		59,509	29,258
Rent		5,189	11,017
Work Force Development Expenses		20,685	27,639
Other Expenses		33,202	42,544
Gaming Campaign		42,152	-
		<hr/>	<hr/>
		928,911	787,801
PROFIT/(LOSS) FROM OPERATING ACTIVITIES		<hr/>	<hr/>
		4,825	67,025
OTHER COMPREHENSIVE INCOME			-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		<hr/>	<hr/>
		4,825	67,025

The accompanying notes form part of these financial statements

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**STATEMENT OF FINACIAL POSITION
AS AT THE 30 JUNE 2012**

	Notes	2012	2011
		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents	5	22,777	8,076
Trade and Other Receivables	6	148,901	108,623
Inventories	7	2,937	1,243
TOTAL CURRENT ASSETS		<u>174,615</u>	<u>117,942</u>
NON-CURRENT ASSETS			
Plant and Equipment	8	22,092	19,478
Loan Tasmanian Hospitality		735,284	701,973
TOTAL NON CURRENT ASSETS		<u>757,376</u>	<u>721,451</u>
TOTAL ASSETS		<u>931,991</u>	<u>839,393</u>
CURRENT LIABILITIES			
Trade and Other Payables	9	375,594	299,417
Provisions	10	26,177	21,279
TOTAL CURRENT LIABILITIES		<u>401,771</u>	<u>320,696</u>
NON-CURRENT LIABILITIES			
Provisions	10	9,915	3,217
TOTAL NON-CURRENT LIABILITIES		<u>9,915</u>	<u>3,217</u>
TOTAL LIABILITIES		<u>411,686</u>	<u>323,913</u>
NET ASSETS		<u>520,305</u>	<u>515,480</u>
MEMBERS FUNDS			
Retained Profits		520,305	515,480
TOTAL MEMBERS FUNDS		<u>520,305</u>	<u>515,480</u>

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 2012**

	Retained Profits	Total Members Funds
	\$	\$
Balance as at 30 June 2010	448,455	448,455
Profit/(Loss) for the Period	67,025	67,025
Other Comprehensive Income	-	-
Balance as at 30 June 2011	515,480	515,480
Profit/(Loss) for the period	4,825	4,825
Other Comprehensive Income	-	-
Balance as at 30 June 2012	520,305	520,305

The accompanying notes form part of these financial statements

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	2012	2011
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		988,052	854,562
Payments to Suppliers and Employees		(931,509)	(777,760)
Interest Received		1,836	934
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	11(b)	<u>58,379</u>	<u>77,736</u>
 CASH FLOW FROM INVESTING ACTIVITIES			
Payments for Plant and Equipment		(10,367)	(72,483)
Loan to Tasmanian Hospitality for Premises		(33,311)	(5,887)
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		<u>43,678</u>	<u>(78,370)</u>
Net increase/(decrease) in Cash Held		14,701	(634)
Cash at Beginning of Year		8,076	8,710
Cash at End of Year	11(a)	<u>22,477</u>	<u>8,076</u>

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 2012

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 Fair Work (Registered Organisations) Act 2009. 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 Fair Work (Registered Organisations) 2009 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 Fair Work (Registered Organisations) Act 2009.

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 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.

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

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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

(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 Association 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 Associations' 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 in income on a monthly basis over the 12 month period to which it relates.

Fundraising income and donations are recognised when received 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.

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.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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

(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.

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 2012 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.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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

(o) Information to be provided to Members or General Manager

In accordance with the requirement of the Fair Work (Registered Organisations) Act 2009, 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 the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

(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.

2. REVENUE	2012 \$	2011 \$
Revenues from Operating Activities		
Membership Revenue	682,188	628,078
Commissions	19,083	21,011
Promotions – Awards for Excellence	92,435	90,398
Other Functions	10,900	5,409
Total Revenue from Operating Activities	804,606	744,896
Revenues from Non-Operating Activities		
Interest Revenue	1,836	934
Rental Revenue	4,146	2,875
Other	13,648	3,788
Decrease in Provision for Doubtful Debts	-	12,333
Government Grant Income	109,500	90,000
Total Revenues from Ordinary Activities	933,736	854,826

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$	2011 \$
3. EXPENSES		
Depreciation of Non Current Assets		
Plant and Equipment	7,242	7,576
Total Depreciation of Non Current Assets	<u>7,242</u>	<u>7,576</u>
Expenses		
Operating Lease Expense	26,890	24,871
Litigation settlement expense	3,658	16,922
Employee Benefits Expenses	<u>30,548</u>	<u>41,793</u>

4. KEY MANAGEMENT PERSONNEL REMUNERATION

	Short-term employee benefits	Post- employment benefits	Long term benefits	Other	Total
2012					
Total Income Paid or Payable to all Executives of the Association	<u>120,100</u>	-	-	-	<u>120,100</u>
2011					
Total Income Paid or Payable to all Executives of the Association	<u>117,762</u>	-	-	-	<u>117,762</u>

5. CASH AND CASH EQUIVALENTS

Cash at Bank and On Hand	22,777	8,076
	<u>22,777</u>	<u>8,076</u>

6. TRADE AND OTHER RECEIVABLES

Trade Debtors	135,242	98,212
Provision for Doubtful Debts	-	-
	<u>135,242</u>	<u>98,212</u>
Prepaid Expenditure	13,659	10,411
	<u>148,901</u>	<u>108,623</u>

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

7. INVENTORIES

Stationery at Cost	2,937	1,243
	<u>2,937</u>	<u>1,243</u>

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
8. PLANT & EQUIPMENT		
Plant and Equipment at Cost	73,578	73,138
Less: Provision for Depreciation	<u>(51,486)</u>	<u>(53,660)</u>
	<u>22,092</u>	<u>19,478</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	19,478	21,312
Additions	10,367	5,887
Disposals	(511)	(145)
Depreciation Expense	<u>(7,242)</u>	<u>(7,576)</u>
Carrying Amount at the End of the Year	<u>22,092</u>	<u>19,478</u>

9. TRADE AND OTHER PAYABLES

Trade Creditors	41,991	48,239
Income Received in Advance	295,857	228,463
Accrued Expenses	3,193	13,713
PAYG Withheld	7,344	-
GST Liabilities	<u>27,209</u>	<u>9,002</u>
	<u>375,594</u>	<u>299,417</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 \$23,000.

Income in advance represents membership subscriptions which relate to the period of membership subsequent to 30 June 2012.

10. PROVISIONS

Current

Annual Leave Entitlement	<u>26,177</u>	<u>21,279</u>
	<u>26,177</u>	<u>21,279</u>

Non-Current

Long Service Leave Entitlement	<u>9,915</u>	<u>3,217</u>
	<u>9,915</u>	<u>3,217</u>

Provision for employee entitlements

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

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
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	<u>22,777</u>	<u>8,076</u>
	<u>22,777</u>	<u>8,076</u>

	2012	2011
	\$	\$
11. CASH FLOW INFORMATION (Cont'd)		
(b) Reconciliation of Net Profit/(Loss) after tax to the Net Cash Flows from Operations		
Net Profit/(Loss)	4,825	67,025
Non-cash items		
Depreciation	7,242	7,576
Bad and Doubtful debts	-	(12,333)
Loss on Disposal of Property Plant and Equipment	511	145
Changes in Assets and Liabilities		
(Increase)/Decrease in Receivables	(37,030)	175,886
(Increase)/Decrease in Inventories	(1,694)	1,221
(Increase)/Decrease in Prepayments	(3,249)	(337)
Increase/(Decrease) in Payables	53,768	(17,848)
Increase/(Decrease) in Accrued Expenses	(10,520)	15,044
Increase/(Decrease) in GST Liabilities	18,208	(11,679)
Increase/(Decrease) in Pre Paid Income	14,722	(150,945)
Increase/(Decrease) in Provisions	11,586	3,981
Net Cash Flow from Operating Activities	<u>58,379</u>	<u>77,736</u>

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 does not have any material interest rate risk. Any risk arising is managed through floating rate investments. The Association is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates. An increase/(decrease) of one percentage point in interest rates would have a corresponding effect on revenue of the Association's profit by \$228 (2011: \$81).

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

12. FINANCIAL INSTRUMENTS (Cont'd)

(b) Liquidity Risk Maturity Analysis

2012

	0-6 months	6-12 months	1-5 years	> 5 years	Total
Financial Assets:					
Cash and cash equivalents	22,777	-	-	-	22,777
Receivables	148,901	-	-	-	148,901
Loan to Tasmanian Hospitality	-	-	-	735,284	735,284
	<u>171,678</u>	<u>-</u>	<u>-</u>	<u>735,284</u>	<u>906,962</u>
Total Financial Assets					
Financial Liabilities:					
Trade and other payables	<u>68,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,510</u>
Total Financial Liabilities	<u>68,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,510</u>

2011

	0-6 months	6-12 months	1-5 years	> 5 years	Total
Financial Assets:					
Cash and cash equivalents	8,076	-	-	-	8,076
Receivables	108,623	-	-	-	108,623
Loan to Tasmanian Hospitality	-	-	-	701,973	701,973
	<u>116,699</u>	<u>-</u>	<u>-</u>	<u>701,973</u>	<u>818,672</u>
Total Financial Assets					
Financial Liabilities:					
Trade and other payables	<u>70,854</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,854</u>
Total Financial Liabilities	<u>70,854</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,854</u>

(c) 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 Statement of Financial Position 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.

(d) Price risk

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

(e) Net Fair Values

The aggregate net fair values are materially consistent with the carrying amounts of financial assets and liabilities recorded in the Statement of Financial Position. Cash, trade receivables, and payables are recorded at fair value, being their nominal amount, due to their nature and short-term to maturity.

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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.

The councillors of the Committee of Management were:

Paul Jubb
Darren Brown
Frank Morgan
Alan Williams
Greg Astell
Phil Capon
Angelo Fraraccio
Dominic Baker
John Dabner
James Harding
Peter Scollard
Adrian Sampson
Mick Acquarola

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

	2012	2011
	\$	\$
Lease Expenditure Commitments		
Minimum lease payments not later than one year	31,377	27,377
Later than one year and not later than five years	52,827	2,303
Aggregate lease expenditure contracted at reporting date	<u>84,204</u>	<u>29,680</u>

The commitment relates to the Association's motor vehicle leases which began in November 2011.

16. SEGMENT REPORTING

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

AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

17. EVENTS SUBSEQUENT TO REPORTING DATE

No significant subsequent events are noted.

18. AUDITORS REMUNERATION

Amounts received or due and receivable

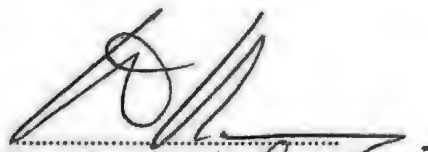
	2012	2011
	\$	\$
Audit services	7,200	6,900

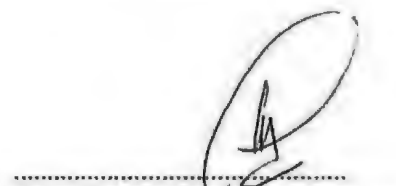
**AUSTRALIAN HOTELS ASSOCIATION - TASMANIAN BRANCH
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012**

In the opinion of the Councillors, the financial report as set out on pages 1-14;

1. Presents a true and fair view of the financial position of the Australian Hotels Association-Tasmanian Branch as at 30 June 2012 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 2012, 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 *Fair Work (Registered Organisations) Act 2009*.
 - c) Information sought in any request of a member of the Australian Hotels Association-Tasmanian Branch or a General Manager has been kept and maintained in accordance with the *Fair Work (Registered Organisations) Act 2009*, and any order for inspection of financial records made by the *Fair Work (Registered Organisations) Act 2009* 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 4th Dec 2012 and is signed for and behalf of the councillors by:


.....
Councillor ADRIAN SIMMONS


.....
Councillor FRANK MORAN

Signed at Hobart on 4/12/12



Wise Lord & Ferguson



advice to advantage
Chartered Accountants

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

We have audited the accompanying financial report of Australian Hotels Association Tasmanian Branch ("the Association"), which comprises the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the committee of management's statement.

The committee of management's Responsibility for the Financial Report

The Association's committee of management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (registered Organisations) Act 2009 and for such internal controls as the committee of management determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

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

Independence

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



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Tel: (03) 6223 6155 Fax: (03) 6223 8993 Email: email@wlf.com.au Internet: www.wlf.com.au

Partners: Peter Bevan, Harvey Gibson, Danny McCarthy, Douglas Thomson, Joanne Doyle,
Stuart Clutterbuck, Ian Wheeler, Dean Johnson, Marg Marshall, Paul Lyons
Managers: Alicia Leis, Melanie Richardson, Nick Carter, Simon Jones,
Shaun Evans, Trent Queen, Rachel Burns, Angela Parisi

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Australian Hotels Association Tasmanian Branch as of 30 June 2012, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the Fair Work (registered Organisations) Act 2009



J DOYLE
PARTNER
WISE LORD & FERGUSON

Date: 20th December 2012



FAIR WORK
COMMISSION

22 January 2013

Mr Steve Old
General Manager
Australian Hotels Association
Tasmanian Hospitality Association
Sent by email: aha@australianhotels.asn.au

Dear Mr Old,

Failure to lodge audited financial report(s) - [FR2012/451]

Our records indicate that the Tasmanian Hospitality Association of the Australian Hotels Association (the reporting unit) has failed to lodge its audited financial report for the financial year ended 30 June 2012 despite Fair Work Australia (as it was) reminding the reporting unit of its obligation to do so by letter dated 6 August 2012.

As you have previously been advised, section 268 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires reporting units to lodge an audited financial report with the Fair Work Commission within a maximum of 6 months and 14 days of the end of their financial year (that is, no later than 14 January 2013).

Paragraph 7.4 of the FWC Regulatory Compliance Policy (a copy of which is attached) states as follows:

- 7.4 *Where the possible contravention involves failure by an organisation, branch or reporting unit to lodge a matter with FWC in accordance with the timeframes specified in the RO Act, RO Regulations or the rules of the organisation, branch or reporting unit:*
- a. *The Regulatory Compliance Branch will contact the organisation, branch or reporting unit, by telephone and/or in writing, within two weeks to advise that lodgement is overdue;*
 - b. *If lodgement has not occurred within one month of the timeframe specified in the RO Act, RO Regulations or rules, the Regulatory Compliance Branch will advise the organisation, branch or reporting unit that it is seeking voluntary compliance within a specified timeframe and that, in the absence of such voluntary compliance without cause, FWC will commence an inquiry or investigation or initiate court proceedings; and*
 - c. *If lodgement has not occurred within the timeframe specified in the correspondence referred to in paragraph b and the organisation, branch or reporting unit has not been able to show cause regarding why it should not do so, FWC will commence an inquiry or investigation or initiate court proceedings in accordance with this policy as soon as reasonably practicable.*

Section 331 of the RO Act empowers the General Manager of the Fair Work Commission to investigate compliance by a reporting unit (such as the Tasmanian Hospitality Association of the Australian Hotels Association), its officers, employees and auditor(s) with:

- Part 3 of Chapter 8 of the RO Act;
- the reporting guidelines made under that Part;
- the regulations made for the purposes of that Part;
- the Australian Hotels Association-Tasmanian Hospitality Association rules regarding finances and financial administration; and
- civil penalty provisions of the RO Act (see s.305).

In accordance with the processes specified in paragraph 7.4(b) of the *FWC Regulatory Compliance Policy* which are set out above, the reporting unit is required to lodge its outstanding audited financial report with the Fair Work Commission by no later than 14 February 2013.

Should the reporting unit fail to do so without reasonable cause, the Fair Work Commission may commence an investigation under s.331 of the RO Act without further notice.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au.

Yours sincerely,



Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch



FAIR WORK
AUSTRALIA

6 August 2012

Mr Steve Old
General Manager
Australian Hotels Association - Tasmanian Hospitality Association

aha@australianhotels.asn.au

Dear Mr Old,

**Lodgement of Financial Documents for year ended 30 June 2012 [FR2012/451]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Australian Hotels Association-Tasmanian Hospitality Association (the "reporting unit") has recently ended. This is a courtesy letter to remind you of the obligation to prepare and process the reporting unit's financial documents. The full financial report must be lodged with Fair Work Australia within a period of 6 months and 14 days of the end of the financial year.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. The attached *Timeline/Planner* summarises these requirements.

Failure to comply with these obligations is subject to a civil penalty provision - see s305 of the RO Act.

In addition, financial reporting fact sheets and sample documents can be found on our Fair Work Australia website. The information can be viewed at www.fwa.gov.au – under *Registered Organisations – Overview – Fact sheets*. This site also contains the Financial Reporting Guidelines.

This office encourages you to lodge all financial reports electronically (e.g. as pdf files) at orgs@fwa.gov.au. Alternatively, you can forward the documents by fax to (03) 9655 0410. Please do not hesitate to contact me on (03) 8661 7787 or by email at Andrea.O'HALLORAN@fwa.gov.au if you wish to discuss the requirements outlined in this correspondence.

Yours sincerely,

Andrea O'Halloran
Organisations, Research & Advice
Fair Work Australia

TIMELINE/ PLANNER

Financial reporting period ending:	/ /
------------------------------------	-----

Prepare financial statements and Operating Report.
--

(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /
(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	

As soon as practicable after end of financial year

Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /
---	-----

*Within a reasonable time of having received the GPFR
(NB: Auditor's report must be dated on or after date of Committee of Management Statement*

Provide full report free of charge to members – s265 The full report includes: <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /
---	-----

(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,

or
(b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year.*

Present full report to:	
(a) General Meeting of Members - s266 (1),(2); OR	/ /
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /

Within 6 months of end of financial year

Within 6 months of end of financial year

Lodge full report with Fair Work Australia, together with the #Designated Officer's certificate** – s268	/ /
--	-----

Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.