



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672

Mr Neil Randall
President
Australian Hotels Association
Western Australian Branch
PO Box 660
WEST PERTH WA 6872

Dear Mr Randall,

**Re: Financial reports for year ended 30 June 2004 - FR2004/274
Schedule 1B of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial reports of the Western Australian Branch of the Australian Hotels Association for the year ended 30 June 2004. The documents were lodged in the Industrial Registry on 3 December 2004.

The documents have been filed.

Although the documents have been filed, I would like to comment on some issues arising out of the reports. I make these comments to assist you when you next prepare financial reports and you do not need to take any further action in respect of the financial reports already lodged.

Auditor's report

Special purpose financial report

A reporting unit is required by section 253(2) of the RAO Schedule to prepare a general purpose financial report from its financial records.

While in some cases, the contents of a special purpose financial report and a general purpose financial report might not be substantially different, the requirement to prepare a general purpose financial report is quite clear.

The auditor's report indicates that a special purpose financial report was prepared by the organisation instead of a general purpose financial report.

Could you please advise me in writing the reasons for the preparation of a special purpose financial report instead of a general purpose financial report.

Audit opinion

The opinion expressed by the auditor in their report has been drafted in terms of the previous requirements of the Act. Section 257(5) of the RAO Schedule now sets the matters on which an auditor is required to state an opinion. An acceptable wording would be as follows:

“In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the RAO Schedule.”

I have forwarded a copy of this letter to the auditors for their views about these matters.

Operating report

The following deficiencies were noted in the Operating report:

Review of principal activities:

The report should have contained a review of the reporting unit’s principal activities during the financial year, the results of those activities and any significant changes in the nature of the activities. (emphasis added). Could you please ensure that the financial documents contain statements of such activities in the next financial report of the Branch.

Members of the Committee of Management:

The members of the Committee of Management listed in the Operating Report has been noted. However, it would be helpful if the Office Bearers could be identified in the list provided.

Statement of financial performance (profit and loss statement)

Income - Levies:

The reporting guidelines made under section 255 of the RAO Schedule prescribe certain disclosure requirements in addition to those prescribed by Australian Accounting Standards. In relation to levies, item 10(d) of the guidelines reads:

“10 Balances for the following items of revenue must be disclosed by the reporting unit in the notes to the financial statements unless already disclosed on the face of the profit and loss statement in accordance with Australian Accounting Standards:

.....

- (d) compulsory levies raised from the members or as appeals for voluntary contributions for the furtherance of particular purposes - the amount and a brief description of the purpose of each such levy or appeal.”*

I have noted that the statement of financial performance (the profit and loss statement) includes an item shown under Income as “Levies - Western Australian Hotels and Hospitality Association Inc. (Union of Employers)” as revenue from operative activities. It may well be that the branch has not fully complied with the abovementioned guideline should the levies described above be compulsory levies.

Committee of Management Statement

Please note that under item 18(d) of the Reporting Guideline this Statement need only be signed by a designated officer.

Designated Officer's Certificate (Secretary's Certificate)

Your covering letter of 30 November 2004, which is more commonly described as the 'Designated Officer Certificate' or 'Secretary's certificate', does not mention that the documents lodged have also been provided to the members - refer s268(c). A sample certificate for illustrative purposes is at Attachment A.

Should you wish to discuss any of the matters raised in this letter, I may be contacted on (03) 8661 7817 or by email : robert.pfeiffer@air.gov.au.

Yours sincerely



Robert Pfeiffer
Statutory Services Branch

21 March 2005

cc Mr Glyn O'Brien - Horwath Perth
PO Box 700
WEST PERTH WA 6872

Mr Antony Vlahov
Financial Controller



AUSTRALIAN HOTELS ASSOCIATION

Western Australian Branch

38 Parliament Place, West Perth 6005 • PO Box 660, West Perth 6872, Western Australia • Telephone (08) 9321 7701 • Facsimile (08) 9321 7730
Email exec@ahawa.asn.au • Website www.ahawa.asn.au

Bradley Woods
Executive Director

FR 2004/274

30 November 2004

Mr Robert Pfeiffer
Statutory Services Branch
Australian Industrial Registry
Level 36
Nauru House
80 Collins Street
MELBOURNE VIC 3000

Dear Robert

Please find attached a copy of the Financial Report of the Australian Hotels Association (Western Australia Branch) for the year ended 30 June 2004.

I confirm that the report was accepted by the Branch Committee of Management on 23 August 2004 and presented to the Annual General Meeting of members on 26 October 2004.

If you have any further queries do not hesitate to contact Antony Vlahov on 08 9321 7701.

Yours sincerely

Neil Randall
President

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

FINANCIAL REPORT

30 JUNE 2004

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**FINANCIAL REPORT
30 JUNE 2004**

CONTENTS

	Page No
Operating Report	1
Committee of Management's Certificate	2
Independent Audit Report to the Members	3 - 4
Statement of Financial Performance	5
Statement of Financial Position	6
Cash Flow Statement	7
Notes to the Financial Statements	8 - 12

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2004**

**OPERATING REPORT
30 JUNE 2004**

The Australian Hotels Association, Western Australian Branch State President and Executive Director attended several National Executive meetings throughout the year, namely on 5 September 2003, 17 December 2003, 12 February 2004 and 20 May 2004. They also attended the National Accommodation Forum on 4 May 2004. The National Board meeting was held on 27 October 2003.

The members of the Committee of Management throughout the year were as follows:

From 1st July 2003 to 28th July 2003:

Michael Monaghan	John Hall	Neil Randall
Laurie Ayres	David Strom	Robert Dawson
Tony Pallotta	Joe Fisher	Barry Oakley
Glenn Connell	Larry Burkett	Greg Botica
Allan Jeffries	Gil Johnston	Paul Bizzaca
Graham Downs	Bob Ramage	Chris Peos
Tony Villanova		

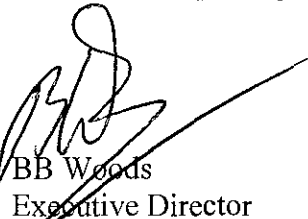
From 29th July 2003 to 28th June 2004

Michael Monaghan	John Hall	Neil Randall
Tony Pallotta	Laurie Ayres	David Strom
David Bornmann	Kelly Peacock	Andrew Gill
Barry Oakley	Allan Jeffries	Ashok Parekh
Ian Jones	Paul Bizzaca	Graham Downs
Bob Ramage	Chris Peos	Tony Villanova

From 29th June 2004 to 30th June 2004

Neil Randall	John Hall	Tony Pallotta
David Strom	David Bornmann	Bob Ramage
Paul Higgins	Martin Peirson-Jones	Fred Lemmone
Allan Jeffries	Barry Oakley	John Rex
Ashok Parekh	Ian Jones	Paul Bizzaca
Graham Downs	Larry Burkett	Glenn Connell

I certify that as at 30 June 2004, the number of members of the Branch was 531. Members have the right to resign from the reporting unit in accordance with Rule 27 of the Constitution and Rules of the reporting unit. The reporting unit employed no employees at 30 June 2004.



BB Woods
Executive Director

Perth, WA
24 August 2004

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2004**

**COMMITTEE OF MANAGEMENT'S CERTIFICATE
30 JUNE 2004**

On 24th August 2004, the Branch Committee of Management of Australian Hotels Association, Western Australian 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 2004:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the 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 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 Branch have been managed in accordance with the rules of the organisation including the rules of the branch concerned; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B of the Workplace Relations Act 1996 (The RAO Schedule) and the Workplace Relations Regulations 2003 (The RAO Regulations); and
 - (iv) where the organisation consists of 2 or more reporting units, 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; and
 - (v) the information sought in any request of a member of the Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Signed of behalf of the Committee of Management.



DN Randall
State President



T Pallotta
Treasurer

Perth, WA
24 August 2004



Horwath

Independent audit report to members of Australian Hotels Association Western Australian Branch

Horwath Perth

ABN 13 412 308 092

Chartered Accountants

A member of Horwath International

128 Hay Street Subiaco WA 6008

PO Box 700 West Perth WA 6872

Email horwath@perth.horwath.com.au

Telephone (08) 9380 8400

Facsimile (08) 9380 8499

Scope

The financial report and directors' responsibility

The financial report, being a special purpose financial report, comprises the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes to the financial statements, and the executive committee's statement for Australian Hotels Association Western Australian Branch ("**the Association**"), for the year ended 30 June 2004.

The executive committee are responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements are appropriate to meet the needs of the members the requirements of the Association's constitution and the Workplace Relations Act 1996 ("the Act"). The executive committee are also responsible for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the Association. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to meet the needs of the members. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the financial reporting requirements under the Association's constitution. We disclaim any assumption of responsibility for any reliance on this audit report, or on the financial report to which it relates, to any person other than the members, or for any purpose other than that for which it was prepared.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the accounting policies described in Note 1, a view which is consistent with our understanding of the Association's financial position, and of its performance as represented by the results of its operations and cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.



Horwath

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit opinion

In our opinion:

- a) The Association provided us with all the information and explanations that the Association is required to provide under section 276 of the Act;
- b) The financial report presents fairly in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of the Association as at 30 June 2004 and its performance for the year then ended; and
- c) There is no evidence to suggest that the Association has contravened or failed to comply with section 272 of the Act during the period.

Dated at Perth on this the 6th day of September 2004.

HORWATH PERTH
Chartered Accountants

HORWATH PERTH

GLYN O'BRIEN

GLYN O'BRIEN
Partner

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2004**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD ENDED 30 JUNE 2004**

	12 months ended 30 June 2004 \$	12 months ended 30 June 2003 \$
INCOME		
Levies - Western Australian Hotels and Hospitality Association Inc. (Union of Employers)	76,310	74,023
Corporate Sponsorship	-	12,300
	76,310	86,323
EXPENSES		
Audit Fees	1,250	1,030
Bank Charges	-	18
Levies - National Body	76,310	74,160
Subscriptions	-	500
National Exec Meetings	334	-
Government Relations	2,000	10,269
	79,894	85,977
NET SURPLUS/ (DEFICIT)	(3,584)	346

The above statement of financial performance should be read in conjunction with the accompanying notes.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2004**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2004**

	30 June 2004 \$	30 June 2003 \$
ACCUMULATED FUNDS		
At beginning of period	14,614	14,268
Net surplus/ (deficit) for period	<u>(3,584)</u>	<u>346</u>
	<u>11,030</u>	<u>14,614</u>
Represented by:		
CURRENT ASSETS		
Cash Assets	4 12,276	17,707
Receivables	4	2,200
Prepaid Expenses	<u>-</u>	<u>150</u>
TOTAL CURRENT ASSETS	<u>12,280</u>	<u>20,057</u>
TOTAL ASSETS	<u>12,280</u>	<u>20,057</u>
CURRENT LIABILITIES		
Payables	-	293
Provisions	-	4,000
Prepaid Income	-	150
Accrued Expenses	<u>1,250</u>	<u>1,000</u>
TOTAL CURRENT LIABILITIES	<u>1,250</u>	<u>5,443</u>
TOTAL LIABILITIES	<u>1,250</u>	<u>5,443</u>
NET ASSETS	<u>11,030</u>	<u>14,614</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2004**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2004**

	Notes	12 months ended 30 June 2004 \$	12 months ended 30 June 2003 \$
Cash flows from operating activities			
Receipts from customers		82,083	94,219
Payments to suppliers and employees		<u>(87,514)</u>	<u>(90,607)</u>
Net cash inflow/(outflow) from operating activities	3	<u>(5,431)</u>	<u>3,612</u>
Cash flows from investing activities			
Payment for non-current assets		-	-
Proceeds from sale of non-current assets		<u>-</u>	<u>-</u>
Net cash outflow from investing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		(5,431)	3,612
Cash at beginning of the financial year	4	<u>17,707</u>	<u>14,095</u>
Cash at end of the financial year		<u><u>12,276</u></u>	<u><u>17,707</u></u>

The above cash flow statement should be read in conjunction with the accompanying notes.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2004**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Consensus View and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

The financial report is prepared for the Australian Hotels Association, Western Australian Branch. The organisation is the State Branch of a federally registered union, domiciled in Australia.

The financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money valuations. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the organisation in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(b) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(c) Adoption of Australian Equivalents to International Financial Reporting Standards

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the end of the current financial year.

The committee are assessing the significance of these changes and preparing for their implementation.

(d) Interest Rate Risk

The organisation's exposure to interest rate risk, which is the risk that financial instruments value will fluctuate as a result of changes in market interest rates, is considered negligible.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2004**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004 (CONTINUED)**

(e) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements. The organisation does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the organisation.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of section 275(5) of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Sections 272(1) and 272(3), which read as follows:

- (1) A member of the Branch, or a Registrar, may apply to the Branch for specified prescribed information in relation to the Branch to be made available to the person making the application.
- (2) The application must be made 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 Branch.
- (3) The Branch must comply with an application made under subsection (1).

3. RECONCILIATION OF NET CASH INFLOW FROM OPERATING ACTIVITIES TO EXCESS/(DEFICIT) OF INCOME OVER EXPENDITURE

	30 June 2004	30 June 2003
	\$	\$
Excess/(Deficit) of income over expenditure	(3,584)	346
Increase/(Decrease) in GST Collected	3,523	-
(Increase)/Decrease in GST Paid	(3,820)	216
(Increase)/Decrease in receivables	40,142	(3,099)
Increase/(Decrease) in prepaid income	(38,092)	2,149
(Increase)/Decrease in prepaid expenses	38,080	(2,000)
Increase/(Decrease) in creditors and accruals	(37,680)	2,000
Increase/(Decrease) in provisions	(4,000)	4,000
	(5,431)	3,612

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2004**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004 (CONTINUED)**

4. CASH ASSETS

	30 June 2004	30 June 2003
Cash at bank	\$ 12,276	\$ 17,707

5. RELATED PARTY TRANSACTIONS

The following persons have held office in the Australian Hotels Association, Western Australian Branch during the year:

Neil Randall	President / Treasurer
John Hall	Senior Vice President
Tony Pallotta	Treasurer
David Strom	Vice President / Divisional President
David Bornmann	Accommodation Division President
Allan Jeffries	Ordinary Member
Ashok Parekh	Ordinary Member
Ian Jones	Ordinary Member
Paul Bizzaca	Ordinary Member
Graham Downs	Ordinary Member
Robert Ramage	Ordinary Member / Divisional President
Barry Oakley	Ordinary Member / Divisional President
John Rex	Ordinary Member
Larry Burkett	Ordinary Member
Glenn Connell	Ordinary Member
Paul Higgins	Divisional President
Martin Peirson-Jones	Divisional President
Fred Lemmone	Divisional President
Michael Monaghan	President
Laurie Ayres	Divisional President
Kelly Peacock	Divisional President
Andrew Gill	Divisional President
Chris Peos	Ordinary Member
Tony Villanova	Ordinary Member
Robert Dawson	Accommodation Division President
Gil Johnston	Ordinary Member
Joe Fisher	Ordinary Member

There were no other transactions between the officers and the Branch during the reporting period.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2004**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004 (CONTINUED)**

6. REMUNERATION OF OFFICERS

	30 June 2004	30 June 2003
	\$	\$
Income paid or payable to officers during the year	<u>Nil</u>	<u>Nil</u>

7. SEGMENT REPORTING

The Branch operates predominantly in one business and geographical segment, in its capacity to provide services to members of the Branch throughout Western Australia.

8. CAPITAL COMMITMENTS

At the date of signing this report there are no known outstanding capital commitments.

9. CONTINGENT LIABILITIES

At the date of signing this report there are no known contingent liabilities that would have a material effect on the presentation of the annual financial statements.

10. EVENTS SUBSEQUENT TO REPORTING DATE

At the date of signing this report no known events have occurred subsequent to the reporting date which would have a material effect on the financial position of the Branch.

11. GEOGRAPHICAL LOCATION

The Branch operates from 38 Parliament Place, West Perth in the State of Western Australia.

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2004**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004 (CONTINUED)**

12. EMPLOYEE NUMBERS

	30 June 2004	30 June 2003
Number of employees at the end of the financial year	<u>Nil</u>	<u>Nil</u>



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672

Mr Glyn O'Brien
Horwath Perth
PO Box 700
WEST PERTH WA 6008

Dear Mr O'Brien,

Re: Financial reports for year ended 30 June 2004 - FR2004/274
Schedule 1B of the Workplace Relations Act 1996 (RAO Schedule)

Thank you for your response of 30 March 2005 in relation to the financial reports of the Western Australian Branch of the Australian Hotels Association for the year ended 30 June 2004.

Your comments have been noted. No further action is requested from your organisation in relation to the above financial reports.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R. Pfeiffer'.

Robert Pfeiffer
Statutory Services Branch

5 April 2005



Horwath

Horwath Perth

ABN 13 412 308 092

Chartered Accountants

A member of Horwath International

128 Hay Street Subiaco WA 6008

PO Box 700 West Perth WA 6872

Email horwath@perth.horwath.com.au

Telephone (08) 9380 8400

Facsimile (08) 9388 7068

REF: 9AUST12/AUD/RAT/IRC RESPONSE

30 March 2005

Mr. Neil Randall
Australian Industrial Registry
Statutory Services Branch
GPO Box 1994S
MELBOURNE VIC 3001

*Neil Randall
30/3/05*

Dear Mr. Randall

AUSTRALIAN HOTELS ASSOCIATION (WA BRANCH)

In response to your query regarding the audit report to the financial report of the abovementioned organisation, please find our comments as follows:

Special purpose financial report

Please note that as required by S. 253(2) of the RAO Schedule, a general purpose financial report was prepared and lodged with the Australian Industrial Registry.

Due to an oversight during the preparation of the audit report, the financial report was incorrectly referred to as a 'special purpose financial report' when in fact it was a general purpose financial report.

We have noted this error and will ensure that the audit report for the year ended 30 June 2005 is correct.

Audit opinion

We recognise that the wording of the audit opinion was incorrectly drafted in terms of the previous requirements of the Act. This was due to an oversight during the preparation.

We have noted this error and will ensure that the audit report for the year ended 30 June 2005 is correct.

As per your letter we have not taken any further action in relation to the above issues for the year ended 30 June 2004.



Should you have any queries then please do not hesitate to contact me on 9380 8405.

Yours faithfully

HORWATH PERTH

Chartered Accountants

HORWATH PERTH

GLYN O'BRIEN

Partner

CC Mr. Antony Vlahov
Australian Hotels Association
WA Branch
PO Box 660
WEST PERTH WA 6872

Enclosure