



28 November 2018

Mr David Randall  
President, Western Australian Branch  
Australian Hotels Association

Dear Mr Randall

**Re: – Financial reporting – Australian Hotels Association, Western Australian Branch - for year ending 30 June 2018 (FR2018/161)**

I refer to the financial report of the Australian Hotels Association, Western Australian Branch in respect of the year ending 30 June 2018. The documents were lodged with the Registered Organisations Commission ('the ROC') on 16 October 2018.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether 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 the report for year ending 30 June 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. However, I make the following comments to assist when preparing the next report.

Officer's declaration statement – to include all nil activity disclosures not elsewhere disclosed.

Item 21 of the reporting guidelines states that if any activities identified within items 10-20 have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in an officer's declaration statement. The officer's declaration statement included several nil activity disclosures for which there was already an equivalent form of nil disclosure in the body of the notes or financial statements. The duplicated disclosures were:

- RG 13(b) - receive any other revenue from another reporting unit (Note 4)
- RG 13(c) - receive revenue via compulsory levies (Note 4)
- RG 13(d) - receive donations or grants (P&L, Note 4)
- RG 13(e) - receive revenue from undertaking recovery of wages activity (P&L)
- RG 14(a) - incur fees as consideration for employers making payroll deductions of membership subscriptions (Note 5)
- RG 14(e)(i) - pay a grant that was \$1,000 or less (Note 5<sup>1</sup>)
- RG 14(e)(ii) - pay a grant that exceeded \$1,000 (Note 5)
- RG 14(e)(iii) - pay a donation that was \$1,000 or less (Note 5)
- RG14(e)(iv) - pay a donation that exceeded \$1,000 (Note 5)

<sup>1</sup> The single nil balance in Note 5 for "Donations or grants" is taken to signify that there were no donations or grants for all of the amount sub-categories.

- RG 14(h) - pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit (Note 5)
- RG 14(i) - incur expenses due to holding a meeting as required under the rules of the organisation (Note 5)
- RG14(j)(i) – pay legal costs relating to litigation (Note 5<sup>2</sup>)
- RG 14(j)(ii) - pay legal costs relating to other legal matters (Note 5)
- RG 14(k) - pay a penalty imposed under the RO Act or the Fair Work Act 2009 (Note 5)
- RG 15(a) - have a receivable with other reporting unit(s) (Note 7)
- RG 15(b) - have a payable with other reporting unit(s) (Note 8)
- RG 16(a) - have a payable to an employer for that employer making payroll deductions of membership subscriptions (Note 8)
- RG 16(b)(i) - have a payable in respect of legal costs relating to litigation (Note 8<sup>2</sup>)
- RG 16(b)(ii) - have a payable in respect of legal costs relating to other legal matters (Note 8)
- RG 17(a) - have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch (Note 12)
- RG 19 - have another entity administer the financial affairs of the reporting unit (Note 21)

Please note that it is not necessary that all nil activities be disclosed in a particular part of the general purpose financial report, but each only needs to be disclosed once within the report.

#### Audit scope to include officer's declaration statement

Where some or all nil activity disclosures are contained in an officer's declaration statement, in accordance with reporting guideline 21, the officer's declaration statement also forms part of a general purpose financial report prepared under section 253 of the RO Act (see subsection 253(2)(c) of the RO Act.)

Please also note that an officer's declaration statement must, where one is prepared, be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

An officer's declaration statement was included in the copy of the documents lodged with the ROC but the auditor did not refer to the statement in the auditor's report.

#### Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 Reporting Guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (02) 6746 3283 or by email at [stephen.kellett@roc.gov.au](mailto:stephen.kellett@roc.gov.au).

Yours faithfully



Stephen Kellett  
Financial Reporting  
Registered Organisations Commission

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<sup>2</sup> per previous footnote 1



**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**FINANCIAL REPORT  
30 JUNE 2018**

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**FINANCIAL REPORT  
30 JUNE 2018**

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## INDEPENDENT AUDITOR'S REPORT

To the members of Australian Hotels Association (WA Branch)

### Opinion

We have audited the financial report of Australian Hotels Association (WA Branch) (the Reporting Unit), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the subsection 255(2A) report, and the committee of management's statement.

In our opinion:

- a) the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Hotels Association (WA Branch) as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:
  - a. the Australian Accounting Standards; and
  - b. any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009; and
- b) No revenue was derived by Australian Hotels Association (WA Branch) from undertaking recovery of wages activity during the year ended 30 June 2018; and
- c) The use of the going concern basis of accounting in the preparation of these financial statements by Australian Hotels Association (WA Branch) is appropriate.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Reporting Unit in accordance with the auditor independence requirements of the *Fair Work (Registered Organisations) Act 2009* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Fair Work (Registered Organisations) Act 2009*, which has been given to the Committee of Management, would be in the same terms if given to the directors as at the time of this auditor's report.

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



### Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Committee of Management for the Financial Report

The Committee of Management are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management are responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one



resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

The Registered Organisation has not undertaken any recovery of wages activity during the reporting period, as detailed in the Committee of Management Statement, therefore no opinion has been provided in relation to recovery of wages activity.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

As required by the *Fair Work (Registered Organisations) Act 2009*, I declare that I am an approved auditor as defined in the act, I am a member of Chartered Accountants Australia and New Zealand, and that I hold a current certificate of public practice.

**Alastair Abbott, CA**

Registered Company Auditor number: 486826

Auditor registration number (as registered under the Fair Work (Registered Organisations) Act 2009): AA2017/43

**Director, Australian Audit**

Perth, Western Australia

**Dated:** 28 August 2018



**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER  
For the year ended 30 June 2018**

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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 for Australian Hotels Association (Western Australian Branch) for the period ended 30 June 2018 referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to the members on 14 September 2018 in accordance with s.265 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was presented to a general meeting of members of the reporting unit on 15<sup>th</sup> October 2018 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.



DN Randall  
President

Perth, WA  
15<sup>th</sup> October 2018



**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**EXPENDITURE REPORT REQUIRED UNDER SUBSECTION 255(2A)  
FOR THE YEAR ENDED 30 JUNE 2018**

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The Branch Committee of Management presents this expenditure report as required under subsection 255(2A) of the Fair Work (RO) Act 2009 on the Reporting Unit for the year ended 30 June 2018.

	<b>30 June 2018 \$</b>	<b>30 June 2017 \$</b>
Remuneration and other employment-related costs and expenses – employees	-	-
Advertising	-	-
Operating costs	-	-
Donations to political parties	-	-
Legal costs	-	-
	<u>-</u>	<u>-</u>



DN Randall  
President

Perth, WA  
14<sup>th</sup> August 2018

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**OPERATING REPORT  
30 JUNE 2018**

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The Branch Committee of Management presents its Operating Report on the Reporting Unit for the year ended 30 June 2018.

**Principal activities**

The Branch collects capitation fees from Western Australian Hotels and Hospitality Association Incorporated (Union of Employers) and forwards them to the National Body of the Australian Hotels Association and Tourism Accommodation Australia to ensure Western Australia's involvement and affiliation with the national hotel and hospitality network.

**Significant changes**

There were no significant changes to the operations or financial affairs of the Reporting Unit during the year.

**Branch Committee of Management**

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

Neil Randall	President	1/7/17 to 30/6/18
Martin Peirson-Jones	Senior Vice President	1/7/17 to 30/6/18
Sean Reid	Vice President	19/6/18 to 30/6/18
Sean Reid	Treasurer	1/7/17 to 19/6/18
Ashok Parekh	Treasurer	19/6/18 to 30/6/18
Ashok Parekh	Vice President	1/7/17 to 19/6/18
Andrew Cairns	Accommodation Division President	1/7/17 to 19/6/18
David Bornmann	Branch Committee of Management	19/6/18 to 30/6/18
Tim Osborne	Branch Committee of Management	1/7/17 to 19/6/18
Grady Patching	Branch Committee of Management	19/6/18 to 30/6/18
Robert Ramage	Branch Committee of Management	1/7/17 to 30/6/18
Laurie Ayers	Divisional President	1/7/17 to 30/6/18
Nicholas Bond	Divisional President	1/7/17 to 30/6/18
Craig Brown	Divisional President	19/6/18 to 30/6/18
John Gastev	Divisional President	1/7/17 to 19/6/18
Rob Gough	Divisional President	1/7/17 to 30/6/18
Brian King	Divisional President	19/6/18 to 30/6/18
Sebastien Lepoittevin	Divisional President	1/7/17 to 19/6/18
Ben Rasheed	Divisional President	1/7/17 to 30/6/18
Michael Scott	Divisional President	1/7/17 to 30/6/18
Lyndon Waples	Divisional President	1/7/17 to 30/6/18

**Officers who are directors of a company that is a superannuation fund trustee**

Neil Randall, President, is an Alternate Director of HostPlus Pty Ltd which is a company that is a trustee of a superannuation fund.

**Number of members**

As at 30 June 2018, the number of members recorded in the Register of Members of the Branch was 547.

**Right of members to resign**

Members may resign from the reporting unit in accordance with Rule 27 of the Rules of the Branch, and section 174 of the Fair Work (Registered Organisations) Act 2009.

AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH

OPERATING REPORT  
30 JUNE 2018 (continued)

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**Number of employees**

The reporting unit employed no employees at 30 June 2018.



DN Randall  
President

Perth, WA  
14<sup>th</sup> August 2018

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**COMMITTEE OF MANAGEMENT'S STATEMENT  
30 JUNE 2018**

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On 14<sup>th</sup> August 2018, 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) for the year ended 30 June 2018:

The Branch 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 any other reporting requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (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 GPFR relates and since the end of that year:
  - (i) meetings of the branch committee of management were held in accordance with the rules of the organisation including the rules of the branch; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) 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) no information has been sought by any member of the reporting unit or Commissioner under section 272 of the RO Act; and
  - (vi) there have been no orders to inspect the financial records made by the Registered Organisations Commission under section 273 of the RO Act.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the Branch Committee of Management.



DN Randall  
President

Perth, WA  
14<sup>th</sup> August 2018

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	30 June 2018 \$	30 June 2017 \$
<b>REVENUE</b>			
Membership subscriptions	4	105,449	105,449
Grants and/or donations	4	-	-
Revenue from recovery of wages activity		-	-
Sundry income		1,600	1,550
		107,049	106,999
<b>EXPENSES</b>			
Audit fees		1,600	1,550
Levies - National Body	5	105,449	105,449
		107,049	106,999
<b>NET SURPLUS / (DEFICIT)</b>		-	-

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2018**

	Notes	30 June 2018 \$	30 June 2017 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7a	554	554
Trade and other receivables	7b	-	-
Accrued income		<u>1,600</u>	<u>1,425</u>
<b>TOTAL CURRENT ASSETS</b>		<u>2,154</u>	<u>1,979</u>
<b>TOTAL ASSETS</b>		<u>2,154</u>	<u>1,979</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	-	-
Accrued expenses	8	<u>1,600</u>	<u>1,425</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,600</u>	<u>1,425</u>
<b>TOTAL LIABILITIES</b>		<u>1,600</u>	<u>1,425</u>
<b>NET ASSETS</b>		<u>554</u>	<u>554</u>
<b>MEMBERS' FUNDS</b>			
Accumulated funds		554	554
Net surplus for period		<u>-</u>	<u>-</u>
<b>TOTAL MEMBERS' FUNDS</b>		<u>554</u>	<u>554</u>

AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018

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	Notes	Retained Earnings \$	Total \$
<b>Balance as at 1 July 2016</b>		554	554
Net surplus for the financial year		-	-
<b>Closing balance as at 30 June 2017</b>		554	554
Net surplus for the financial year		-	-
<b>Closing balance as at 30 June 2018</b>	12	<u>554</u>	<u>554</u>



**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2018**

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	Notes	30 June 2018 \$	30 June 2017 \$
<b>Cash flows from operating activities</b>			
Receipts from customers	13	106,874	106,874
Payments to suppliers	14	<u>(106,874)</u>	<u>(106,874)</u>
<b>Net cash from operating activities</b>	15	<u>-</u>	<u>-</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		-	-
Cash and cash equivalents at the beginning of the year	7a	<u>554</u>	<u>554</u>
<b>Cash and cash equivalents at the end of the year</b>		<u><u>554</u></u>	<u><u>554</u></u>

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

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**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards and other authoritative pronouncements of the Australian Accounting Standards Board as well as the requirements of the Fair Work (Registered Organisations) Act 2009 as amended.

The financial report is prepared for the Australian Hotels Association, Western Australian Branch, a not-for-profit entity. The organisation is the State Branch of a federally registered union of employers, 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 functional and presentation currency of AHA(WA) is Australian dollars. All figures presented in the financial statements are rounded to the nearest Australian dollar.

AASB 1053 Application of Tiers of Australian Accounting Standards has been adopted in accordance with the Fair Work (Registered Organisations) Act 2009. In accordance with the Reporting Guidelines, Tier 1 reporting has been applied.

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) Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

**(b) Cash and cash equivalents**

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

**(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. 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.

**(d) Trade and other receivables**

Trade debtors are recognised and income is recorded on an accruals basis of accounting. All trade debtors are recognised at the amounts receivable, as they are due for settlement no more than 30 days from the date of recognition. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubt as to collection exists.

**(e) Trade and other payables**

These amounts represent liabilities for goods and services provided to the organisation prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(f) Interest rate risk exposure**

The Association'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.

**(g) Capitation fees and levies**

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

**(h) Credit risk exposure**

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.

**(i) Income tax**

Australian Hotels Association (WA Branch) is exempt from income tax under section 50.15 of the Income Tax Assessment Act 1997 however still has an obligation for Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

**(j) New Accounting Standards for application in future periods**

An assessment of Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the association and their potential impact on the association when adopted in future periods is discussed below:

- *AASB 15: Revenue from Contracts with Customers*

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied.

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(j) New Accounting Standards for application in future periods (continued)**

- AASB 15: *Revenue from Contracts with Customers* (continued)

Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Association will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the association.

- AASB 1058 Income of Not-for-Profit Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations. The significant accounting requirements of AASB 1058 are as follows: Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards. Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

Although members of the branch committee of management anticipate that the adoption of AASB 1058 may have an impact on the association's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

**(k) Significant accounting judgments and estimates**

The branch committee of management has not identified any significant accounting judgements or estimates which are material and would require disclosure in the financial report.

**2. GOING CONCERN**

The reporting unit's ability to continue as a going concern is not reliant on the financial support of another reporting unit.

**3. 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.

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

**4. REVENUE**

	<b>30 June 2018</b>	<b>30 June 2017</b>
	<b>\$</b>	<b>\$</b>
Membership subscriptions – WA Hotels & Hospitality Assoc Inc (Union of Employers)	105,149	105,149
Affiliation fee - WA Hotels & Hospitality Assoc Inc (Union of Employers)	300	300
Other members levies	-	-
Donations or grants	-	-
Financial support from other reporting units	-	-
	<b>105,449</b>	<b>105,449</b>

**5. EXPENSES**

	<b>30 June 2018</b>	<b>30 June 2017</b>
	<b>\$</b>	<b>\$</b>
General levy – AHA National Body	49,489	49,489
Levies - Tourism Accommodation Australia	55,660	55,660
Affiliation fee – AHA National Body	300	300
Expenses for payroll deductions	-	-
Affiliation fees to political parties	-	-
Donations or grants	-	-
Employee expenses of officeholders	-	-
Other employee expenses	-	-
Fees and allowances	-	-
Meeting expenses	-	-
Legal expenses	-	-
Penalties	-	-
	<b>105,449</b>	<b>105,449</b>

**6. LEVIES**

**Tourism Accommodation Australia**

The National Body of the Australian Hotels Association charges each state branch a levy to fund the Accommodation Division known as Tourism Accommodation Australia (TAA). TAA is the national identity to publicly represent and lobby specifically for accommodation hotels separately from the AHA's general hospitality members.

**7. CURRENT ASSETS**

**7a. Cash and cash equivalents**

Cash at bank	<b>554</b>	<b>554</b>
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**7b. Trade and other receivables**

No amounts were receivable from another reporting unit at 30 June 2018.

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

**8. CURRENT LIABILITIES**

Trade and other payables	-	-
Accrued expenses	1,600	1,425
Employer payroll deductions	-	-
Legal expenses	-	-
Employee provisions of officeholders	-	-
Other employee provisions	-	-
	1,600	1,425

No amounts were payable to another reporting unit at 30 June 2018.

**9. OFFICER AND RELATED PARTY DISCLOSURES**

In accordance with Chapter 9, Part 2A of the Fair Work (Registered Organisations) Act 2009, the following disclosure is made:

Officers who received relevant remuneration during the disclosure period being 1 January to 31 December 2017, because the officer is a member of a board, only because the officer is an officer of the Branch of the Australian Hotels Association:

Officer's Name	Board Office or Related Party	Remuneration from board position
Neil Randall	HostPlus	\$ 34,500

During the reporting period, the reporting unit did not make any payments to any related parties.

**10. RELATED PARTY TRANSACTIONS**

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

Neil Randall	President
Martin Peirson-Jones	Senior Vice President
Sean Reid	Vice President
Ashok Parekh	Treasurer
Andrew Cairns	Accommodation Division President
David Bornmann	Branch Committee of Management
Brian King	Branch Committee of Management
Tim Osborne	Branch Committee of Management
Grady Patching	Branch Committee of Management
Robert Ramage	Branch Committee of Management
Laurie Ayers	Divisional President
Nicholas Bond	Divisional President
Craig Brown	Divisional President
John Gastev	Divisional President
Rob Gough	Divisional President
Sebastien Lepoittevin	Divisional President
Ben Rasheed	Divisional President
Michael Scott	Divisional President
Lyndon Waples	Divisional President

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



**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)**

**11. RELATIONSHIP WITH STATE REGISTERED ORGANISATION**

Members are members of both the AHA(WA) and the Western Australian Hotels & Hospitality Association Incorporated (Union of Employers) ("WAHHA") entities concurrently, but pay membership fees only to WAHHA. WAHHA collects fees on behalf of AHA(WA) and remits these according to the capitation fee formula. AHA(WA) then pays a capitation fee to the National Office of the Australian Hotels Association ("AHA").

AHA(WA) and WAHHA are not related parties for the purposes of the Fair Work (Registered Organisations) Act 2009 as defined by section 9B.

AHA(WA) is dependent on WAHHA only for the administrative collection of the fees from members. If WAHHA ceased collection of fees from members, AHA(WA) could levy and collect these fees in its own right. The security of AHA(WA) on WAHHA is to the extent of the administrative collection of membership fees.

Subscriptions of \$105,449 were received during the year from WAHHA to pay capitation fees to the AHA. The amount of the capitation fee is set by the National Office each year and is calculated based on a proportion of total population.

As at 30 June 2018, no amount was payable to the National Body.

**12. CHANGES IN EQUITY**

No separate funds have been established for any purpose by the reporting unit and no funds have been levied from the members during the year.

**13. CASH INFLOWS FROM STATE REGISTERED ORGANISATION**

	<b>30 June 2018</b>	<b>30 June 2017</b>
	<b>\$</b>	<b>\$</b>
Western Australian Hotels & Hospitality Association Inc (Union of Employers)	<u>107,049</u>	<u>105,449</u>

**14. CASH OUTFLOWS TO ANOTHER REPORTING UNIT**

Australian Hotels Association - National Body	<u>105,449</u>	<u>105,449</u>
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**15. RECONCILIATION OF NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES TO EXCESS/(DEFICIT) OF INCOME OVER EXPENDITURE**

Surplus of income over expenditure	-	-
Increase in accrued expenses	175	-
(Increase)/Decrease in GST paid	-	-
Increase/(Decrease) in creditors and accruals	-	-
(Increase) in accrued income	<u>(175)</u>	<u>-</u>
Net cash from operating activities	<u>-</u>	<u>-</u>

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (CONTINUED)**

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**16. AUDITOR'S REMUNERATION**

	<b>30 June 2018 \$</b>	<b>30 June 2017 \$</b>
Audit fees	<u>1,400</u>	<u>1,300</u>

No other services were provided by the auditor of the financial statements.

**17. SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which read as follows:

- (1) A member of the reporting unit, or the Commissioner, 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 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 reporting unit.
- (3) The reporting unit must comply with an application made under subsection (1).

**18. SEGMENT REPORTING**

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

**19. CAPITAL AND LEASING COMMITMENTS**

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

**20. 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.

**21. FINANCIAL AFFAIRS**

The Branch does not engage another entity to administer its financial affairs.

**22. ASSOCIATION DETAILS**

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

**AUSTRALIAN HOTELS ASSOCIATION  
WESTERN AUSTRALIAN BRANCH**

**OFFICER DECLARATION STATEMENT**

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I, David Neil Randall, being the President of the Australian Hotels Association (Western Australian Branch), declare that the following activities did not occur during the reporting period ended 30 June 2018.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive any other revenue from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit.



DN Randall  
President

Perth, WA  
14<sup>th</sup> August 2018

DIRECTORS:

ROBERT CAMPBELL CA, CPA, RCA, MSW

VIRAL PATEL CA, CPA, FCCA (UK), RCA

ALASTAIR ABBOTT CA, RCA, M.FORENSIC ACCOUNTING

## AUDITOR'S INDEPENDENCE DECLARATION

To the Executive Committee of Australian Hotels Association (WA Branch)

In relation to our Audit of the financial report of Australian Hotels Association (WA Branch) for the year ended 30 June 2018, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Australian professional accounting bodies.

**Alastair Gordon Abbott, CA**

Registered Company Auditor number 486826

**Director**

**Australian Audit**

Perth, Western Australia

**Dated:** 28 August 2018