



18 November 2014

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

Dear Mr Kearney

Australian Hotels Association Victorian Branch Financial Report for the year ended 30 June 2014 - [FR2014/317]

I acknowledge receipt of the financial report of the Australian Hotels Association Victorian Branch (the Branch). The documents were lodged with the Fair Work Commission (FWC) on 7 October 2014. I also acknowledge supplementary information I received from the Branch Financial Controller, Indra Rajendren, on the 13 October 2014 and the Branch Auditor, Mark Barson, on the 17 November 2014.

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 2015 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. The FWC will confirm these concerns have been addressed prior to filing next year's report.

Document not lodged

Missing document

Section 268 of the RO Act requires that a reporting unit must lodge with the FWC within 14 days after the general meeting referred to in section 266 of the RO Act, a copy of the full report and 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 Designated Officers Certificate was not lodged with the financial report on the 7 October 2014. It was subsequently provided on the 13 October 2014 following a conversation I had with the Branches Financial Controller, Indra Rajendren.

Please note that s.268 is a civil penalty provision.

Notes to the financial statements

Prepared in accordance with the RO Act

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 8(a) requires that the entity disclose in the notes the statutory basis or other reporting framework under which the financial statements are prepared. The notes do not disclose whether the statements have been prepared in accordance with the RO Act. The Branch Auditor, Mark Barson, has subsequently confirmed that the financial statements were prepared in accordance with the RO Act.

Please ensure that in future years the financial statements include the above mentioned reference.

General purpose financial report to be prepared on accrual basis

While we filed last year's financial report, we raised certain issues for the reporting unit to address in the preparation of future financial reports. I note that the same error has appeared in the current report, namely the Revenue policy from membership subscription implies that it has been brought to account on a cash basis not on an accruals basis as required by the Australian Accounting Standards and the RO Act.

The Branch Auditor, Mark Barson, has subsequently confirmed that the financial statements have been prepared on an accruals basis and that the Revenue policy will be updated in future year's financial statements to reflect this.

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 *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely



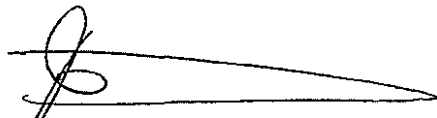
Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN 052 166 015

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 Fair Work (Registered Organisations) Act 2009 and
- (2) That a bulletin was sent to all members on 5/09/2014, notifying them that the full report was available for viewing on the Australian Hotels Association (Victoria) website and
- (3) That the full report was presented to a general meeting of members on the 6/10/2014 in accordance with Section 266 of the Fair Work (Registered Organisations) Act 2009.



DAVID CURRY
Secretary

Date: 9/10/14

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)

ACN: 052 166 015

**Financial Report For The Year Ended
30 June 2014**

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)

ACN 052 166 015

Financial Report For The Year Ended 30 June 2014

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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 2014.

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

Peter Burnett - President	Ross Blair-Holt - Trustee
David Canny - Vice President(Country)	Paul Hunter - Executive Member
Mark Robertson - Vice President (Metropolitan)	Paul Stocks - Executive Member
Michael Burke - Hon Secretary/Treasurer	Jim Hogan - Executive Member
David Curry - Hon Minute Secretary	Greg Moore - Accommodation Division
Bill Bell - Trustee	Robert Dawson - Accommodation Division
Ian Larkin - Trustee	

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

Committee Members

Peter Archbold	Tony Jackson	John Payne
Keith Barrett	Andrew Kastoras	Tom Payne
Robbie Beaton	Gary Kirwan	Danny Quinlan
Bill Bell	Ian Larkin	George Ramia
Sam Benjamin	Andrew Lethlean	Pat Reardon
Ross Blair-Holt	Garry Lewis	Michael Reardon
David Bunney	Dennis Madden	Alexander Robertson
Michael Burke	Peter Martinico	Mark Robertson
Peter Burnett	Bruce J Mathieson	Michael Robertson
Andrew Cairns	Peter McIntyre	Jim Ryan
David Canny	Scott Meager	David Shannon
Andrew Clark	Anthony Molan	Ray Sharawara
Paul Cooper	Greg Moore	Patrick Sheehan
David Curry	Paul Mulquiny	Ben Sington
Richard Davis	Nick Murray	Paul Stocks
Robert Dawson	Stewart Naismith	Bernie Taylor
Ray Dodd	John Nicholson	Joel Taylor
Peter Doyle	Carolyn Nikakis	John Taylor
Mark Ellis	Andrew Nikakis	Darren Thomas
Trent Fairweather	Matthew Nikakis	Sam Tresise
Simon Gardner	Con Nikitas	Karl Unterfrauner
Lisa Ginies	Russell O'Brien	John Upham
Adrian Greaney	Paul O'Brien	George Varughese
Jim Hogan	Bob O'Kane	Peter Williams
Peter Houghton	Mark O'Reilly	Gary Wilson
Paul Hunter	Michael Palmer	Daryl Worthington
Bailey Hunter	Tony Parsons	
Warwick Hunter	Troy Patterson	

OPERATING REPORT (continued)

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 2014 was 1021.

The number of Branch employees as at 30 June 2014 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 to 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 federal rules, a Member of the Association may resign from membership by written notice addressed and delivered to the Branch Secretary of the Branch of which he is a member.

Mark Robertson holds a position of Director of HostPlus Pty Ltd, a superannuation entity. Mark Robertson was a committee member of the Association.

The surplus of the year amounted to \$NIL (2013: NIL). During the period total subscription revenue remained consistent with the prior year.

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

No significant changes in the Association's financial 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.

The Association's principal activities were directed to:

- Protecting, promoting and advancing the interests and rights of members;
- Upholding and promoting the quality, integrity and reputation of the hotel industry; and
- Providing timely, effective, relevant and value-adding services to members.

Issues requiring priority attention in 2013/14 included:

- Utilising effective working relationships with the Victorian Coalition Government across all relevant portfolios to ensure appropriate regard is had to Victoria's pub and hotel interests in Government policy development and implementation;
- Effectively responding to the increasing business challenges being faced by members due to the volatility of economic conditions, increasing costs and the variability of overall consumer demand;
- Actively pursuing members' workplace relations-related interests in respect of both venue-based issues resolution and contributing to the AHA National agenda for reform to workplace relations legislation and the Hospitality Industry General Awards;
- In conjunction with AHA National Office and other Branches, canvassing the AHA & Tourism Accommodation Australia (TAA) Policy Agenda for the September 2013 Federal election, and developing the AHA (Vic) 2014-18 Policy Agenda in respect of the November 2014 Victorian State Election, and
- Achieving real outcomes for members through successful negotiation with the Victorian Government e.g.

- o The adoption of a "cultural change" process to address concerns regarding excessive consumption of alcohol and its consequences rather than the implementation of micro venue-based interventions i.e. "lock-outs", reduced trading hours, restricted liquor sales etc.
- o Not extending licensees obligations to explicitly include use of illicit drugs in and around licenced premises
- o Maintenance of restrictions on licensed clubs admitting members of the public.
- o Initiating a process directed to extending the term of gaming machine entitlements beyond 2022.
- o Liquor licensing and gaming-related red tape reduction etc.

Outcomes achieved on behalf of members included:

A. Liquor-related

1. Maintaining an on-going dialogue with the Victorian Government in respect of safety in and around licensed premises, including the development and presentation of an AHA (Vic) policy paper on "alcohol-fuelled" violence.
2. In response to the Victorian Government's release of a Discussion Paper canvassing the potential to combine the concepts and related licensee obligations in respect of "intoxication" and "drunkenness" within the Liquor Control Reform Act 1998, AHA (Vic) satisfied the Victorian Government that the states of "intoxication" and "drunkenness" were not synonymous and that the relevant provisions within the Act should not be amended.
3. In response to growing Government, media and community concerns regarding illicit drug-use and trafficking, particularly in regard to so-called "party" and "recreational" drugs, AHA (Vic) developed and released a Policy Statement on such drug-use and the reasonable responsibilities of liquor licensees and venue operators.
4. In conjunction with AHA National and other Branches, continuing to successfully lobby the Federal Government to maintain the existing alcohol excise regime, particularly the concessional excise rate applied in respect of draught beer.
5. Maintaining effective and productive dialogue with Victoria Police Command in order that matters of concern may be addressed in a timely manner e.g. policing at pub-level, armed robberies etc.
6. Contributing to the Government's and the Victorian Commission for Gambling Regulation's red-tape reduction initiative, with significant reduction achieved in a range of liquor-licensing-related administrative requirements, including the conduct of underage events on licensed premises streamlined, licence-related application processing etc.
7. Through membership of the Ministerial Live Music Taskforce contributed to committing the Victorian Government to a review of both sound limitations (SEPP N2) applying to licensed businesses and the legislated adoption of "agent of change" provisions.

B. Gaming and Gambling-related

1. Working closely with the Victorian Department of Justice and the Office of Gambling & Liquor Policy to ensure appropriate and reasonable regard is had to gaming venue interests in the specification and roll-out of the Victorian voluntary pre-commitment system from 2015/16, including participation in the Victorian Government Pre-commitment Implementation Advisory Group.
2. Making initial representation to the Victorian Government on the need for the gaming machine entitlement term to be extended beyond the existing 10 year term and subsequently participating in the Premier and Cabinet, Justice and Treasury and Finance Interdepartmental Committee to evaluate and make recommendations to the Government on the proposal, including responding to the Government Issues Paper – "Review of the Gaming Machine Entitlement Term".
3. Continuing to provide best practice VCGLR-approved self-exclusion and Responsible Gambling Code services to gaming venues across Victoria.
4. Maintaining close & confidential contact with Victoria Police in their efforts to address armed robberies of gaming venues.

5. Reviewing the impact of the new gaming arrangements on the value of property leases for gaming pubs.
6. Lobbying Victorian Government in respect of East Coast Keno pooling and expansion of Keno games.
7. Working closely with gaming hoteliers experiencing difficulties in meeting financial obligations pursuant to the gaming machine entitlement auction such that the Government announced a significant hardship package including extension of the repayment term for affected hoteliers.
8. Continued lobbying in the context of the September 2013 Federal Election in regard to the National Gaming Agenda resulting in the abolition of the relevant Federal legislation in April 2014.
9. In conjunction with AHA National and other Branches continuing to canvas for a reduction in the regulatory burdens and related costs incurred by gaming hoteliers as a consequence of the AUSTRAC anti-money laundering/control of terrorist funding regime, including a submission to the review of the relevant Federal legislation in February 2014.

C. Workplace Relations

1. Continuing to provide high quality venue-based workplace relations issue & claim management services.
2. Leadership in AHA National submissions to the Fair Work Australia, including:
 - Initial submission to the 2014 review of modern awards, in particular the Hospitality Industry General Awards directed to achieving
 - A more rational penalty rate regime
 - Increased flexibility in part-time employment
 - The limitation of paid public holidays to a maximum of eleven (11) per annum.
 - Submission to the 2014 Minimum Wage case.
3. Implementation of the Federal Government Workforce Futures Advisory program directed to building skills of participating businesses operators.
4. Continuing provision of briefings and seminars to members on current and emerging workplace relations issues.

D. General Matters

1. Continuing engagement with the Victorian Government in response to the campaign of the health sector to extend smoking restrictions to outdoor drinking and dining areas of licensed businesses.
2. In conjunction with National Office and other AHA Branches, submissions were made to the ACCC in respect of the re-authorisation of APRA as a collecting agency on behalf of Australian performers, with significant gains being made in respect of the availability of "Plain English" tariff guides and the implementation of a more independent and reduced cost dispute procedure. Progress is also being made in the development of a pub and hotel specific tariff scheme.
3. Continuing engagement with the Taxi Services Commission as the Government's taxi reform agenda is rolled-out to ensure full regard is had to the interests of accommodation hotels and late night venues.

E. Political Engagement

1. In conjunction with AHA National and other Branches, the AHA and TAA National Policy Agenda was actively canvassed with both the Labor Party and the Coalition in the lead-up to the September 2013 Federal Election.
2. The AHA (Vic) Policy Agenda 2014-2018 was developed in preparation for canvassing with the Victorian Coalition and Labor Party in advance of the November 2014 State Election.

F. Representation, information, education etc.

1. Membership of Government Boards and Committees and Working Parties relevant to AHA (Vic) interests.
2. Submissions were made in response to a range of Federal and State Government proposals and Discussion Papers.
3. Provision of a range of information and education programs to members across Victoria.
4. Provision of a range of services to Victoria's accommodation hotels through Tourism Accommodation Australia (Victoria).
5. Successful conduct of a range of activities and events of interest to members.
6. Continuing pursuit of performance and efficiency opportunities within AHA (Vic) administration.

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.

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue	2	1,175,146	1,137,517
Other expenses		(1,175,146)	(1,137,517)
Current year surplus		-	-
Net current year surplus		-	-
Other comprehensive income			
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		-	-
Net current year surplus attributable to members of the entity		-	-
Total comprehensive income attributable to members of the entity		-	-

The accompanying notes form part of these financial statements.

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
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			
Reserves		-	-
Retained surplus		-	-
TOTAL EQUITY		-	-

The accompanying notes form part of these financial statements.

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE
2014

Note	Retained Surplus	Total
	\$	\$
Balance at 1 July 2012		-
Comprehensive income		
Net surplus for the year		-
Other comprehensive income for the year		-
Total comprehensive income attributable		-
to members of the entity	-	-
Balance at 30 June 2013	-	-
Balance as at 1 July 2013		
Comprehensive income		
Net surplus for the year		-
Other comprehensive income for the year		-
Total comprehensive income attributable		-
to members of the entity	-	-
Balance at 30 June 2014	-	-

The accompanying notes form part of these financial statements.

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Contributions (members) received		1,175,146	1,137,517
Payments to suppliers		<u>1,175,146</u>	<u>1,137,517</u>
Net cash provided by/(used in) operating activities		<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		<u>-</u>	<u>-</u>
Net cash provided by/(used in) investing activities		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of borrowings		-	-
Proceeds from borrowings		<u>-</u>	<u>-</u>
Net cash provided by/(used in) financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		-	-
Cash on hand at beginning of financial year		<u>-</u>	<u>-</u>

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 2014

The financial statements cover 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 Fair Work (Registered Organisations) Act 2009.

The financial statements were authorised for issue on 2 September 2014 by the members of the committee of the Association.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Associations Incorporation Reform Act 2012 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The association has applied the Tier 1 reporting requirements as per the Australian Accounting Standard AASB 1053 '*Application of Tiers of Australian Accounting Standards*'.

Accounting Policies

(a) Income Tax

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

(b) Revenue and Other Income

Revenue from members is recognised upon receipt of subscription monies.

Revenue from the rendering of 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.

(c) 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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(d) Comparative Figures

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

Where the association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

(f) New Accounting Standards for Application in Future Periods

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatory applicable to the association and their potential impact on the association when adopted in future periods is discussed below:

- AASB 9: *Financial Instruments (December 2010)* and associated amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

These Standards will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

The key changes that may affect the association on initial application of AASB 9 and associated amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

This standard is not expected to significantly impact the association's financial statements.

- *Other Entities*, AASB 127: *Separate Financial Statements* and AASB 128: *Investments in Associates and Joint Ventures* (as amended by AASB 2012-10: *Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments*), and AASB 2011-7: *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards* (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 10 replaces parts of AASB 127: *Consolidated and Separate Financial Statements* (March 2008, as amended) and Interpretation 112: *Consolidation – Special Purpose Entities*. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. This Standard is not expected to significantly impact the association's financial statements.

AASB 11 replaces AASB 131: *Interests in Joint Ventures* (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed). This Standard is not expected to significantly impact the association's financial statements.

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a 'structured entity', replacing the 'special purpose entity' concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the association's financial statements.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. The revisions made to AASB 127 and AASB 128 are not expected to significantly impact the association's financial statements.

- AASB 2012-3: *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities* (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard provides clarifying guidance relating to the offsetting of financial instruments and is not expected to significantly impact the association's financial statements.

- Interpretation 21: *Levies* (applicable for annual reporting periods commencing on or after 1 January 2014).

Interpretation 21 clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognised, and whether that liability should be recognised in full at a specific date or progressively over a period of time. This Interpretation is not expected to significantly impact the association's financial statements.

- AASB 2013-3: *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets* (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard amends the disclosure requirements in AASB 136: *Impairment of Assets* pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the association's financial statements.

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

Note 2 Revenue and Other Income

	2014	2013
	\$	\$
Other revenue		
— Membership contributions	1,175,146	1,137,517
— Capitation fees	-	-
	<u>1,175,146</u>	<u>1,137,516</u>
Total revenue	<u>1,175,146</u>	<u>1,137,516</u>

No capitation fees have been received in the reporting period.

Note 3 Surplus for the Year

	2014	2013
	\$	\$
a. Expenses		
AHA National Office Contributions	195,949	190,525
Honorariums	65,000	65,000
Administration Fees - Australian Hotel and Hospitality Association Inc.	914,197	881,992
Employee Expenses	-	-
	<u>1,175,146</u>	<u>1,137,517</u>

The Australian Hotels and Hospitality Association Incorporated (AHHA Inc.) being an entity to the Associations Incorporation Reform Act 2012, is contracted by the Australian Hotels Association (Victoria Branch) (AHA(Vic)) to provide services to its members.

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

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

AHA (Vic Branch) did not incur any of the specified expenditure detailed in item 11 of the Reporting Guidelines for Section 253 of Schedule 1 of the Fair Work (Registered Organisations) Act 2009 except as specified above.

Office holders are only paid an honorarium and do not receive wages, salary, leave, super or other entitlements or provisions.

Note 4 Auditors' Fees

	2014	2013
	\$	\$
Remuneration of the auditor of the association for:		
— auditing or reviewing the financial report	1,700	1,700
— taxation services	-	-
— due diligence services	-	-
— taxation services provided by related practice of auditor	-	-
— other services	-	-
	<u>1,700</u>	<u>1,700</u>

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

Note 5 Administration of financial affairs by a third party

This disclosure is made in accordance with Item 34 of the Fair Work Commission reporting guidelines, where administration services are provided to the Registered Organisation by another party.

Where applicable, such disclosure is in accordance with the disclosure requirements of the Australian Accounting Standards, the RO Act and these reporting guidelines.

Name of entity providing service: Australian Hotels & Hospitality Association Inc.

Terms and conditions: The services are provided on a cost recovery basis.

Nature of expenses/consultancy service: The Australian Hotels and Hospitality Association Inc. provides AHA (Victoria Branch) with all administrative and advocacy services.

Detailed breakdown of revenues collected and/or expenses incurred:

	2014	2013
	\$	\$
Revenue		
Membership subscription	1,512,860	1,528,761
Administration fees	914,197	881,992
Levies	424,423	680,494
Interest	21,466	38,949
Rental revenue	20,909	20,909
Events	338,430	344,422
Other revenue	114,145	79,405
Grants and/or donations	-	-
Total Revenue	<u>3,346,430</u>	<u>3,574,932</u>
Expenses		
Employee expense (other than holders of offices)	1,281,087	1,289,936
Capitation fees	-	-
Affiliation fees	-	-
Consideration to employers for payroll deductions	-	-
Campaign costs	55,743	25,598
Fees/allowances - meeting and conferences	158,466	169,921
Conference and meeting expenses	527,863	501,162
Donations greater than \$1,000	214,422	436,400
Grants or donations less than \$1,000	909	1,841
Finance costs	51,181	66,219
Legal costs	2,274	13,442
Audit fees	28,450	26,225
Penalties - via RO Act or RO Regulations	-	-
Depreciation	116,660	118,359
Outsourced services	254,332	253,215
Other expenses	641,074	669,509
Total expenses	<u>3,332,461</u>	<u>3,571,827</u>

Note 6 Events after the Reporting Period

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

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

Note 7 Information to be provided to Members or General Manager

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), (2) and (3) of section 272 which read 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).*

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

Fair Work (Registered Organisations) Act 2009

Note 8 Disclosures under the Reporting guidelines under section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act)

In accordance with the Reporting guidelines made under section 255 of the *Fair Work (Registered Organisations) Act 2009 (the RO Act)*, the following statements are made:

None of the activities identified in paragraphs 10, 11 and 12 of these reporting guidelines have occurred in the reporting period.

None of the activities identified in paragraphs 18, 20, 22 and 24 of these reporting guidelines have occurred in the reporting period.

Note 9 Association Details

The registered office of the association is:

Australian Hotels Association (Victoria Branch)
Level 1, Little Collins Street, Melbourne, Vic 3000

The principal place of business is:

Australian Hotels Association (Victoria Branch)
Level 1, Little Collins Street, Melbourne, Vic 3000


AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION
AND PERFORMANCE OF INCORPORATED ASSOCIATION

We, Peter Burnett, and Michael Burke, being members of the Committee of the Australian Hotels Association (Victoria Branch), certify that -

The statements attached to this certificate, give a true and fair view of the financial position and performance of the Australian Hotels Association (Victoria Branch) during and at the end of the financial year of the association ending on 30 June 2014.

Signed:


Dated:



02.09.2014

Signed:

Dated:



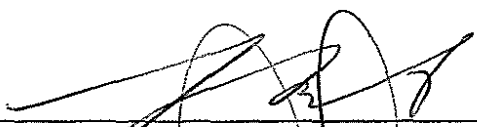
2/09/2014

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
CERTIFICATE BY MEMBERS OF THE COMMITTEE

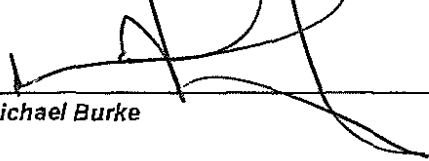
We, Peter Burnett, and Michael Burke, certify that:

- a. We attended the annual general meeting of the association held on _____ ; and
- b. The annual financial statements for the year ended 30 June 2014 were submitted to the members of the association at its annual general meeting.

Dated this _____ day of _____ 2014



Peter Burnett



Michael Burke

AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN: 052 166 015
COMMITTEE OF MANAGEMENT STATEMENT

On the 2 September 2014, the Committee of Management of the Australian Hotels Association (Victoria Branch) passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2014:

The Committee of Management declares 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;
- (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 reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPRF 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 RO Act; 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 revenue has been derived from undertaking recovery of wages activity during the reporting period.

For and on behalf of the Committee of Management

President


PETER BURNETT

Treasurer


MICHAEL BURKE

Dated this

2nd

day of

SEPTEMBER

2014

**AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH) ACN 052 166 015
AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF
THE CORPORATIONS ACT 2001 TO THE MEMBERS OF THE AUSTRALIAN HOTELS
ASSOCIATION (VICTORIA BRANCH)**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Date 3rd September 2014

Name of Partner 

MARK P BARSON

Name of Firm Charman Partners

Address Suite 4
10 - 12 Chapel Street
Blackburn VIC 3130

**AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)
ACN 052 166 015****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN HOTELS ASSOCIATION (VICTORIA BRANCH)****Report on the Financial Report**

We have audited the accompanying financial report of Australian Hotels Association (Victoria Branch) (the Association) which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss, the statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the Association.

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), the *Associations Incorporation Reform Act 2012 (Vic)*, the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 these 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 circumstances, 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, as well as evaluating the overall presentation of the financial report.

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

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

We meet the definition of approved auditor in Regulation 4 of the Fair Work (Registered Organisations) Regulation 2009.

As part of the audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

Independence


In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements and the Fair Work (Registered Organisations) Regulations 2009.

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 FCA

Date:

14th September 2014

Address:

10 - 12 Chapel Street, Blackburn, Victoria 3130