



FAIR WORK
AUSTRALIA

3 February 2010

Mr Brian Kearney
Chief Executive Officer
Australian Hotels Association - Victoria
Email: aha@ahavic.com.au

cc: Mark Barson
Charman Partners
PO Box 341
Blackburn South VIC 3130
Email: mail@charmanpartners.com.au

Dear Mr Kearney

Re: Australian Hotels Association - Victoria - financial report for the year ended 30 June 2009 (FR2009/10086)

I acknowledge receipt of the financial report of the Victorian Branch of the Australian Hotels Association for the year ended 30 June 2009. The documents were lodged with Fair Work Australia on 20 October 2009. I also acknowledge receipt of the amended audit report and Secretary's certificate, received 22 January 2010.

The financial report has now been filed.

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.

1. Committee of Management Statement

Item 25(e)(iv) of the [Reporting Guidelines](#) requires the Committee of Management Statement to state whether or not the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and offices of the AHA. The Committee of Management Statement lodged with FWA states at point (e)(iv) that the organisation consists of one reporting unit. However the AHA consists of a number branches and a national office, hence the organisation consists of several reporting units. In future years please ensure that the Committee of Management Statement states whether or not the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and offices of the AHA.

2. Operating report: results of principal activities

[Subsection 254\(2\)\(a\) of the RO Act](#) requires an operating report to contain a review of the principal activities of the reporting unit, *the results of those activities* (my emphasis) and any significant changes in the nature of those activities. The Committee's Report lodged by AHA Victoria provides a review of the principal activities and notes that there were no changes to them. However it does not describe the results of those activities. It is the view of this office that subsection 254(2)(a) requires a descriptive review of the results of the principal activities. Please ensure that future operating reports provide such a description.

3. Operating report: significant changes in financial affairs during the financial year

[Subsection 254\(2\)\(b\) of the RO Act](#) requires an operating report to give details of any significant changes in the financial affairs of the branch during the financial year. In future years please ensure that the report provide details of any significant changes in the financial affairs of AHA Victoria during the financial year. If there were significant changes, this should be explicitly stated.

4. Notes to the financial statements: the relevant legislation

Note 1 to the financial statements states that the general purpose financial report has been prepared in accordance with the Associations Incorporations Act 1981. However the pertinent legislation for AHA Victoria is the [Fair Work \(Registered Organisations\) Act 2009](#). In future years please ensure that the notes specify whether or not the general purpose financial report has been prepared in accordance with the *Fair Work (Registered Organisations) Act 2009*.

Summary

In future years please ensure that:

- The Committee of Management Statement states whether or not the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and offices of the AHA;
- The Committee's Report provides a descriptive review of the results of the principal activities;
- The Committee's Report provides details of any significant changes in the financial affairs of AHA Victoria during the financial year. If there were significant changes, this should be explicitly stated; and
- The notes to the financial statements specify whether or not the general purpose financial report has been prepared in accordance with the *Fair Work (Registered Organisations) Act 2009*.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03 86617929 or by email at eve.anderson@fwa.gov.au. I have also provided your auditor with a copy of this letter.

Yours sincerely



Eve Anderson
Tribunal Services and Organisations
Fair Work Australia
Tel: 03 86617929

Email: eve.anderson@fwa.gov.au

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)

ACN 052 166 015

**Annual Financial Report For The Year Ended
30 June 2009**

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)

ACN 052 166 015

30 June 2009

| CONTENTS | Page |
|---------------------------------------|-------------|
| Committees' Report | 3 - 5 |
| Income Statement | 6 |
| Balance Sheet | 7 |
| Statement of Changes in Equity | 8 |
| Cashflow Statement | 9 |
| Notes to the Financial Statements | 10 - 12 |
| Statement by Members of the Committee | 13 |
| Secretary Certificate | 14 |

COMMITTEES' REPORT

Your committee members present their report on the Association for the financial year ended 30 June 2009

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

| | |
|--|---------------------------------------|
| Peter Burnett - President | John Dickson - Accommodation Division |
| Ian Larkin - Vice President (Country) | Peter Crinis - Accommodation Division |
| Mark Robertson - Vice President (Metropolitan) | Paul Hunter - Executive Member |
| Michael Burke - Hon Secretary/Treasurer | David Canny - Executive Member |
| David Curry - Hon Minute Secretary | Rick Munday - Executive Member |
| Bill Bell - Trustee | |
| Ross Blair-Holt - Trustee | |
| Alexander Robertson - Trustee | |

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

| | | |
|-------------------|-------------------|-------------------|
| Frank Aidone | Lisa Ginies | Tom Payne |
| Peter Archbold | Adrian Greaney | Bill Perry |
| John Ashley | Joe Guistino | Danny Quinlan |
| Proko Athanasakos | Bendan Hanrahan | George Ramia |
| Vic Bardwell | Jim Hogan | Pat Reardon |
| Keith Barrett | Peter Houghton | Alex Robertson |
| Robbie Beaton | Paul Hunter | Mark Robertson |
| Stephen Beaumont | Warwick Hunter | Michael Robertson |
| Bill Bell | Paul Judd | Jim Ryan |
| Sam Benjamin | Andrew Kastoras | Paul Schroeder |
| Paul Bidgood | Allan Knights | Clive Scott |
| Ross Blair-Holt | Ian Larkin | Adam Sebastiano |
| Michael Burke | Richard Layton | David Shannon |
| Peter Burnett | Garry Lewis | Wayne Sharp |
| David Canny | Dennis Madden | Patrick Sheehan |
| Don Carazza | David Mansfield | Alan Stocks |
| Andrew Clark | Peter Martinico | Paul Stocks |
| Peter Crinis | Bruce J Mathieson | John Strudwick |
| Chelton Crow | Peter McIntyre | Paul Sullivan |
| David Curry | Anthony Molan | Bernie Taylor |
| Garry Curtis | Paul Mulquiny | John Taylor |
| Richard Davis | Rick Munday | Michael Thiele |
| John Dickson | Nick Murray | Darren Thomas |
| Dominec Di Deo | Stewart Naismith | Doreen Thompson |
| Ray Dodd | Peter Nash | Bob Vagg |
| Peter Doyle | John Nicholson | Peter Walsh |
| Mark Ellis | Carolyn Nikakis | Darryl Washington |
| Trent Fairweather | Andrew Nikakis | Noel Williams |
| Mike Flannigan | Con Nikitas | Peter Williams |
| Brian Francis | Michael Palmer | Daryl Worthington |
| Alan Giles | John Payne | |

COMMITTEES' 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 2009 was 763.

The number of Branch employees as at 30 June 2009 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.

Under rule 32 of the Association's rules, a Member of the Association may resign from membership by non-renewal at the end of their subscription period.

Mark Roberston holds a position of Director and John Nicholson held a position of Deputy Chairman and Director of HostPlus Pty Ltd, a superannuation entity. Both were committee members of the Association.

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.

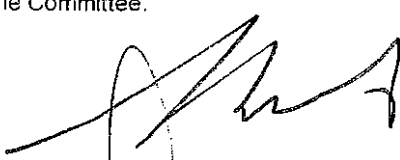
The Association has not, during or since the financial year, in respect of any person who is or has been an auditor of the Association or a related Body Corporate:

- (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.

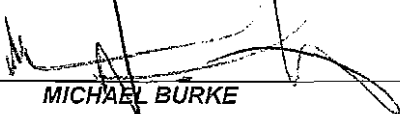
No person has applied for leave of Court to bring proceedings on behalf of the Association or responsibility on behalf of the Association for all or any part of those proceedings.

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

9th

day of

SEPTEMBER

2009

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

| | Note | 2009 \$ | 2008 \$ |
|---|------|------------|------------|
| Revenue | 2 | 925,885 | 834,856 |
| Other expenses from ordinary activities | 3 | (925,885) | (834,856) |
| Profit before income tax | | - | - |
| Profit from operations | | - | - |

The accompanying notes form part of these financial statements.

BALANCE SHEET

AS AT 30 JUNE 2009

| | Note | 2009 \$ | 2008 \$ |
|-------------------------------|------|------------|------------|
| ASSETS | | | |
| CURRENT ASSETS | | - | - |
| TOTAL CURRENT ASSETS | | - | - |
| NON CURRENT ASSETS | | | |
| TOTAL NON-CURRENT ASSETS | | - | - |
| TOTAL ASSETS | | - | - |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | - | - |
| TOTAL CURRENT LIABILITIES | | - | - |
| NON CURRENT LIABILITIES | | | |
| TOTAL NON CURRENT LIABILITIES | | - | - |
| TOTAL LIABILITIES | | - | - |
| NET ASSETS | | - | - |
| EQUITY | | | |
| Retained earnings | | - | - |
| TOTAL EQUITY | | - | - |

The accompanying notes form part of these financial statements.

STATEMENT OF RECOGNISED INCOME AND EXPENSE

FOR YEAR ENDED 30 JUNE 2009

| | Retained Earnings | Total |
|--------------------------------|----------------------|-------|
| | \$ | \$ |
| Balance at 1 July 2007 | - | - |
| Profit attributable to members | - | - |
| Balance at 30 June 2008 | - | - |
| Profit attributable to members | - | - |
| Revaluation increment | - | - |
| Balance at 30 June 2009 | - | - |

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT

FOR YEAR ENDED 30 JUNE 2009

| | Note | 2009 \$ | 2008 \$ |
|---|------|------------|------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Net cash (used in) provided by operating activities | | - | - |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Net cash (used in) provided by investing activities | | - | - |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Net cash used in financing activities | | - | - |
| Net increase in cash held | | - | - |
| Cash at beginning of financial year | | - | - |
| Cash at end of financial year | | - | - |

The accompanying notes form part of these financial statements.

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH) ACN 052 166 015
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

This financial report covers Australian Hotels Association (Victoria Branch) as an individual entity. Australian Hotels Association (Victoria Branch) is a branch of the Australian Hotels Association registered under the Workplace Relations Act 1996.

Note 1 Statement of Significant Accounting Policies

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Associations Incorporations Act 1981.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) 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.

(b) Revenue

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

Revenue from rendering a service is recognised upon the delivery of the service to the members.

All revenue is stated net of the amount of goods and services tax (GST).

(c) 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.

(d) 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 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 balance sheet are shown inclusive of GST.

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

(e) Comparative Figures

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

(f) New Accounting Standards for application in future periods

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods and which the association has decided not to early adopt. A discussion of those future requirements and their impact on the association is as follows:-

- AASB 3: Business Combinations, AASB 127: Consolidated and Separate Financial Statements, AASB 2008-3: Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASB Standards 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 135, 137, 138 and 139 and Interpretations 9 and 107] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2008-7: Amendments to Australian Accounting Standards — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 and AASB 136] (applicable for annual reporting periods commencing from 1 January 2009). These Standards are applicable prospectively and so will only affect relevant transactions and consolidations occurring from the date of application. Neither of these Standards are currently applicable to the association.
- AASB 8: Operating Segments and AASB 2007-3: Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038] (applicable for annual reporting periods commencing from 1 January 2009). This Standard replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the group's board for the purposes of decision making. While the impact of this Standard cannot be assessed at this stage, there is the potential for more segments to be identified. Given the lower economic level at which segments may be defined, and the fact that cash generating units cannot be bigger than operating segments, impairment calculations may be affected. The Committee presently does not believe impairment will result however.
- AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefine the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the association. If an entity has made a prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.
- AASB 123: Borrowing Costs and AASB 2007-6: Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 and AASB 138 and Interpretations 1 and 12] (applicable for annual reporting periods commencing from 1 January 2009). The revised AASB 123 has removed the option to expense all borrowing costs and will therefore require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. The Committee has determined that there will be no effect on the association as a policy of capitalising qualifying borrowing costs has been maintained by the association.
- AASB 2008-1: Amendments to Australian Accounting Standard — Share-based Payments: Vesting Conditions and Cancellations [AASB 2] (applicable for annual reporting periods commencing from 1 January 2009). This amendment to AASB 2 clarifies that vesting conditions consist of service and performance conditions only. Other elements of a share-based payment transaction should therefore be considered for the purposes of determining fair value. Cancellations are also required to be treated in the same manner whether cancelled by the entity or by another party. This Standard is not currently applicable to the association.
- AASB 2008-2: Amendments to Australian Accounting Standards — Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132 and AASB 139 and Interpretation 2] (applicable for annual reporting periods commencing from 1 January 2009). These amendments introduce an exception to the definition of a financial liability, to classify as equity instruments certain puttable financial instruments and certain other financial instruments that impose an obligation to deliver a pro rata share of net assets only upon liquidation.
- AASB 2008-5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) and AASB 2008-6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the association.
- AASB 2008-8: Amendments to Australian Accounting Standards — Eligible Hedged Items [AASB 139] (applicable for annual reporting periods commencing from 1 July 2009). This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation as a hedged item should be applied in particular situations and is not expected to materially affect the association.

- AASB 2008-13: Amendments to Australian Accounting Standards arising from AASB Interpretation 17 — Distributions of Non-cash Assets to Owners [AASB 5 and AASB 110] (applicable for annual reporting periods commencing from 1 July 2009). This amendment requires that non-current assets held for distribution to owners be measured at the lower of carrying value and fair value, less costs to distribute.
- AASB Interpretation 15: Agreements for the Construction of Real Estate (applicable for annual reporting periods commencing from 1 January 2009). Under the Interpretation, agreements for the construction of real estate shall be accounted for in accordance with AASB 111 where the agreement meets the definition of 'construction contract' per AASB 111 and when the significant risks and rewards of ownership of the work in progress transfer to the buyer continuously as construction progresses. Where the recognition requirements in relation to construction are satisfied but the agreement does not meet the definition of 'construction contract', revenue is to be accounted for in accordance with AASB 118. This policy is not currently applicable to the association.
- AASB Interpretation 16: Hedges of a Net Investment in a Foreign Operation (applicable for annual reporting periods commencing from 1 October 2008). Interpretation 16 applies to entities that hedge foreign currency risk arising from net investments in foreign operations and that want to adopt hedge accounting. The Interpretation provides clarifying guidance on several issues in accounting for the hedge of a net investment in a foreign operation and is not expected to impact the association.
- AASB Interpretation 17: Distributions of Non-cash Assets to Owners (applicable for annual reporting periods commencing from 1 July 2009). This guidance applies prospectively only and clarifies that non-cash dividends payable should be measured at the fair value of the net assets to be distributed, where the difference between the fair value and carrying value of the assets is recognised in profit or loss.

The association does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the association's financial statements.

Note 2 Revenue

| | 2009 \$ | 2008 \$ |
|----------------------------|----------------|----------------|
| Operating activities: | | |
| - Membership contributions | 925,885 | 834,856 |
| Total Revenue | <u>925,885</u> | <u>834,856</u> |

Note 3 Profit

| Expenses | 2009 \$ | 2008 \$ |
|---|----------------|----------------|
| AHA National Office Contributions | 200,090 | 220,764 |
| Honorariums | 65,000 | 65,000 |
| Administration Fees - Australian Hotel and Hospitality Association Inc. | 660,795 | 549,092 |
| | <u>925,885</u> | <u>834,856</u> |

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 expenditure detailed in item 11 of the Reporting Guidelines for Section 253 of Schedule 1 of the Workplace Relations Act 1996 except as specified above.

Note 4 Key Management Personnel Compensation

| | Short Term Benefit \$ | Post Employment Benefit \$ | Total \$ |
|--------------------|-----------------------------|----------------------------------|----------------|
| 2009 | | | |
| Total compensation | <u>374,847</u> | <u>13,672</u> | <u>388,519</u> |
| 2008 | | | |
| Total compensation | <u>359,679</u> | <u>12,848</u> | <u>372,527</u> |

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.

The total of \$388,519 has been disclosed in both the financials of Australian Hotels and Hospitality Association Inc (AHHA Inc) and the financials of Australian Hotels Association (Victorian) Branch (AHA (Vic)). Compensation included are amounts provided by the association, or on behalf of the association by another entity, in exchange for services rendered. While not paid by AHA (Vic), the remuneration reflects the roles of key management personnel in both associations.

Note 5 Auditors' Remuneration

| | 2009 \$ | 2008 \$ |
|---|--------------|--------------|
| Remuneration of the auditor of the association for: | | |
| - auditing or reviewing the financial report | 1,500 | 1,500 |
| | <u>1,500</u> | <u>1,500</u> |

These audit fees have been paid by AHHA Inc. The total auditor services relating to AHA (Vic) and AHHA Inc. have been disclosed in the financials of AHHA Inc.

Note 6 Events after the Balance Sheet Date

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

Note 7 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.

Note 8 Information to be provided to Members or Registrar

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

- (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

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

Note 9 Association Details

The registered office of the association is:

Australian Hotels Association (Victoria Branch)

Level 1

1 Little Collins Street

MELBOURNE VIC 3000

The principal place of business is:

Australian Hotels Association (Victoria Branch)

Level 1

1 Little Collins Street

MELBOURNE VIC 3000

STATEMENT BY MEMBERS OF THE COMMITTEE

On 1 September 2009 the Committee of Management of Australian Hotels Association (Victoria Branch) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2009.

The Committee of Management declares in relation to the Financial Report as set out on pages 6 to 12 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 Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) 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.
- (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 reporting unit 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 reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the organisation consists of one reporting unit, and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) no orders for inspection of financial records have been made by the Commission under section 273 of the RAO Schedule.

For the Committee of Management:

President


PETER BURNETT

Treasurer


MICHAEL BURKE

Dated this

9th

day of

SEPTEMBER

2009



A c c o u n t a n t s & A d v i s o r s

**AUSTRALIAN HOTELS ASSOCIATION
(VICTORIA BRANCH)
ACN 052 166 015**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)**

We have audited the accompanying financial report of the Australian Hotels Association (Victoria Branch), which comprises the balance sheet as at 30 June 2009 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee of Management's and Branch Secretary's Responsibility for the Financial Report

The committee of the management and branch secretary of the Australian Hotels Association (Victoria Branch) are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes designing, implementing 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, 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 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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.

Suite 4
10-12 Chapel Street
Blackburn Victoria 3130
Email
mail@charmanpartners.com.au
www.charmanpartners.com.au

Postal Address
PO Box 341
Blackburn Victoria 3130

Telephone
(03) 9878 8200
Facsimile
(03)9878 8400

Directors
P.A. Tierney, FCA
N.G. Johnston, CPA
M.P. Barson, CA
W.C. Goodwin, CA

We meet the definition of approved auditor in Regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements and the Workplace Relations Act 1996.

Qualification

As we were appointed auditors of the Association in January 2009, we did not audit the prior year. The prior year comparatives were audited by Grant Thornton. We therefore, do not express an opinion on the comparative figures for the year ended 30 June 2008.

Auditor's Opinion

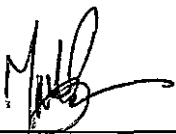
In our opinion, except for the effects of the above mentioned qualification, if any:

The financial report of Australian Hotels Association (Victoria Branch) is in accordance with the Workplace Relations Act 1996 including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2009 and of its performance and its cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of the Schedule 1B of the Workplace Relations Act 1996.

Name of Firm: Charman Partners

Partner:



Mark Peter Barson

Date:

9th September 2009

Address:

10 - 12 Chapel Street, Blackburn, Victoria 3130



FAIR WORK
AUSTRALIA

1 December 2009

Mr Brian Kearney
Chief Executive Officer
Australian Hotels Association - Victoria
Email: aha@ahavic.com.au

cc: Mr Aaron M Harvey
Director Melbourne
Grant Thornton Audit (Vic) Pty Ltd
Level 2, 215 Spring Street
Melbourne VIC 3001
Email: info@grantthorntonvic.com.au

Dear Mr Kearney

Re: Australian Hotels Association - Victoria - financial report for the year ended 30 June 2009 (FR2009/10086)

I acknowledge receipt of the financial report of the Victorian Branch of the Australian Hotels Association for the year ended 30 June 2009. The documents were lodged with Fair Work Australia on 20 October 2009.

As discussed by telephone today I request that the Branch attend to the following matters:

1) Auditor's report: qualified opinion

I note that the audit report contains a qualification. The report explains that because the prior year figures were audited by another auditor an opinion has not been given on the comparative figures.

However the Australian Auditing Standards require that comparative figures be subject to audit (albeit to a less extensive audit than for the current year figures). ASA 710 at paragraph 5 requires the auditor to determine whether comparatives comply in all material respects with the financial reporting framework applicable to the financial report. Paragraph 10 explains that if the prior period was audited by another auditor, the incoming auditor is required to evaluate whether the comparative figures are materially misstated.

I ask that you provide your auditor with the relevant records in order for the auditor to ascertain whether the comparative figures have been materially misstated and to request an opinion regarding the full report inclusive of the comparative figures.

2) Audit Opinion: presents fairly

The existing audit opinion states whether the financial report of the branch gives a true and fair view of the Association's financial position (excluding the comparative figures).

The term "true and fair view" was used in superseded legislation. [Subsection 257\(5\)](#) of the RO Act sets out the matters about which an auditor is required to make an opinion. In particular the auditor is required to state whether in his or her opinion the general purpose financial report is presented fairly in accordance with AASs and requirements imposed by the RO Act. The following wording would satisfy the requirements (assuming the auditor is of this opinion):

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 Fair Work (Registered Organisations) Act 2009.

3) Secretary's/Designated Officer's Certificate

I note that the Secretary's Certificate has been signed by the Chief Executive Officer. However [subsection 268\(c\)](#) of the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires the Secretary's/Designated Officer's Certificate to be signed by a prescribed designated officer. [Regulation 162](#) of the *Fair Work (Registered Organisations) Regulations 2009* (the Regulations) prescribes a designated officer as the secretary or an officer authorised by the organisation to sign the certificate. The rules of the Branch suggest that the position of Chief Executive Officer is not an officer as defined by [section 9](#) of the RO Act. Please re-lodge the financial report with a fresh certificate signed by a designated officer.

Summary

Accordingly, in order to secure compliance with your obligations under the RO Act I request that the Branch:

- Provides the auditor with the relevant records in order to enable an evaluation of the comparative figures;
- Approaches the auditor to request an opinion on the full report, including the comparative figures, that is expressed in the terms required by the RO Act; and
- Re-lodge the financial report with a fresh Designated Officer's Certificate signed by an officer of the Branch

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03 86617929 or by email at eve.anderson@fwa.gov.au. I have also provided your auditor with a copy of this letter.

Yours sincerely



Eve Anderson
Tribunal Services and Organisations
Fair Work Australia
Tel: 03 86617929

Email: eve.anderson@fwa.gov.au



Australian Hotels Association - Victoria

Level 1, 1 Little Collins Street

Melbourne Vic 3000

Tel: (03) 9654 7100

Fax: (03) 9654 1724

Eve Anderson
Tribunal Services and Organisation
Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001



Tuesday 19 January 2010

Dear Ms Anderson,

Financial Report for year ended 30 June 2009 – Australian Hotels Association (Victoria)

Further to your request, attached are amended audit report and Secretary's certificate.

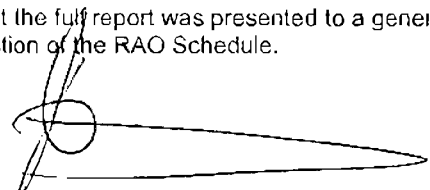
Yours sincerely,

Brian Kearney
Chief Executive Officer
Australian Hotels Association (Victoria)

CERTIFICATE OF SECRETARY

I, David Curry, 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 RAO Schedule; and;
2. That a bulletin was sent to all members on 18/09/2009, notifying them that the full report was available for viewing the Australian Hotels Association (Victorian Branch) website; and
3. That the full report was presented to a general meeting of members on 13/10/2009 in accordance Section of the RAO Schedule.



DAVID CURRY
Secretary

Dated this 19th day of January 2010

**AUSTRALIAN HOTELS ASSOCIATION
(VICTORIA BRANCH)
ACN 052 166 015**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)**

We have audited the accompanying financial report of the Australian Hotels Association (Victoria Branch), which comprises the balance sheet as at 30 June 2009 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

As we were appointed auditors of the Association in January 2009, we did not audit the prior year. The prior year comparatives were audited by Grant Thornton. However, we did determine that the comparatives comply in all material respects with the financial reporting framework applicable to the financial report and that they are not materially misstated.

Committee of Management's and Branch Secretary's Responsibility for the Financial Report

The committee of the management and branch secretary of the Australian Hotels Association (Victoria Branch) are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996.

This responsibility includes designing, implementing 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, 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 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

Suite 4
10-12 Chapel Street
Blackburn Victoria 3130
Email
mail@charmanpartners.com.au
www.charmanpartners.com.au

Postal Address
PO Box 341
Blackburn Victoria 3130

Telephone
(03) 9878 8200
Facsimile
(03)9878 8400

Directors
P.A. Tierney, FCA
N.G. Johnston, CPA
M.P. Barson, CA
W.C. Goodwin, CA

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

We meet the definition of approved auditor in Regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003.

Independence


In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements and the Workplace Relations Act 1996.

Auditor's Opinion

In our opinion, the general purpose financial report of Australian Hotels Association (Victoria Branch) is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

Name of Firm: Charman Partners

Partner:



Mark Peter Barson

Date:

9th September 2009

Address:

10 - 12 Chapel Street, Blackburn, Victoria 3130