



8 January 2016

Mr Steve Old
General Manager
Australian Hotels Association, Tasmanian Hospitality Association
25/93 Salamanca Place
HOBART TAS 7000

via email: aha@australianhotels.asn.au

Dear Mr Old

Australian Hotels Association Tasmanian Hospitality Association Financial Report for the year ended 30 June 2015 - [FR2015/317]

I acknowledge receipt of the financial report of the Australian Hotels Association Tasmanian Hospitality Association. The documents were lodged with the Fair Work Commission (FWC) on 22 December 2015.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2016 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged, except for the requirements under the sub-heading *Statement of Loans, Grants and Donations*. The FWC will confirm these concerns have been addressed prior to filing next year's report.

Notes to the financial statements

References to the Fair Work Commission

Following the enactment of the *Fair Work Amendment Act 2012*, Fair Work Australia was renamed Fair Work Commission with effect from 1 January 2013. All references to Fair Work Australia must be changed to Fair Work Commission.

Notice setting out sections 272(1), (2) & (3)

I note that the requirement under subsection 272(5) of the RO Act which requires the accounts to include a copy of subsections 272(1), (2) & (3) has been satisfied, however these subsections appear twice in the financial report, that is, under Note 1(o) and Note 15. This information only needs to appear once in the financial report.

Statement of comprehensive income

Disclosure of employee expenses to office holders and other employees

During a telephone conversation I had with Ms Denise Bennett from the Australian Hotels Association Tasmanian Hospitality Association on the 8 January 2016, it was confirmed that the information provided under Note 4(a) *Employee expenses* in the financial statements related to employee expenses for employees other than office holders not as reported, for holders of office.

Please ensure in future years that this information is accurately reported.

Statement of Loans, Grants and Donations

A Loans, Grants and Donations statement (LGD) for the reporting unit was lodged with the FWC as required under subsection 237(1) of the RO Act on 28 September 2015. A figure for grants that exceeded \$1,000 was also supplied in the financial report however this figure is different to the figure supplied in the LGD. The figure supplied in the LGD also indicated that the amounts related to donations however the financial report refers to them as grants.

Can you please confirm that the figure and category of item report in the LGD is correct, and if not, submit an amended statement.

Reporting Requirements

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

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03) 8656 4681 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



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 6 November, 2015; and
- that the full report was presented to a general meeting of members of the reporting unit on Tuesday 8th December 2015; 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', is written over a faint horizontal line.

Paul Jubb

Date: 12 December 2015

Australian Hotels Association Tasmanian Branch
OPERATING REPORT
For the period ended 30 June 2015

The Committee of Management presents its report of the Australian Hotels Association Tasmanian Branch for the financial year ended 30 June 2015.

Principal activities

The principal activities of the Association during the financial year were:

- 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;
- Representation of members on industry issues e.g. licensing law and penalty rate reviews;
- 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, Charity Fund Raising etc. in order to recognise their achievements and contribution to the community

It is noted that during the financial year the activities of the Association were suitably carried out. No significant change in the nature of these activities occurred during the year.

The profit from ordinary activities amounted to \$26,368 for the period ending 30 June 2015 (2014: \$111,307).

Financial Affairs

No significant changes were noted to the financial affairs of the Branch during the year.

Right to Resign

Resignation from membership and termination of eligibility for membership is regulated by Rule 17 of the Federal Rules.

A member may resign from membership of the Association by written notice addressed to and delivered to the treasurer of the Branch.

Superannuation Trustees/Directors

There are no members of the Committee of Management that are trustees or directors of a superannuation entity or an exempt public sector superannuation scheme.

Number of members

The Association had 402 members at the end of the reporting period (2014: 414).

Number of employees

The Association employed 8 staff, expressed as 7.13 FTE, as at 30 June 2015 (2014: 7 employees, expressed as 5.34 FTE).

Payments to employers

The Association did not make any payments during the financial year to employers as consideration for the employers making payroll deductions of membership subscriptions.

**Australian Hotels Association Tasmanian Branch
OPERATING REPORT
For the period ended 30 June 2015**

**Names and positions of the Committee of Management for the financial year
1 July 2014 to 30 June 2015 were:**

PRESIDENT

Paul Jubb


COMMITTEE OF MANAGEMENT

Mr Dominic Baker (*Vice President*)
Mr Frank Morgan (*Treasurer*)
Mr Michael Acquarola (*Councillor, North*)
Mr Nick Daking (*Councillor, North*)
Mr Colin McGilivray (*Councillor, South appointed 9/12/2014*)
Mr Philip Fuglsang (*Councillor, South*)
Mr Peter Scollard (*Councillor, South*)
Mr Adrian Sampson (*Councillor, North West appointed 9/12/2014*)
Mr Angelo Fraraccio (*Councillor, South & Division President*)
Mr Philip Capon (*Councillor, South & Division President*)
Mr Rohan Birchmore (*Councillor, North*)
Mr John Dabner (*Councillor, North West & Division President*)
Ms Shelly Richards (*Councillor, South*)
Mr Greg Astell (*Councillor, North West resigned 9/12/2014*)
Mr James Harding (*Councillor, North resigned 9/12/2014*)

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

Paul Jubb
President

Dated:


19th October 2015

**Australian Hotels Association Tasmanian Branch
BRANCH EXECUTIVE DECLARATION
For the period ended 30 June 2015**

On the 19th / 10 / 2015 the Branch Executive of the Australian Hotel Association Tasmanian Branch passed the following resolution in relation to the general purposa financial report (GPFR) for the year ended 30 June 2015:

The Branch Executive of the Association declares that in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of FWA;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Australian Hotel Association Tasmanian Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Australian Hotel Association Tasmanian Branch will be able to pay its debt as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the Australian Hotel Association Tasmanian Branch have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the Australian Hotel Association Tasmanian Branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no recovery has been derived from undertaking recovery of wages activity during the reporting period.


Paul Jubb
Branch President

Dated:

19th October 2015



Australian Hotels
Association Tasmanian
Branch

Financial Statements

**For the Year Ended
30 June 2015**



Wise Lord & Ferguson
Chartered Accountants
advice to advantage



Australian Hotels Association Tasmanian Branch
STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
Income	3	1,321,175	1,164,708
		<u>1,321,175</u>	<u>1,164,708</u>
Expenses			
Employee expenses	4(a)	653,345	542,689
Capitation fees	4(b)	18,493	18,436
Affiliation fees	4(c)	3,052	300
Administration expenses	4(d)	584,728	443,222
Grants or donations	4(e)	18,218	38,651
Depreciation and amortisation	4(f)	6,827	5,430
Legal costs	4(g)	9,657	4,800
Other expenses	4(h)	487	873
Total expenses		1,294,807	1,054,401
Profit for the year		26,368	110,307
Other comprehensive income		-	-
Total comprehensive income for the year		26,368	110,307

The accompanying notes form part of this Financial Report

Australian Hotels Association Tasmanian Branch
STATEMENT OF FINANCIAL POSITION
For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5(a)	326,192	136,510
Trade and other receivables	5(b)	114,622	218,383
Inventory		915	661
Total Current Assets		441,729	355,554
Non-Current Assets			
Property, plant and equipment	6	41,538	16,577
Loan Tasmanian Hospitality Property Association		792,987	792,987
Total Non-Current Assets		834,525	809,564
Total Assets		1,276,254	1,165,118
LIABILITIES			
Current Liabilities			
Trade payables	7(a)	517,869	447,383
Other payables	7(b)	40,368	25,923
Employee provisions	8	31,381	33,900
Total Current Liabilities		589,618	507,206
Non-Current Liabilities			
Employee provisions	8	22,314	19,958
Total Non-Current Liabilities		22,314	19,958
Total Liabilities		611,932	527,166
Net Assets		664,322	637,954
EQUITY			
Retained profits	9(a)	664,322	637,954
Total Equity		664,322	637,954

The accompanying notes form part of this Financial Report

Australian Hotels Association Tasmanian Branch
STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June 2015

	General Funds	Retained Earnings	Total Equity
	\$	\$	\$
Opening balance as at 1 July 2013	-	527,647	527,647
Profit for the year	-	110,307	110,307
Closing balance as at 30 June 2014	-	637,954	637,954
Profit for the year	-	26,368	26,368
Closing balance as at 30 June 2015	-	664,322	664,322

The accompanying notes form part of this Financial Report

Australian Hotels Association Tasmanian Branch
CASH FLOW STATEMENT
For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from members and customers		1,191,722	954,567
Grants received		355,968	294,562
Interest		4,037	4,541
Cash used			
Suppliers and employees		(1,329,711)	(1,176,916)
Net cash from (used by) operating activities	10	222,016	76,754
INVESTING ACTIVITIES			
Cash used			
Loan (increase) to Tasmanian Hospitality Property Association Inc.		-	(128,487)
Purchase of plant and equipment		(32,334)	(6,729)
Net cash from (used by) investing activities		(32,334)	(135,216)
Net increase (decrease) in cash held		189,682	(58,462)
Cash & cash equivalents at the beginning of the period		136,510	194,972
Cash & cash equivalents at the end of the period	5(a)	326,192	136,510

The accompanying notes form part of this Financial Report

Australian Hotel Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

	2015 \$	2014 \$
(e) Grants and donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceed \$1,000	18,218	38,651
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceed \$1,000	-	-
Total grants and donations	18,218	38,651
(f) Depreciation and amortisation		
Plant and equipment	6,827	5,430
Total depreciation and amortisation	6,827	5,430
(g) Legal costs		
Legal and consulting fees	9,657	4,800
Total legal costs	9,657	4,800
(h) Other expenses		
Bad debts	487	873
Penalties – via RO Act or RO Regulations	-	-
Total other expenses	487	873

NOTE 5 CURRENT ASSETS

(a) Cash and cash equivalents		
NAB account	-	975
WBC trading account	15,867	9,160
WBC cash reserve	310,005	126,075
Cash on hand	300	300
Total cash and cash equivalents	326,192	136,510
(b) Trade and other receivables		
Trade debtors	103,116	128,145
Prepayments	11,506	14,998
Receivables from other reporting units	-	75,240
Total current receivables	114,622	218,383
Less provision for doubtful debts	-	-
Total current receivables (net)	114,622	218,383

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

Australian Hotel Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

	2015 \$	2014 \$
NOTE 6 NON-CURRENT ASSETS		
Plant & Equipment		
Plant & Equipment at cost	99,969	80,307
Less Provision for depreciation	<u>(58,431)</u>	<u>(63,730)</u>
Total cash and cash equivalents	41,538	16,577
<i>Reconciliation of the opening and closing balances of plant and equipment</i>		
Net book value 1 July	16,577	15,278
Additions	32,334	6,729
Disposals	(546)	-
Depreciation expense	<u>(6,827)</u>	<u>(5,430)</u>
Net book value 30 June	41,538	16,577

NOTE 7 CURRENT LIABILITIES

(a) Trade payables		
Trade creditors	53,241	19,109
Income Received In Advance	438,631	392,540
Accrued expenses	25,633	35,734
Payables to other reporting units	<u>364</u>	<u>-</u>
Total trade payables	517,869	447,383

Trade payables are non-interest bearing and are usually settled within 30 days. The Association has a credit card facility with a credit card limit of \$30,000.

(b) Other payables		
Superannuation	3,340	3,877
GST payable	27,600	13,252
Consideration to employers for payroll deductions	468	-
PAYG withholding tax	8,960	8,794
Legal costs	<u>-</u>	<u>-</u>
Total other payables	40,368	25,923

NOTE 8 EMPLOYEE PROVISIONS

Current		
Annual leave	<u>31,381</u>	<u>33,900</u>
	31,381	33,900
Non-Current		
Long service leave	<u>22,314</u>	<u>19,958</u>
	22,314	19,958

There are no other provisions relating to redundancies or other liabilities for Office holders and other employees of the Association.

Australian Hotel Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

	2015 \$	2014 \$
NOTE 9 EQUITY		
(a) Retained Profits		
Balance at the beginning of the year	637,954	527,647
Net profit attributable to members	26,368	110,307
Balance at end of year	664,322	637,954
NOTE 10 CASH FLOW RECONCILIATION		
Profit for the year	26,368	110,307
Adjustments for non-cash items		
Depreciation	6,827	5,430
Loss on sale of plant and equipment	546	-
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	103,761	(13,654)
(Increase)/decrease in inventory	(254)	959
Increase/(decrease) in trade payables	70,486	1,246
Increase/(decrease) in other payables	14,445	(38,667)
Increase/(decrease) in provisions	(163)	11,133
Net cash from (used by) operating activities	222,016	76,754

NOTE 11 RELATED PARTY DISCLOSURES

The Australian Hotels Association – National is a related entity. Affiliation fees paid by the Australian Hotels Association – Tasmania Branch were on normal commercial terms. There were no loans during the year to Councillors of the Association or to the Councillors Related Entities.

The Branch Executive of the Australian Hotel Association Tasmanian Branch during the financial year were:

Mr Paul Jubb (*President*)
Mr Dominic Baker (*Vice President*)
Mr Frank Morgan (*Treasurer*)
Mr Michael Acquarola (*Councillor, North*)
Mr Nick Daking (*Councillor, North*)
Mr Colin McGilivray (*Councillor, South appointed 9/12/2014*)
Mr Philip Fuglsang (*Councillor, South*)
Mr Peter Scollard (*Councillor, South*)
Mr Adrian Sampson (*Councillor, North West appointed 9/12/2014*)
Mr Angelo Fraraccio (*Councillor, South & Division President*)
Mr Philip Capon (*Councillor, South & Division President*)
Mr Rohan Birchmore (*Councillor, North*)
Mr John Dabner (*Councillor, North West & Division President*)
Ms Shelly Richards (*Councillor, South*)
Mr Greg Astell (*Councillor, North West resigned 9/12/2014*)
Mr James Harding (*Councillor, North resigned 9/12/2014*)

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

Australian Hotel Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

	2015 \$	2014 \$
NOTE 11 RELATED PARTY DISCLOSURES CONT.		
The following related party transactions occurred during the reporting period. All transaction were at normal commercial terms.		
Customs House Hotel	1,025	3,319
Rosevears Tavern	8,745	-
Sporties Hotel	-	1,100
The Globe Hotel	-	1,100
The following cash flows occurred between the Australian Hotels Association – Tasmanian Branch and other related reporting units for the period.		
Net Cash flows (to)/from other reporting units		
Australian Hotels Association	-	(27,500)
Australian Hotels Association - ACT	(14,040)	(133)
Australian Hotels Association - SA	-	(59)
Australian Hotels Association - NSW	1,650	1,652
Australian Hotels Association - NT	-	1,375
Australian Hotels Association - VIC	1,650	1,250
Queensland Hotels Association	-	(658)
Australian Hotels Association - WA	(307)	-

NOTE 12 REMUNERATION OF AUDITORS

Value of the services provided by Wise Lord & Ferguson		
Audit service and financial statement preparation	9,200	7,800
Total remuneration of auditors	9,200	7,800

Other services relates to the preparation of the financial statements in the Fair Work Australia model financial statements format.

Australian Hotel Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

NOTE 13 FINANCIAL INSTRUMENTS

The entity's principle financial assets comprise cash, trade debtors and loans whilst its principle financial liabilities comprise trade payables and income received in advance.

The entity has exposure to the following risks from its use of financial instruments:

(a) Liquidity risk and maturity analysis

2015

	0-6 months	6-12 months	1-5 years	> 5 years	Total
Financial Assets:					
Cash and cash equivalents	326,192	-	-	-	326,192
Trade debtors and receivables from other reporting units	103,116	-	-	-	103,116
Loan to Tasmanian Hospitality Property Association	-	-	-	792,987	792,987
Total Financial Assets	429,308			792,987	1,222,295
Financial Liabilities:					
Trade creditors, accruals, other payables and payables to other reporting units	106,838	-	-	-	106,838
Total Financial Liabilities	106,838				106,838

2014

	0-6 months	6-12 months	1-5 years	> 5 years	Total
Financial Assets:					
Cash and cash equivalents	136,510	-	-	-	136,510
Trade debtors and receivables from other reporting units	203,385	-	-	-	203,385
Loan to Tasmanian Hospitality Property Association	-	-	-	792,987	792,987
Total Financial Assets	339,895			792,987	1,132,882
Financial Liabilities:					
Trade creditors, accruals, other payables and payables to other reporting units	68,095	-	-	-	68,095
Total Financial Liabilities	68,095				68,095

Australian Hotel Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

NOTE 13 FINANCIAL INSTRUMENTS CONT.

(b) Interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The majority of the Associations financial assets are held in interest bearing assets that are expected to mature within three months or in financial assets that reset to the prevalent market interest rate on a monthly or quarterly basis. As a result 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) in interest rates of 1% will have a corresponding effect on revenue of \$3,262 (2014, \$1,362).

NOTE 14 ASSOCIATION DETAILS

The principal place of business of the Association is:

25/93 Salamanca Place
Hobart TAS 7000

NOTE 15 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).

	2015	2014
	\$	\$
NOTE 16 CAPITAL AND LEASING COMMITMENTS		
Lease Expenditure Commitments		
Minimum lease payments not later than one year	47,286	20,547
Later than one year and not later than five years	79,811	38,970
Aggregate lease expenditure contracted at reporting date	<u>127,097</u>	<u>59,517</u>

The commitment relates to the Association's two motor vehicle leases which began in 2015. The motor vehicle lease from prior years has been fully expended.

Australian Hotel Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

	2015 \$	2014 \$
NOTE 4 EXPENSES		
(a) Employee expenses		
Holders of office		
Wages and salaries	587,826	471,070
Superannuation	52,662	41,487
Leave and other entitlements	1,835	15,976
Executive expenses	11,022	14,156
Separation and redundancies	-	-
Subtotal employee expenses holders of office	653,345	542,689
Employees other than office holders		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Executive expenses	-	-
Separation and redundancies	-	-
Subtotal employee expenses other than office holders	-	-
Total employee expenses	653,345	542,689
(b) Capitation fees		
Australian Hotels Association	18,493	18,436
Total capitation fees	18,493	18,436
(c) Affiliation fees		
Australian Hotels Association	3,052	300
Total affiliation fees	3,052	300
(d) Administration expenses		
Accounting services	4,560	16,445
Auditing services	7,727	7,800
Award for Excellence expenses	95,055	-
Bank charges	4,086	3,261
Compulsory levies	-	-
IT expense	6,934	7,712
DED Benchmarking expenses	2,821	44,279
Fees/allowances – meeting and conferences	-	-
Gaming campaign	-	1,502
Insurance	9,029	7,738
Meeting expense	825	3,726
Motor vehicle expenses	51,166	43,526
Other expenses	30,203	38,642
Other functions and events	59,708	63,383
Postage, printing & stationery	30,760	28,851
Property expenses	37,213	37,680
Publications	14,735	13,725
Skills Tasmania expenses	57,387	33,453
Strategic Planning Expenditure	44,510	-
Telephone and internet	3,722	6,252
Training	82	998
Travel	19,454	19,297
THAT Foundation expenses	25,988	14,679
UTAS APIS expenses	68,240	73
Workforce Futures expenses	10,523	50,200
Total administration expenses	584,728	443,222

Australian Hotels Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

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

(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 8 where judgements have been made in relation to the value of employee entitlements.

NOTE 2 EVENTS AFTER THE REPORTING PERIOD

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

	2015 \$	2014 \$
NOTE 3 REVENUE		
Revenue from Operating Activity		
Membership revenue	728,675	707,901
Commissions	65,109	81,566
Promotions – Awards for Excellence	93,480	-
Corporate sponsorship	3,763	11,237
THAT Foundation funding	25,989	14,679
Other functions	40,609	43,982
Total Revenue from Operating Activities	957,625	859,365
Revenues from Non-Operating Activities		
Interest revenue	4,037	4,541
Other	3,815	6,240
Grant income	355,698	294,562
Total Revenues from Non-Operating Activities	363,550	305,343
Total Revenue	1,321,175	1,164,708

There has been no revenue received relating to capitation fees, donations or compulsory levies in the current or prior period which require disclosure in accordance with the Fair Work (Registered Organisations) Act 2009.

Australian Hotels Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

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

(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 2015 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 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).

Australian Hotels Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

NOTE 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.

Australian Hotels Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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	2.5 – 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 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.

Australian Hotels Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Hotel Association Tasmanian Branch is a not-for-profit entity. Disclosures made in the financial statement with zero values in both financial years are disclosed only due to the mandatory requirements of the Fair Work Commission.

The financial report covers the Australian Hotel Association Tasmanian Branch as an individual entity. The Australian Hotel Association Tasmanian Branch is a trade Association in Tasmania governed by the Fair Work (Registered Organisations) Act 2009.

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

Statement of Compliance

The financial report complies with Australian Accounting Standards, including International Financial Reporting Standards ('IFRS').

Comparative Amounts

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

New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

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

The accounting policies adopted are consistent with those of the previous financial year.

There are no new standards, amendments to standards or interpretations that were issued prior to sign off date that are expected to have a financial impact on the Association in the future reporting period.

(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.

Australian Hotel Association Tasmanian Branch
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2014

NOTE 17 KEY MANAGEMENT PERSONNEL REMUNERATION

	Short-term employee benefits	Post- employment benefits	Long term benefits	Other	Total
2015					
Total Income paid or payable to all Executives of the Association	160,100	-	-	-	160,100
2014					
Total Income paid or payable to all Executives of the Association	150,100	-	-	-	150,100

NOTE 18 SEGMENT REPORTING

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

NOTE 19 EVENTS SUBSEQUENT TO REPORTING DATE

No significant subsequent events are noted

NOTE 20 RELIANCE AND PROVISION OF FINANCIAL SUPPORT

The Australian Hotels Association – Tasmanian Branch does not place any reliance on financial support from another reporting unit of the organisation to operate as a going concern. No financial report was received from another reporting unit during the financial period.

The Australian Hotels Association – Tasmanian Branch has not entered into any agreement to provide financial support to another reporting unit of the organisation to assist it to operate as a going concern.

NOTE 21 RECOVERY OF WAGES

There was no recovery of wages activity for the 2015 or 2014 financial year.

NOTE 22 ACQUISITION OF ASSETS AND LIABILITIES

There were no assets or liabilities acquired either during the 2014 or 2015 financial years as a result of a business combination or due to either a restructure, an amalgamation or from a determination or revocation of the General Manager under the *Fair Work (Register Organisations) Regulations*.



Wise Lord & Ferguson
Chartered Accountants
advice to advantage

**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 Statement of Financial Position as at 30 June 2015, 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, operating report and the Committee of Management declaration.

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*. 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. In Note 1, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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 and International Standards on Auditing. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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



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Partners: Harvey Gibson, Danny McCarthy, Douglas Thomson, Joanne Doyle, Stuart Chillerbuck,
Ian Wheeler, Dean Johnson, Marg Marshall, Paul Lyons, Alicia Leis, Nick Carter
Managers: Melanie Richardson, Simon Jones, Trent Queen, Rachel Mendlik, Nathan Brereton,
Melissa Johnson, Donna Powell, Rebecca Meredith, Naomi Norman, Maryellen Saller
Consultant: Peter Bevan

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 met the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

In our opinion:

- a) the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the *Fair Work (Registered Organisations) Act 2009*.
- b) there are reasonable grounds to believe that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.



J DOYLE
PARTNER
WISE LORD & FERGUSON
Registered Company Auditor Number 217468
Fellow of the Institute of Chartered Accountants in Australia
Holder of Public Practice Certificate

160 Collins Street
Hobart TAS 7001

Date: 19 October 2015