



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7764
Fax: (03) 9655 0410
Email: kevin.donnellan@air.gov.au

Mr Brian Kearney
Secretary
Australian Hotels Association
Victorian Branch

email: b.kearney@ahha.com.au

Dear Mr Kearney

Re: Financial Report for the Australian Hotels Association, Victorian Branch for year ended 30 June 2007 – FR2007/386

I acknowledge receipt of your response of 14 November 2007 and apologise for the delay in processing the report. The financial report has now been filed.

Although I have filed the report I have done so due to the considerable delay between events in the processing of this matter. In the ordinary course of events, I would have asked that certain steps be repeated, but in this case have not, only because of the delay in processing the matter. I wish to make it clear that the Registry expects each registered organisation/reporting unit to comply fully with the requirements of Part 3 of Schedule 1 of the Workplace Relations Act 1996.

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.

Designated Officer's Certificate

Certificate of Secretary

The Certificate of Secretary dated 6 September 2007 predates the reference in item (3) "*That the full report was presented to an Annual General Meeting of the Australian Hotels Association (Victorian Branch) on 9 October 2007;*". Section 268 of the RAO Schedule requires:

Reports etc. to be lodged in Industrial Registry

A reporting unit must, within 14 days (or such longer period as a Registrar allows) after the general meeting referred to in section 266, lodge in the Industrial Registry:

(a) . . .

(b) . . .

(c) *a certificate by a prescribed designated officer that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266.*

The certificate anticipates that the report was presented, but the Schedule requires that the certificate is signed, dated and filed with the financial report within 14 days of the general meeting.

For future reports could a Designated Officer's Certificate be completed after the presentation of the report to a meeting of members.

Operating Report

Right of members to resign

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

Trustee of superannuation entity

Subsection 254(2)(d) of Schedule 1 requires details of any *officer or member* of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme.

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

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

Membership of Committee of Management

The operating report is required to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position - refer regulation 159(c) of the RAO Regulations.

Notes to financial Reports

Notice under Section 272(5) of the RAO Schedule

As you are aware, the Notes to the GPFR are required to include a notice drawing attention to the fact that information that is prescribed by the RAO Regulations is available to members on request.

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

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

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

272 Information to be provided to members or Registrar

(1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

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

Committee of Management Statement

Consistent with other branches

Item 17(e)(iv) of the Reporting Guidelines which have been issued by the Industrial Registrar requires a declaration by the Committee of Management that:

where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation.

Section 242 of the RAO Schedule determines what constitutes a 'reporting unit' for the purposes of the Act:

Organisations not divided into branches

(2) Where an organisation is not divided into branches, the reporting unit is the whole of the organisation.

Organisations divided into branches

(3) Where an organisation is divided into branches, each branch will be a reporting unit unless a certificate issued by the Industrial Registrar stating that the organisation is, for the purpose of compliance with this Part, divided into reporting units on an alternative basis (see section 245) is in force.

If the records have been kept in a consistent manner to each of the organisation's reporting units, the following statement can be made in the Committee of Management Statement:

"the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation."

Audit Report

Auditor's Qualification

It is not clear from the Report whether or not the Auditor is an approved Auditor. In this regard I draw your attention to the definitions of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

Auditor's Opinion

The term "true and fair view" was used in the superseded legislation. Subsection 257(5) of the RAO Schedule sets out the matters upon which an auditor is required to make an opinion on whether the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the RAO Schedule. The following wording in the auditor's opinion would satisfy the requirements:

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

Schedule 1

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

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

Yours sincerely

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

Kevin Donnellan

Statutory Services Branch
14 April 2008



Australian Hotels Association (Victoria)

LEVEL 1 LITTLE COLLINS STREET, MELBOURNE VICTORIA 3000 • PO BOX 18067, 45 COLLINS STREET
EAST, MELBOURNE VICTORIA 8003 • TELEPHONE (03) 9654 7100 • FACSIMILE (03) 9654 1724

Mr Kevin Donnellan
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Wednesday 14 November, 2007

Dear Mr Donnellan

Financial Report for the Australian Hotels Association (Victoria Branch) for year ended 30 June 2007 – FR 2007/368

I refer to your email of 5 November 2007 in respect of the above.

I have attached my response of 31 May 2007 to M/s Margaret Williams' letter of 10 May 2007.

I have also attached her subsequent response of 22 June 2007.

In respect of the issues you have raised in your letter:

- Honorariums totaling \$65,000 were paid to specified members of the Executive Committee of AHA (Vic).

The payment is recognised in the Income Statement of AHA (Vic) and detailed at note 3 of the accounts.

- I agree that Note 4 "Key Management Personnel Remuneration" is confusing. The note, which is not cross-referenced to any item in the financial statements, has been included at the insistence of our auditors.

It is the first year in which they have required it to be included.

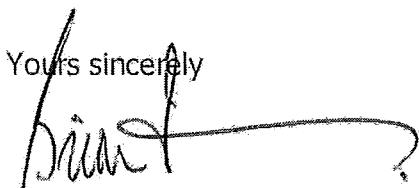
The actual payments relate to the salary of the Chief Executive Officer/Secretary, a contract payment made to an entity controlled by a Councillor of the Association and the honorariums.

Whilst the cost of the honorariums are borne by AHA (Vic) and reported in the accounts, the Chief Executive Officer/Secretary salary and the contract payment are reported in the accounts of the Australian Hotels and Hospitality Association Incorporated, being the entity contracted by AHA (Vic) for the provision of services as detailed at Note 3 (page 12) in the accounts.

The relevant employment contract and services contract are between the parties and the Australian Hotels and Hospitality Association Inc, with all payments drawn on the bank account of that Association.

I trust that the above information is of assistance.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brian', with a long horizontal flourish extending to the right.

Brian Kearney
Secretary
Australian Hotels Association (Victoria)



Australian Government
Australian Industrial Registry

Level 4, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7822
Fax: (03) 9655 0410

Mr Brian Kearney
Secretary
Australian Hotels Association - Victorian Branch
Level 1, 1 Little Collins Street
MELBOURNE VIC 3000

By facsimile: (03) 9654 1724

Dear Mr Kearney

Financial Documents – year ended 30 June 2006 (FR2006/402)
Schedule 1 – Workplace Relations Act 1996 (RAO Schedule)

I refer to previous correspondence in this matter.

In particular I refer to my letter to you dated 10 May 2007 requesting clarification of the items of expenditure in Note 4 to the Financial Report ("Expenses from ordinary activities") in the sum of \$448,027 for administration fees to the Australian Hotel and Hospitality Association Inc.

I thank you for your response of 31 May 2007 to the queries I raised.

The documents have now been filed. The financial report will be placed on a website maintained by the Industrial Registry at <http://www.e-airc.gov.au/024n>.

Please do not hesitate to contact me by email at margaret.williams@air.gov.au or on (03) 8661 7822 if you wish to discuss this letter.

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'Margaret Williams'.

Margaret Williams
Statutory Services Branch

22 June 2007

Indra
Please place on relevant
file for auditors.
[Signature]



Australian Hotels Association (Victoria)

LEVEL 1 LITTLE COLLINS STREET, MELBOURNE VICTORIA 3000 • PO BOX 18067, 45 COLLINS STREET
EAST, MELBOURNE VICTORIA 8003 • TELEPHONE (03) 9654 7100 • FACSIMILE (03) 9654 1724

M/s Margaret Williams
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
Melbourne, Vic, 3001

Thursday 31 May, 2007

Dear M/s Williams

**Financial Documents – year ended 30 June 2006 (FR2006/402)
Schedule 1 – Workplace Relations Act 1996 (RA Schedule)**

I refer to your letter of 10 May 2007 regarding the financial reports of the Victorian Branch of the Australian Hotels Association for year ended 30 June 2006.

In response to the queries you have raised I advise that:

- The Australian Hotels and Hospitality Association Incorporated (AHHA Inc), being an entity pursuant to the Victorian Associations Incorporation Act, is contracted by the Victorian Branch of the Australian Hotels Association (AHA – Vic) to provide services to its members. The agreed fee for such services are the membership fees received by AHA (Vic) less the National Office Affiliation Levy and office bearers honoraria.

In 2005/06 the payment by AHA (Vic) to AHHA Inc. for services was \$447,027.00.

- Members of AHA (Vic) are eligible for membership of AHHA Inc.
- AHA (Vic) and AHHA Inc. whilst separate entities have common Committee members.

In regard to expenditures detailed in item 11 of the Reporting Guidelines, expenditures of the specified type were not incurred by AHA (Vic) in 2005/06.

For your information I have included the audited financial statements of the Australian Hotels Association and Hospitality Association Incorporated for 2005/06 which have been lodged as required with the Victorian Registrar of Incorporated Associations (Department of Consumer Affairs).

Yours sincerely



Brian Kearney
Chief Executive Officer
Australian Hotels Association (Victoria)



Australian Government
Australian Industrial Registry

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Mr Brian Kearney
Secretary
Australian Hotels Association
Victorian Branch
Level 1, 1 Little Collins Street
MELBOURNE VIC 3000

By facsimile: (03) 9654 1724

Dear Mr Kearney

Financial Documents – year ended 30 June 2006 (FR2006/402)
Schedule 1 – Workplace Relations Act 1996 (RAO Schedule)

I have received the financial reports for the Victorian Branch of the Australian Hotels Association for the year ended 30 June 2006. The documents were lodged in the Registry on 24 October 2006. I apologize for the delay in replying.

The documents have not yet been filed.

The following matter requires your further attention:

Disclosure of Expenditure

An organisation is required to separately disclose a wide range of expenditure items – these include:

- Affiliation Fees or Subscriptions to political parties or industrial bodies
- Grants or Donations
- Legal costs
- Conferences - fees/allowance for attendance
- Conference Expenses
- Levies imposed on the reporting unit

where the reporting unit expended money during the financial year on any such item.

For further information relating to these expenditure items – please see Item 11 of the Reporting Guidelines.

In Note 4 to the Financial Report "Expenses from ordinary activities" there is an amount of \$448,027 for administration fees – Australian Hotel and Hospitality Association Inc. In order to clarify this matter, I would be pleased to receive information from you concerning this association, including whether the AHHA Inc. is the same entity as, or related in any way to, the AHA Victorian Branch and if not whether there is relation between the Branch and the AHHA Inc.

I look forward to receiving further information from you.

Please also note that the Registry has changed its street address to 11 Exhibition Street, Melbourne. The postal address is GPO Box 1994. All phones numbers remain the same.

Yours sincerely,

Margaret Williams
Statutory Services Branch

10 May 2007

Handwritten notes:
2 pages
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see this advice re: response - 1
B.S.



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Australian Industrial Registry

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Mr Brian Kearney
Secretary
Australian Hotels Association
Victorian Branch

email: b.kearney@ahha.com.au

Dear Mr Kearney

Re: Financial Report for the Australian Hotels Association, Victorian Branch for year ended 30 June 2007 – FR2007/368

I acknowledge receipt of the financial report of the Australian Hotels Association - Victorian Branch for the year ended 30 June 2007. The documents were lodged with the Registry on 22 October 2007.

Before I commence my examination of the abovementioned report, I would be pleased to receive your response to Ms Williams' letter of 10 May 2007 with respect to the financial report for the financial year ended 30 June 2006.

I note that the Operating Report for the financial year ended 30 June 2007 indicates the Association has no employees. Notwithstanding that statement, Note 4 of the "Notes to the financial statements" discloses total compensation of \$345,000 under the heading "Key management personnel remuneration" which includes "... all Committee Members and the Chief Executive Officer of the Association". Also, the Notes also refer to Honorariums of \$65,000 and fees paid to the "Australian Hotel and Hospitality Association Inc."

It is apparent from information in the financial report and the Branch's website there is some confusion as to the description and status of the "Australian Hotels Association – Victorian Branch" and the entity incorporated under the Associations Incorporation Act (Vic). Accordingly, I would be pleased to receive your response to Ms Williams previously mentioned correspondence.

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

Yours sincerely

Kevin Donnellan
Statutory Services Branch
5 November 2007



AUSTRALIAN HOTELS & HOSPITALITY ASSOCIATION Inc.

ABN 79 948 978 376

M/s Margaret Williams
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
Melbourne Vic 3001

18th October 2007

Dear M/s Williams

Australian Hotels Association (Victoria): Full Financial Report and Secretary's Certificate

The Annual General meeting of the AHHA (Vic) was held on the 9th October 2007.

Enclosed, please find the required documentation which is hereby lodged in accordance with the requirements of section 268 contained in Schedule 1B of the Workplace Relations Act 1996.

Further to correspondence from your office in respect of the 2005/06 accounts, Note 3 in the 2006/07 financial report has been modified to address the issues raised.

Yours Sincerely

BRIAN KEARNEY
Secretary
AHA (Vic)

General Purpose Financial Report

Australian Hotels Association (Victoria Branch)

ACN 052 166 015

30 June 2007

Grant Thornton 



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Operating Report

Your Committee Members present their report on the Australian Hotels Association (Victoria Branch) for the financial year ended 30 June 2007.

The names of the Committee Members in office at any time during or since the end of the year are:

Frank Aidone
Peter Archbold
(Appointed 10 October 2006)
John Ashley
Proko Athanasakos
Vic Bardwell
(Appointed 10 October 2006)
Keith Barrett
Robbie Beaton
(Appointed 10 October 2006)
Stephen Beaumont
Bill Bell
Sam Benjamin
(Appointed 10 October 2006)
Paul Bidgood
(Appointed 10 October 2006)
Ross Blair-Holt
John Bresnan
(Resigned 10 October 2006)
Bob Briggs
Michael Burke
Peter Burnett
David Canny
Don Carazza
Peter Crinis
Chelton Crow
Garry Curtis
Richard Davis
(Appointed 10 October 2006)
John Dickson
Ray Dodd
Peter Doyle
Garry Gibson
(Resigned 10 October 2006)
Alan Giles
Lisa Ginies
(Appointed 10 October 2006)
Adrian Greaney
(Appointed 10 October 2006)
Peter Gromotka
(Resigned 10 October 2006)
Joe Guistino
Brendan Hanrahan
Ruth Harrison
(Appointed 10 October 2006)

Jim Hogan
Peter Houghton
Paul Hunter
Warwick Hunter
Tony Jackson
(Resigned 10 October 2006)
Paul Judd
Andrew Kastoras
(Appointed 10 October 2006)
Tony Kennedy
(Resigned 10 October 2006)
Allan Knights
Ian Larkin
Richard Layton
Cath MacNeil
Dennis Madden
Robert Magdziarz
(Resigned 10 October 2006)
Phil Mammilito
(Resigned 10 October 2006)
Ben Marchesani
(Appointed 10 October 2006)
Rudy Markl
(Resigned 10 October 2006)
Peter Martinico
(Appointed 10 October 2006)
Bruce Mathieson Jnr
Peter McIntyre
Anthony Molan
Rick Munday
Nick Murray
(Appointed 10 October 2006)
Scott Myers
(Appointed 10 October 2006)
Peter Nash
John Nicholson
Carolyn Nikakis
Andrew Nikakis
(Appointed 10 October 2006)
Con Nikitas
(Appointed 10 October 2006)
Evan Packer
(Appointed 10 October 2006)
Michael Palmer
John Payne
Tom Payne

Bill Perry
(Appointed 10 October 2006)
Danny Quinlan
George Ramila
Des Randall
John Ribbands
(Resigned 10 October 2006)
Alex Robertson
Mark Robertson
Jim Ryan
Paul Schroeder
(Appointed 10 October 2006)
David Shannon
Ian Shannon
(Resigned 10 October 2006)
Ray Sharawarra
(Resigned 10 October 2006)
Wayne Sharp
Dan Sheehan
(Resigned 10 October 2006)
Patrick Sheehan
Peter Sheehan
(Resigned 10 October 2006)
Allan Shepherd
Alan Stocks
Paul Taberner
(Resigned 10 October 2006)
Bernie Taylor
Bob Taylor
(Resigned 10 October 2006)
John Taylor
Barlow Telford
(Resigned 10 October 2006)
Michael Thiele
Darren Thomas
Bob Vagg
Peter Walsh
(Appointed 10 October 2006)
Darryl Washington
Tom Weatherall
(Resigned 10 October 2006)
Shane Whelan
(Resigned 10 October 2006)
Noel Williams
Peter Williams
Daryl Worthington

Operating Report

Committee Members have been in office since the start of the financial year to the date of this report unless otherwise stated.

The number of Branch Members as at 30 June 2007 was 686.

The number of Branch employees as at 30 June 2007 was nil.

Any member owing any fees, fines, levies or dues longer than two months after they first become due shall be unfinancial. No unfinancial member shall be eligible to nominate or be nominated for any office, vote in any election or plebiscite, attend or vote at any meeting of members and by resolution of the Council may be refused entry to the Association's premises.

A Member of the Association may resign from membership by non-renewal at the end of their subscription period.

The surplus after providing for income tax amounted to \$Nil. During the period total subscription revenue remained consistent with the prior year.

No significant changes in the Association's state of affairs occurred during the financial year.

The principal activity of the Association during the financial year was to provide membership services to members of the Association. An administration levy is paid to the Australian Hotels and Hospitality Association Inc. This levy represents the surplus funds received from members subscriptions available to fund the activities of the Australian Hotels and Hospitality Association Inc.

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

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

Likely developments in the operations of the association and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the association.

The Association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Operating Report


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

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

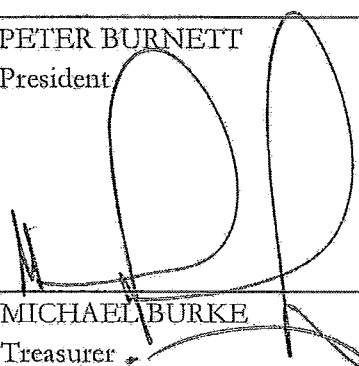
No person has applied for leave of Court to bring proceedings on behalf of the Association or responsibility on behalf of the Association for all or any part of those proceedings.

The Association was not a party to any such proceedings during the year.

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



PETER BURNETT
President



MICHAEL BURKE
Treasurer

Dated this 6th day of SEPTEMBER 2007

Income statement

for the year ended 30 June 2007

	Notes	Year ended 30 June 2007 \$	Year ended 30 June 2006 \$
Revenue	2	993,042	934,506
Other expenses from ordinary activities	3	993,042	934,506
Profit/(loss) from ordinary activities before income tax expense		-	-
Income tax expense relating to ordinary activities		-	-
Net profit/(loss) from ordinary activities after income tax expense attributable to members of the Association		-	-
Total changes in equity of the Association		-	-

Balance sheet

as at 30 June 2007

	Notes	As at 30 June 2007 \$	As at 30 June 2006 \$
Assets			
Current			
Total Current Assets		-	-
Non-Current			
Total Non-Current Assets		-	-
Total Assets		-	-
Liabilities			
Current			
Total Current Liabilities		-	-
Non-Current			
Total Non-Current Liabilities		-	-
Total Liabilities		-	-
Net Assets		-	-
Members Funds			
Retained profits		-	-

Statement of changes in equity for the year ended 30 June 2007

	Notes	Retained Earnings (Member Funds)	Total
		\$	\$
Balance at 1 July 2005		-	-
Profit attributable to Members of the Association		-	-
Balance at 30 June 2006		-	-
Balance at 1 July 2006		-	-
Profit attributable to Members of the Association		-	-
Balance at 30 June 2007		-	-

Statement of cash flows

for the year ended 30 June 2007

	Notes	Year ended 30 June 2007	Year ended 30 June 2006
		\$	\$
Cash Flow from Operating Activities			
Net cash provided by (used in) operating activities		-	-
Cash Flow from Investing Activities			
Net cash provided by (used in) investing activities		-	-
Cash Flow from Financing Activities			
Net cash provided by (used in) financing activities		-	-
Net increase/(decrease) in cash held		-	-
Cash at beginning of year		-	-
Cash at end of year		-	-

Notes to the financial statements

for the year ended 30 June 2007

1. Statement of significant accounting policies

The Financial Report is a General Purpose Financial Report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The Financial Report covers Australian Hotels Association (Victoria Branch) as an individual entity. Australian Hotels Association (Victoria Branch) is an unincorporated Member Association of the Industrial Registrar.

The Financial Report of Australian Hotels Association (Victorian Branch) complies with all Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS), in their entirety. Compliance with AIFRS ensures that the Financial Report also complies with International Financial Reporting Standards (IFRS) in their entirety.

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

Reporting basis and conventions

The Financial Report has been prepared on an accrual 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.

Accounting policies

Income Tax

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

Revenue

Revenue from members is recognised upon the receipt of subscription monies.

Notes to the financial statements for the year ended 30 June 2007

1. Statement of significant accounting policies (continued)

Cash flows

As disclosed in the Statement of Cash Flows there were no movements of cash not withstanding items are required to be recognised in the Income Statement.

Comparative figures

Comparative figures, where appropriate, have been reclassified so as to be comparable with the figures presented for the current financial year.

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 Tax 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 the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

2. Revenue

	2007 \$	2006 \$
Operating activities:		
- Membership Contributions	993,042	934,506
Total revenue	993,042	934,506

3. Profit before income tax

	2007 \$	2006 \$
Profit from ordinary activities before income tax expense has been determined after:		
Expenses		
AHA National Office Contributions	227,819	247,843
Discounts Allowed	204,036	173,636
Honorariums	65,000	65,000
Administration Fees - Australian Hotel and Hospitality Association Inc.	496,187	448,027
Expenses from ordinary activities	993,042	934,506

Notes to the financial statements

for the year ended 30 June 2007

3. Profit before income tax (continued)

The Australian Hotels and Hospitality Association Incorporated (AHHA Inc), being an entity pursuant to the Victorian Associations Incorporations Act, is contracted by the Australian Hotels Association (Victorian Branch) (AHA (Vic)) to provide services to its members.

The administration fees represent the surplus funds received from members' subscriptions available to fund the activities of the Australian Hotels and Hospitality Association Inc.

Members of the AHA (Vic) are eligible for membership of AHHA Inc.

AHA (Vic) did not incur any of the specified expenditures detailed in Item 11 of the Reporting Guidelines for Section 253 of Schedule 1 of the Workplace Relations Act 1996 except as specified above.

	2007	2006
	\$	\$
Auditors Remuneration		
Amounts received or due and receivable by auditors of the firm for:		
- Auditing services	1,500	1,500
- Other services	-	-
Total remuneration of auditor	1,500	1,500

These audit fees have been borne by AHHA Inc.

4. Key management personnel remuneration

	Short-term benefits	Total
	\$	\$
2007		
Total compensation	345,500	345,500
2006		
Total compensation	330,000	330,000

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Association, directly or indirectly. This includes all Committee Members and the Chief Executive Officer of the Association.

5. Segment reporting

The Association operates predominantly in one business and geographical segment being in the hotel industry providing services to members of the Association within Victoria.

Notes to the financial statements

for the year ended 30 June 2007

6. Information to be provided to members or registrar

Pursuant to the Registration and Accountability of Organisations schedule (Schedule 1B in the Workplace Relations Act 1996), prescribed information is available to members on request, as per Subsection 272 as follows:

- (a) A member of an organisation or registrar, may apply to the organisation for specified prescribed information prescribed information in relation to the organisation.
- (b) An organisation shall, on application made under subsection (a) by a member of the organisation or a registrar, make the specified information available to the member or registrar in such a manner, and within such time as is prescribed.
- (c) A registrar may only make an application under subsection (a) at the request of a member of the organisation concerned, and the registrar shall provide to a member, information received because of an application made at the request of the member.

7. Association details

The registered office and principal place of business of the Association is:

Australian Hotels Association (Victoria Branch)
Level 1, 1 Little Collins Street
MELBOURNE VIC 3000

Statement by Members of the Committee

On 6 September 2007 the Committee of Management of Australian Hotels Association (Victoria Branch) passed the following in relation to the Financial Report of the reporting unit for the financial year ended 30 June 2007.

The Committee of Management declares in relation to the Financial Report as set out on pages 6 to 13 that in its opinion:

- (1) The Financial Report and notes comply with the applicable Australian Accounting Standards;
- (2) The Financial Report and notes comply with the reporting guidelines of the Industrial Registrar;
- (3) The Financial Report and notes give a true and fair view of the financial performance, financial position and cash flows of the Australian Hotels Association (Victoria Branch) for the financial year to which they relate;
- (4) There are reasonable grounds to believe that the Australian Hotels Association (Victoria Branch) will be able to pay its debts as and when they become due and payable;
- (5) During the financial year to which the Financial Report 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 Branch concerned;
 - (ii) The financial affairs of the Australian Hotels Association (Victoria Branch) have been managed in accordance with the rules of the organisation including the rules of Branch concerned;
 - (iii) The financial records of the Australian Hotels Association (Victoria Branch) have been kept and maintained in accordance with the Workplace Relations Act 1996 Schedule and the Workplace Relations Act 1996 Regulations;
 - (iv) The financial records of the Australian Hotels Association (Victoria Branch) have been kept, as far as practicable, in a consistent manner;
 - (v) The information sought in any request of a member of the Australian Hotels Association (Victoria Branch) or a Registrar duly made under Section 272 of the Registration and Accountability of Organisations schedule (Schedule 1B in the Workplace Relations Act 1996) has been furnished to the Members or Registrar; and

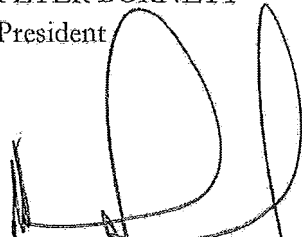
Statement by Members of the Committee

- (vi) No orders have been made by the Commission under Section 273 of the Registration and Accountability of Organisations Schedule (Schedule 1B in the Workplace Relations Act 1996) during the period.

For the Committee of Management:



PETER BURNETT
President



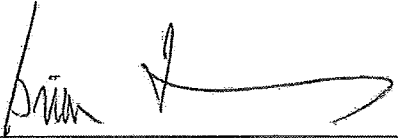
MICHAEL BURKE
Treasurer

Dated this 6th day of SEPTEMBER 2007

Certificate of Secretary

I, Brian Kearney, being the Secretary of the Australian Hotels Association (Victoria Branch) certify:

- (1) That the documents lodged herewith are copies of the full report referred to in Section 268 of the Registration and Accountability of Organisations Schedule (Schedule 1B in the Workplace Relations Act 1996);
- (2) That the full report was provided to members on 6 September 2007; and
- (3) That the full report was presented to an Annual General Meeting of the Australian Hotels Association (Victoria Branch) on 9 October 2007; in accordance with Section 266 of the Registration and Accountability of Organisations schedule (Schedule 1B in the Workplace Relations Act 1996).



BRIAN KEARNEY
Secretary

Dated this 6th day of SEPTEMBER 2007

Independent Audit Report

To the Members of Australian Hotels Association (Victoria Branch) ACN 052 166 015

We have audited the accompanying Financial Report comprising the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity, cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes to the financial statements, and the statement by members of the Committee for the Australian Hotels Association (Victoria Branch).

The Committee's responsibility for the Financial Report

The Committee Members of the Association are responsible for the preparation and fair presentation of the Financial Report in accordance with Australian Accounting Standards including the Australian Accounting Interpretations. This responsibility includes establishing and maintaining internal control 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 Committee Members also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the Financial Report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

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, which require us to comply with relevant ethical requirements relating to audit engagements, in order to plan and perform the audit to obtain reasonable assurance as to whether the Financial Report is free of 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 the auditor's 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, the auditor considers internal control relevant to the Association's preparation and fair presentation of the Financial Report in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee Members, as well as evaluating the overall presentation of the Financial Report.

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

Independence

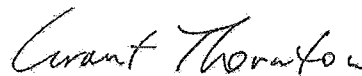
In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board.

Audit opinion

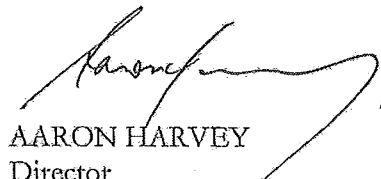
In our opinion:

- (i) There were kept by the organisation in respect of the year ended 30 June 2007, satisfactory accounting records, details of the source and nature of the income of the organisation (including income from members) and the nature and purpose of expenditure, as required under Subsection 252 of the Registration and Accountability of Organisations schedule (Schedule 1B to the Workplace Relations Act 1996);
- (ii) The accounts and statements prepared under Section 253 in relation to the year were properly drawn up so as to give a true and fair view of:
 - (a) The financial statements of the organisation as at the end of the year;
 - (b) The income and expenditure, and any surplus or deficit, of the organisation for the year; and
- (iii) The Financial Report of the Australian Hotels Association (Victoria Branch) presents fairly, in all material respects, in accordance with applicable Australian Accounting Standards including the Australian Accounting Interpretations, other mandatory professional reporting requirements and the Workplace Relations Act 1996 Schedule 1B – Registration and Accountability of Organisations, the financial position of the Australian Hotels Associations (Victoria Branch) as at 30 June 2007, and of its performance and its cash flows for the year then ended.

The Financial Report also complies with International Financial Reporting Standards as disclosed in Note 1.



GRANT THORNTON AUDIT (VIC) PTY LTD
Chartered Accountants


AARON HARVEY
Director

Melbourne

6 September 2007

