



Australian Government

Australian Industrial Registry

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Melbourne, VIC 3000
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Telephone: (03) 8661 7777
Fax: (03) 9654 6672
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Mr Neil Randall
President
Western Australian Branch
Australian Hotels Association
PO Box 660
PERTH WA 6872

Dear Mr Randall,

**Financial Reports for Year Ended 30th June 2005 - FR2005/244
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 30th June 2005. The documents were lodged in the Industrial Registry on 8th December 2005. Please excuse the delay in responding to you, our attention in recent months has been diverted to the new Workchoices legislation.

The documents have been filed.

Although the documents have been filed, I would like to comment upon 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.

Operating Report – Designated Officer

The Operating Report has been signed by Mr B Woods, who is identified underneath the signature as the Branch's Executive Director. Further, rule 21(a) of the Branch's Rules provides that the Committee of Management shall *appoint* an Executive Officer of the Branch on such terms and conditions as to salary and otherwise as it shall think proper. This suggests that Mr Woods is not an elected office holder of the Branch.

Section 254(1) of the RAO Schedule requires the *Committee of Management* to prepare the Operating Report. Section 254(3) clarifies this by stating that the Report may be prepared by either the Committee of Management 'or a designated officer' (that is, an *elected* office holder – see section 243 of the RAO Schedule; see also sections 6 and 9 regarding the definitions of 'office' and 'officer').

While I appreciate we did accept Mr Wood's Operating Report last financial year, you are requested to ensure that an elected office holder from the Branch signs future Operating Reports and (so as to avoid any doubt) that it is clear on the face of the document which office the individual holds.

Operating Report – Review of Principal Activities

The Operating Report sets out some meetings which were attended by the State President and Executive Director, notes that a National Board meeting was held and that the Branch collected and then remitted levies.

Section 254(2)(a) of the RAO Schedule requires the Committee of Management to prepare an Operating Report which must:

- (a) contain a review of the reporting unit's principal activities during the year, the results of those activities and any significant changes in the nature of those activities during the year; (emphasis added)

In order to comply with the requirements of section 254(2)(a) in future years, you are requested to provide more detail addressing the three components of the paragraph which have been underlined in the extract above.

Operating Report – Superannuation Trustees

The Operating Report is required to state whether any officer or member of the Branch is a trustee of a superannuation entity (or a director of a company that is a trustee of a superannuation entity) – see section 254(2)(d) of the RAO Schedule.

In the event that no officer or member of the Branch is a trustee or director of a superannuation entity, the Operating Report should include a comment to this effect.

General Purpose Financial Report

I note that, in response to the Registry's comments regarding the financial documents that were lodged for the year ended 30th June 2004, an item of *income* which was previously itemised as 'Levy' has been reclassified to 'Subscriptions'. Requirements regarding disclosure of items of revenue or income are set out in the Registrar's Reporting Guidelines at Guideline 10.

There is still, however, an item of *expense* listed in the Statement of Financial Performance as 'Levies – National Body'. It is also stated in the Operating Report that 'the organisation collected levies through the year from Western Australian Hotels and Hospitality Association Incorporated (Union of Employers) and forwarded them to the National Office of the Australian Hotels Association'.

When preparing a GPFR, Guideline 11 of the Reporting Guidelines sets out in detail those items of expense that must be disclosed by a reporting unit either in the notes to, or on the face of, a financial statement. In particular, Item 11(e) of the Guidelines requires disclosure, with respect to each levy, of the amount, the name of the entity imposing the levy and a '*brief description of purpose*'.

In order to fully comply with Guideline 11(e) in future, would you please also include a brief description of the purpose of the levy which is paid to the National Office.

General Purpose Financial Report - Notice Under Sections 272(1), (2) and (3)

While the correct subsections of the RAO Schedule have been included in the GPFR, there are two small typographical errors needing correction regarding the Notice under section 272(5) of the RAO Schedule:

- The correct reference is to section 272(5) of Schedule 1B of the Workplace Relations Act 1996 (not section 275(5), as appears on page 9 of the Notes); and
- Specific reference to section 272(2) has inadvertently been missed (although that section is correctly extracted in the Notes).

Please do not hesitate to contact me by email at robert.pfeiffer@air.gov.au or on (03) 8661 7817 if you wish to discuss this letter.

A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/024Nwa>.

Yours sincerely,



Robert Pfeiffer
Statutory Services Branch

14 July 2006



Australian Hotels Association
WESTERN AUSTRALIA

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5 December 2005

FR2605/244

Rec'd 8/12/05

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

Dear Robert

Designated Officer Certificate

I, David Neil Randall, being the President of the Australian Hotels Association (Western Australian Branch) certify:

- That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- That the full report was provided to the members on 23rd September 2005; and
- That the full report was presented to a general meeting of members of the reporting unit on 25th October 2005; in accordance with s266 of the RAO Schedule.

Yours sincerely

**Neil Randall
President**

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**FINANCIAL REPORT
30 JUNE 2005**

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH**

**FINANCIAL REPORT
30 JUNE 2005**

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**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2005**

**OPERATING REPORT
30 JUNE 2005**

The Australian Hotels Association, Western Australian Branch State President and Executive Director attended several National Executive meetings throughout the year, namely on 19 August 2004, 25 November 2004, 24 February 2005 and 20 May 2005. The National Board meeting was held on 11 October 2004. The organisation collected levies throughout the year from Western Australian Hotels and Hospitality Association Incorporated (Union of Employers) and forwarded them to the National Office of the Australian Hotels Association. There were no significant changes to the operations of the Association during the year.

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

Neil Randall	President
John Hall	Senior Vice President
David Strom	Junior Vice President
Tony Pallotta	Treasurer
David Bornmann	Accommodation Division President
Martin Peirson-Jones	Country Representative
Fred Lemmone	Country Representative
Bob Ramage	Divisional President
Paul Higgins	Divisional President
Allan Jeffries	Councillor
Barry Oakley	Councillor
John Rex	Councillor
Ashok Parekh	Councillor
Ian Jones	Councillor
Paul Bizzaca	Councillor
Graham Downs	Councillor
Larry Burkett	Councillor
Glenn Connell	Councillor
Gil Johnston	Councillor

I certify that as at 30 June 2005, the number of members of the Branch was 538. 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 2005.



BB Woods
Executive Director

Perth, WA
9 August 2005

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2005**

**COMMITTEE OF MANAGEMENT'S CERTIFICATE
30 JUNE 2005**

On 9th August 2005, 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 2005:

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

Perth, WA
9 August 2005



**Independent audit report to members of
Australian Hotels Association
(Western Australia Branch)**

Horwath Audit (WA) Pty Ltd

ABN 79 112 284 787

Chartered Accountants

A member of Horwath International

128 Hay Street Subiaco WA 6008

PO Box 700 West Perth WA 6872

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Scope

The financial report and directors' responsibility

The 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 Australia Branch) ("**the Branch**"), for the year ended 30 June 2005.

The executive committee are responsible for the preparation and true and fair presentation of the financial report. This includes responsibility 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 Branch. 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.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the application of all Accounting Standards and other mandatory professional reporting requirements in Australia, a view which is consistent with our understanding of the Branch's financial position, and of its performance as represented by the results of its operations and cash flows.

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 the financial report presents fairly, in accordance with applicable Accounting Standards, the Workplace Relations Act 1996 and other mandatory financial reporting requirements in Australia, the financial position of the Australian Hotels Association (Western Australia Branch) as at 30 June 2005 and the results of its operations and its cash flows for the year then ended.

Dated at Perth on this the 15th day of August 2005.

HORWATH
Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read "AG Bevan", written over a horizontal line.

AG BEVAN
Director

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2005**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD ENDED 30 JUNE 2005**

	12 months ended 30 June 2005 \$	12 months ended 30 June 2004 \$
INCOME		
Subscriptions - Western Australian Hotels and Hospitality Association Inc. (Union of Employers)	76,184 <hr style="width: 100%;"/>	76,310 <hr style="width: 100%;"/>
	76,184	76,310
EXPENSES		
Audit Fees	1,294	1,250
Bank Charges	22	-
Levies - National Body	76,160	76,310
National Exec Meetings	-	334
Government Relations	-	2,000
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	77,476	79,894
NET SURPLUS/ (DEFICIT)	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	(1,292)	(3,584)

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 2005**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005**

	30 June 2005 \$	30 June 2004 \$
ACCUMULATED FUNDS		
At beginning of period	11,030	14,614
Net surplus/ (deficit) for period	<u>(1,292)</u>	<u>(3,584)</u>
	<u>9,738</u>	<u>11,030</u>
Represented by:		
CURRENT ASSETS		
Cash Assets	4 17,987	12,276
Receivables	5	4
Prepaid Expenses	<u>-</u>	<u>-</u>
TOTAL CURRENT ASSETS	<u>17,992</u>	<u>12,280</u>
TOTAL ASSETS	<u>17,992</u>	<u>12,280</u>
CURRENT LIABILITIES		
Accrued Expenses	<u>8,254</u>	<u>1,250</u>
TOTAL CURRENT LIABILITIES	<u>8254</u>	<u>1,250</u>
TOTAL LIABILITIES	<u>8,254</u>	<u>1,250</u>
NET ASSETS	<u>9,738</u>	<u>11,030</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 2005**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2005**

	Notes	12 months ended 30 June 2005 \$	12 months ended 30 June 2004 \$
Cash flows from operating activities			
Receipts from customers		83,800	82,083
Payments to suppliers and employees		<u>(78,089)</u>	<u>(87,514)</u>
Net cash inflow/(outflow) from operating activities	3	<u>5,711</u>	<u>(5,431)</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		5,711	(5,431)
Cash at beginning of the financial year	4	<u>12,276</u>	<u>17,707</u>
Cash at end of the financial year		<u><u>17,987</u></u>	<u><u>12,276</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 2005**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

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 2005**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (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 2005	30 June 2004
	\$	\$
Excess/(Deficit) of income over expenditure	(1,292)	(3,584)
Increase/(Decrease) in GST Collected	(6,952)	3,523
(Increase)/Decrease in GST Paid	6,951	(3,820)
(Increase)/Decrease in receivables	-	40,142
Increase/(Decrease) in prepaid income	-	(38,092)
(Increase)/Decrease in prepaid expenses	-	38,080
Increase/(Decrease) in creditors and accruals	7,004	(37,680)
Increase/(Decrease) in provisions	-	(4,000)
	5,711	(5,431)

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2005**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)**

4. CASH ASSETS

	30 June 2005	30 June 2004
Cash at bank	\$ 17,987	\$ 12,276

5. RELATED PARTY TRANSACTIONS

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

Neil Randall	President
John Hall	Senior Vice President
David Strom	Junior Vice President
Tony Pallotta	Treasurer
David Bornmann	Accommodation Division President
Martin Peirson-Jones	Country Representative
Fred Lemmone	Country Representative
Bob Ramage	Divisional President
Paul Higgins	Divisional President
Allan Jeffries	Councillor
Barry Oakley	Councillor
John Rex	Councillor
Ashok Parekh	Councillor
Ian Jones	Councillor
Paul Bizzaca	Councillor
Graham Downs	Councillor
Larry Burkett	Councillor
Glenn Connell	Councillor
Gil Johnston	Councillor

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

**AUSTRALIAN HOTELS ASSOCIATION
WESTERN AUSTRALIAN BRANCH
FINANCIAL REPORT - 30 JUNE 2005**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)**

6. REMUNERATION OF OFFICERS

	30 June 2005	30 June 2004
	\$	\$
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 2005**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)**

12. EMPLOYEE NUMBERS

	30 June 2005	30 June 2004
Number of employees at the end of the financial year	<u>Nil</u>	<u>Nil</u>