



Australian Government
Registered Organisations Commission

16 November 2017

Mr John Dowling
President
The Pharmacy Guild of Australia, Tasmanian Branch

By e-mail: tas.admin@guild.org.au

Dear Mr Dowling

The Pharmacy Guild of Australia, Tasmanian Branch
Financial Report for the year ended 30 June 2017 - FR2017/39

I acknowledge receipt of the amended financial report for the year ended 30 June 2017 for the Pharmacy Guild of Australia, Tasmanian Branch. The financial report was lodged with the Registered Organisations Commission on 15 November 2017.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at ken.morgan@roc.gov.au

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan'.

KEN MORGAN
Financial Reporting Advisor
Registered Organisations Commission

Designated Officer's Certificate or other Authorised Officer

S268 Fair Work (Registered Organisations) Act 2009

I, John Dowling, being the Branch President of The Pharmacy Guild of Australia (Tasmanian Branch) certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 14 November 2017; and
- that the full report has been presented to members of the reporting unit on 16 November 2017 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:

A handwritten signature in blue ink, appearing to be 'JD', written in a cursive style.

Date: 16 November 2017

The Pharmacy Guild of Australia (Tasmanian Branch)

Financial Report

For the Year Ended 30 June 2017

The Pharmacy Guild of Australia (Tasmanian Branch)

For the Year Ended 30 June 2017

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The Pharmacy Guild of Australia (Tasmanian Branch)

Operating Report

30 June 2017

I, John Dowling, being the designated officer responsible for preparing this financial report for the financial year ended 30 June 2017 of The Pharmacy Guild of Australia (Tasmanian Branch), report as follows:

1. General information

Principal Activities

- i) The Pharmacy Guild of Australia (Tasmanian Branch) ("the Branch") is an employers' organisation servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.
- ii) The Guild functions as a single entity and acts under its Constitution and Rules and reports under the Fair Work (Registered Organisations) Act 2009.
- iii) The development of Guild policy is the responsibility of the Guild's supreme governing body, the National Council, on which all State and Territory Branches are represented.
- iv) The implementation of this policy is overseen by the National Executive through the National Secretariat.
- v) Within the framework of National Guild policy, development and implementation of the activities and operations of the Tasmanian Branch is set by the members of the Tasmanian Branch Committee.
- vi) These activities are referred to the various Tasmanian Branch Divisions who deliver the activities and services that address the various objectives and targets set for them.

Significant Changes in Principal Activities

No significant changes in the nature of the Branch's activities occurred during the financial year.

Significant Change in Financial Affairs

No were no significant changes in the Branch's financial activities during the financial year.

The Pharmacy Guild of Australia (Tasmanian Branch)

Operating Report

30 June 2017

1. General information

Committee Members

The members of the Tasmanian Branch Committee throughout the year and at the date of this report were:

John Dowling	Tasmanian Branch President and National Councillor
Jeremy Hampton (Life Member)	Tasmanian Senior Vice President
Glenn Ward	Tasmanian Branch Vice President and National Councillor (Resigned 3 October 2016)
Joe O'Malley	Tasmanian Branch Committee Member and Alternate National Councillor (until 31 October 2016) National Councillor (from 31 October 2016)
Belinda Bird	Tasmanian Branch Vice President (until 31 October 2016) Vice President and Alternate National Councillor (from 31 Oct October 2016)
Harvey Cuthill OAM (Life Member)	Tasmanian Branch Committee Member
Martin Quinn	Tasmanian Branch Committee Member and Alternate National Councillor
Martin Eade	Tasmanian Branch Committee Member
Christine Timms	Tasmanian Branch Committee Member (Resigned 11 July 2016)
Matthew Pilkington	Tasmanian Branch Committee Member (until 31 October 2016) and Tasmanian Branch Vice President Finance (from 31 October 2016)
Helen O'Byrne	Tasmanian Branch Committee Member (from 31 October 2016)
Madeleine Bowerman	Tasmanian Branch Committee Member (from 31 October 2016)

Members of the Branch Committee have been in office since the start of the financial year to the date of this financial report unless otherwise stated.

Number of Employees

As at 30 June 2017, The Pharmacy Guild of Australia (Tasmanian Branch) maintains employment of 8 full time equivalent employees in total (2016:8).

Superannuation Trustees

No officer or employee of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public superannuation fund scheme, where the criteria for holding such position is that they are an officer or member of the reporting unit.

Number of Members & Right to Resign

As at 30 June 2017, The Pharmacy Guild of Australia (Tasmanian Branch), has 241 members (2016: 302) across its three categories, being Proprietors, Associate and Honorary Life Members.

In accordance with Rule 10 of the Federal Rules of the Pharmacy Guild of Australia a member may resign from membership by written notice addressed and delivered to the Branch Secretary in which he or she is a member.

The Pharmacy Guild of Australia (Tasmanian Branch)

Operating Report

30 June 2017

2. Members Advice

- i) Under Section 174 of *Fair Work (Registered Organisations) Act 2009*, a member may resign from membership with written notice addressed and delivered to the Branch Director; and
- ii) The register of members of the reporting unit was maintained in accordance with the *Fair Work (Registered Organisations) Act 2009*.

3. Operating Results and Review of Operations for the Year

Operating result

The surplus/(deficit) from ordinary activities for the year amounted to \$ NIL (2016 \$NIL). There have been no significant changes in the nature of ordinary activities during the 2017 financial year.

Signed in accordance with a resolution of the Members of the Branch Committee:

Signature of designated officer: 

Name and title of designated officer: John Dowling Branch President

Signed in accordance with a resolution of the Members of the Branch Committee:

Dated this 14th day of November 2017.

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement by the Branch Committee

On 14th November 2017, the Branch Committee of the Pharmacy Guild of Australia Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2017.

The Branch Committee declares that in its opinion:

1. The financial statements and notes comply with the Australian Accounting Standards;
2. the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
3. 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;
4. 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;
5. During the financial year to which these GPFR relate and since the end of that year:
 - i) meetings of the Branch Committee were held in accordance with the rules of the organisation including the rules of the organisation including the rules of the Branch concerned; and
 - ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the Branch concerned; and
 - iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the organisation; and
 - v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - vi) where any orders for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.
6. There was no recovery of wages activity for the financial year.

Signed in accordance with a resolution of the Members of the Branch Committee:

Signature of designated officer: 

Name and title of designated officer: John Dowling Branch President

Dated this 14th day of November 2017

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Comprehensive Income

For the Year Ended 30 June 2017

	Note	2017 \$	2016 \$
Income			
Administration recovered		44,620	39,972
Capitation fees and levies	2(a)	-	-
Commissions	3	66,290	54,372
Grants and donations	2(b)	503,867	591,880
Interest income		3,561	3,763
Member subscriptions		302,660	226,372
Other income		64,617	61,308
Recovery of wages for employees		-	-
Training		95,715	29,503
Total income		1,081,330	1,007,170
Less: Expenses			
Accounting & audit fees		7,660	7,410
Affiliation fees, capitation fees and levies	4(a)	175,944	108,001
Award presentation & gifts		441	3,975
Bad and doubtful debts		-	1,687
Bank charges		1,094	1,425
Car parking expenses		12,444	10,359
Cleaning		3,602	3,536
Computer expenses		22,646	11,352
Depreciation		8,607	10,185
Employee expense	4(b)	600,743	624,453
Grants and donations	4(c)	18,000	-
Insurance		13,491	12,558
Other administration expenses	4(d)	10,743	10,341
Postage		3,649	3,545
President's expenses		6,430	5,729
Printing, stationery and office expenses		57,123	56,850
Rent expense		77,825	76,298
Repairs and maintenance		4,074	1,755
Subscriptions		9,486	8,175
Sundry expenses		16,549	4,410
Telephone		8,811	10,856
Travel and accommodation		16,894	27,822
Utilities		5,074	6,448
Total Expenses		1,081,330	1,007,170
Net surplus/(deficit) for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

This statement should be read in conjunction with the accompanying notes

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Financial Position

As At 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	147,363	108,248
Trade and other receivables	6	168,817	251,192
Other assets	8	44,836	32,303
TOTAL CURRENT ASSETS		<u>361,016</u>	<u>391,743</u>
NON-CURRENT ASSETS			
Plant and equipment	7	15,622	18,857
TOTAL NON-CURRENT ASSETS		<u>15,622</u>	<u>18,857</u>
TOTAL ASSETS		<u>376,638</u>	<u>410,600</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	40,869	31,189
Provision for employee benefits	10	33,400	61,072
Other liabilities	11	100,248	124,948
TOTAL CURRENT LIABILITIES		<u>174,517</u>	<u>217,209</u>
NON-CURRENT LIABILITIES			
Provision for employee benefits	10	23,130	14,400
TOTAL NON-CURRENT LIABILITIES		<u>23,130</u>	<u>14,400</u>
TOTAL LIABILITIES		<u>197,647</u>	<u>231,609</u>
NET ASSETS		<u>178,991</u>	<u>178,991</u>
EQUITY			
Reserves		5,521	5,521
Accumulated surpluses		173,470	173,470
TOTAL EQUITY		<u>178,991</u>	<u>178,991</u>

This statement should be read in conjunction with the accompanying notes

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Changes in Equity

For the Year Ended 30 June 2017

2017

	Accumulated Surpluses	Capital Profits Reserve	Judy Liauw Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2016	173,470	20	5,501	178,991
Net surplus/(deficit) for the year	-	-	-	-
Balance at 30 June 2017	173,470	20	5,501	178,991

2016

	Accumulated Surpluses	Capital Profits Reserve	Judy Liauw Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2015	173,470	20	5,501	178,991
Net surplus/(deficit) for the year	-	-	-	-
Balance at 30 June 2016	173,470	20	5,501	178,991

This statement should be read in conjunction with the accompanying notes

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Cash Flows

For the Year Ended 30 June 2017

	2017	2016
Note	\$	\$
CASH FROM OPERATING ACTIVITIES:		
Receipts from members and customers	1,075,073	818,909
Receipts from other reporting units	12(c) 146,138	202,019
Interest received	3,561	3,763
Payments to suppliers, employees & holders of office	(1,130,859)	(1,061,605)
Payments to other reporting units	12(c) (49,426)	(42,611)
Net cash provided by/(used in) operating activities	12(b) <u>44,487</u>	<u>(79,525)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of plant & equipment	<u>(5,372)</u>	(6,780)
Net cash provided by/(used in) investing activities	<u>(5,372)</u>	<u>(6,780)</u>
Net cash increase/(decrease) in cash held	39,115	(86,305)
Cash held at the beginning of the financial year	108,248	194,553
Cash held at the end of the financial year	12(a) <u>147,363</u>	<u>108,248</u>

This statement should be read in conjunction with the accompanying notes

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

The financial statements are for The Pharmacy Guild of Australia (Tasmanian Branch) as an individual entity, incorporated and domiciled in Australia. The Pharmacy Guild of Australia (Tasmanian Branch) is a not-for-profit registered employer organisation under the *Fair Work (Registered Organisation) Act 2009*.

The functional and presentation currency of The Pharmacy Guild of Australia (Tasmanian Branch) is Australian dollars.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisation) Act 2009*. The Branch is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

(b) Comparative Figures

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

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

(d) Plant and Equipment

Plant and equipment are carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

(d) Plant and Equipment

Depreciation

The depreciable amount of all plant and equipment is depreciated on a straight-line method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	2 - 33%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an assets is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to surplus or deficit.

(e) Impairment of Assets

At the end of each reporting period, the Branch reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

(f) Trade and Other Payables

Trade and other payables are stated at cost, which approximates fair value due to the short term nature of these liabilities.

(g) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by the Branch to an employee superannuation fund and are charged as expenses when incurred.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

(h) Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Branch becomes party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Branch commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Branch's trade and most other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

(h) Financial Instruments

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Branch's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Branch uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Branch's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Branch assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

(i) Critical Accounting Estimates and Judgments

The Branch Committee evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Branch.

The entity does not control any other reporting units (subsidiaries). Control is achieved where a reporting unit is exposed or has rights to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the reporting unit.

Key estimates - Impairment

The Branch Committee assesses impairment at each reporting date by evaluating conditions specific to the Branch that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. No impairment has been recognised for the year ended 30 June 2017.

Key judgements - Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related services. The Branch expects most employees will not take their annual leave entitlements within this 12 month period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

(j) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Branch are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

(k) Revenue

Interest revenue is recognised over the period for which the funds are invested.

Subscription income is recognised in the period to which the subscriptions relate.

Revenue from the provision of services is recognised when the right to be compensated for the service has been attained.

Rental income is recognised over the the period to which the rent relates.

Revenue received in the form of capital grant funds is recognised as income when received, while the expenditure relating to the capital funds has been capitalised in the Statement of Financial Position for the purpose for which the funds were received.

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

The classification of revenue in 2017 has been changed from 2016.

Grant Revenue

Grant revenue is recognised in the when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of comprehensive income as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The Pharmacy Guild of Australia (Tasmanian Branch) receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

(l) Goods and Services Tax (GST)

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

Cash flows are presented in the statement of cash flows on a net basis, and the net movement in GST for the period shown as a separate operating cash flow. The GST components of investing and financing activities are disclosed as operating cash flows.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

(m) Income Tax

No provision for income tax has been raised as the Branch is exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*.

(n) Adoption of New and Revised Accounting Standards

During the current year, standards which became mandatory had no significant impact on the financial report of The Pharmacy Guild of Australia (Tasmanian Branch).

(o) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Branch has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the Branch:

Standard Name	Effective Date for entity	Requirements	Impact
AASB 9 Financial Instruments	1 January 2018	New standard that simplifies the classification of financial assets, aligns hedging with the entity's risk management practices, and introduces an 'expected credit losses' model for impairment.	The impact of this standard is expected to be minimal.
AASB 15 Revenue from Contracts with Customers	1 January 2019	New standard in which revenue is recognised to depict the transfer of control of promised goods and services to a customer (rather than when risks and rewards transfers) at the amount that reflects the consideration to which the entity expects to be entitled	The impact of this standard is expected to be minimal.
AASB 1058 Income of NFP Entities	1 January 2019	New standard for recognising income in not-for-profit entities, including guidance for when AASB 15 applies. Is expected to defer income recognition in some circumstances, particularly when AASB 15 applies	The impact of this standard is expected to be minimal.
AASB 2017-2 Annual improvements	1 January 2017	Clarifies certain scope and disclosure requirements	The impact of this standard is expected to be minimal.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

(o) **New Accounting Standards for Application in Future Periods**

AASB 2016-2 Statement of Cash Flows disclosures (disclosure initiative)	1 January 2017	Requires disclosure to enable users to evaluate changes in liabilities related to financing activities, including cash and non-cash changes	The impact of this standard is expected to be minimal
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(p) **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 reads as follows:

Information to be provided to members or Commissioner:

- i) A member of a 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.
- ii) The application must be in writing and must specify the period within which, and the manner in which the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- iii) A reporting unit must comply with an application made under subsection (1).

(q) **Transaction Occurrence**

Any transactions required to be specifically disclosed under the *Fair Work (Registered Organisations) Act 2009* that have not been disclosed in this financial report have not occurred during the financial year.

(r) **Economic Dependence**

The Pharmacy Guild of Australia (Tasmania Branch) is reliant on the agreed financial support of The Pharmacy Guild of Australia to continue on a going concern basis. This agreed financial support to continue on an indefinite basis with support to cover the Tasmanian Branches deficit received annually.

The Pharmacy Guild of Australia has agreed to provide The Pharmacy Guild of Australia (Tasmania Branch) with financial support to ensure they can continue on a going concern basis. This agreed financial support is to continue indefinitely and is an interest free agreement with no repayments to be made.

The entity has not provided any going concern support to any other reporting unit.

(s) **Acquisition Of Assets And Or Liabilities That Do Not Constitute A Business Combination**

There were no acquisitions of assets and or liabilities that do not constitute a business combination as at reporting date to be disclosed.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Revenue

(a) Capitation Fees and Levies

	2017	2016
	\$	\$
Capitation fees received	-	-
Levies received	-	-
	<u>-</u>	<u>-</u>

(b) Grants and Donations

	2017	2016
	\$	\$
Grant - Department of State Growth	-	103,678
Grant - DHHS	23,176	13,496
Grants - National Secretariat	271,136	297,410
Grant - Quality Care Pharmacy Program	209,555	177,296
Donations	-	-
	<u>503,867</u>	<u>591,880</u>

3 Commissions

	2017	2016
	\$	\$
Commissions - Rollex Fridges	215	338
Commissions - Gold Cross	18,549	18,070
Commissions - Guild Insurance	43,188	31,565
Commissions - APP	4,338	4,399
	<u>66,290</u>	<u>54,372</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

4 Expenses

(a) Affiliation Fees, Capitation Fees and Levies

	2017	2016
	\$	\$
Liberal Party Tas Branch	-	4,500
ALP Tas Branch	-	909
National Council Dues	175,444	99,524
Department of Premier and Cabinet	-	68
Australian Labor Party	500	-
Tasmanian Association of Pharmacy Students	-	3,000
ITP Student Capitation Fees	-	-
Levies	-	-
	<u>175,944</u>	<u>108,001</u>

(b) Employee Expenses

	2017	2016
	\$	\$
Employees other than holders of office		
Wages and salaries	481,799	480,467
Superannuation	45,196	48,192
Leave and other entitlements	(3,947)	12,590
Separation and redundancies	-	-
Other employee expenses	-	-
Holders of office		
Wages and salaries	30,137	30,126
Superannuation contributions	2,863	2,862
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Other payroll expenses		
Payroll tax	34,104	34,164
Fringe benefits tax	3,702	6,248
Staff training	6,500	5,464
Employee assistance program	389	378
Contractor's expense	-	3,962
	<u>600,743</u>	<u>624,453</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

4 Expenses

(c) Grants and Donations

	2017	2016
	\$	\$
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that were \$1,000 or more	-	-
Donations		
Total paid that were \$1,000 or less	600	-
Total paid that were \$1,000 or more	17,400	-
	<u>18,000</u>	<u>-</u>

(d) Other Administrative Expenses

	2017	2016
	\$	\$
Consideration to employers for payroll deductions	-	-
Penalties via the RO Act or RO Regulations	-	-
Conference and meeting expenses	10,743	10,341
Fees/allowances - meetings and conferences	-	-
Litigation fees	-	-
Other legal fees	-	-
	<u>10,743</u>	<u>10,341</u>

5 Cash and Cash Equivalents

	2017	2016
	\$	\$
Cash on hand	200	200
Cash at bank	147,163	142,898
Other cash and cash equivalents	-	(34,850)
	<u>147,363</u>	<u>108,248</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

6 Trade and Other Receivables

	2017	2016
	\$	\$
CURRENT		
Trade receivables	8,067	6,541
Trade receivables (The Pharmacy Guild of Australia National Secretariat)	160,750	244,651
Provision for doubtful debts	-	-
Provision for doubtful debts (other reporting units)	-	-
Provision for doubtful debts (The Pharmacy Guild of Australia National Secretariat)	-	-
	<u>168,817</u>	<u>251,192</u>

(a) Ageing analysis

	2017	2016
	\$	\$
Less than 30 days	168,817	247,193
31 days to 60 days	-	2,120
61+ days (past due not impaired)	-	1,879
	<u>168,817</u>	<u>251,192</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

7 Plant and Equipment

	2017	2016
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	45,884	40,512
Accumulated depreciation	(30,262)	(21,655)
Total plant and equipment	<u>15,622</u>	<u>18,857</u>

(a) Movements in Carrying Amounts

Movement in the carrying amount for each class of plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment
	\$
Balance at the beginning of year	18,857
Additions	5,372
Depreciation expense	(8,607)
Carrying amount at 30 June 2017	<u>15,622</u>
Balance at the beginning of year	22,261
Additions	6,781
Depreciation expense	(10,185)
Carrying amount at 30 June 2016	<u>18,857</u>

8 Other Assets

	2017	2016
	\$	\$
CURRENT		
Other assets	16,356	14,250
Accrued income	28,480	18,053
	<u>44,836</u>	<u>32,303</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

9 Trade and Other Payables

	2017	2016
	\$	\$
Trade payables	787	(2,625)
Trade payables (The Pharmacy Guild of Australia National Secretariat)	-	5,564
PAYG payable	6,792	-
Accrued expenses	6,978	5,887
Consideration to employers for payroll deductions	-	-
Legal fees- other legal matters	-	-
Legal fees - litigation	-	-
Credit card payable	(7)	-
GST payable	27,817	22,363
Payroll deductions payable	(1,498)	-
	<u>40,869</u>	<u>31,189</u>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

10 Provision for Employee Benefits

	2017	2016
	\$	\$
CURRENT		
Holders of Office		
Annual leave	-	-
Separation and redundancies	-	-
Long service leave	-	-
Other	-	-
Employees other than holders of office		
Annual leave	33,400	45,262
Long service leave	-	15,810
Separation and redundancies	-	-
Other	-	-
	<u>33,400</u>	<u>61,072</u>
NON-CURRENT		
Holders of Office		
Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other	-	-
Employees other than holders of office		
Annual leave	-	-

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

10 Provision for Employee Benefits

Long service leave	23,130	14,400
Separation and redundancies	-	-
Other	-	-
	<u>23,130</u>	<u>14,400</u>

11 Other Liabilities

	2017	2016
	\$	\$
Income in advance	100,248	124,948
	<u>100,248</u>	<u>124,948</u>

12 Cash Flow Information

(a) Reconciliation of cash

	2017	2016
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flow is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	5 <u>147,363</u>	<u>108,248</u>

(b) Reconciliation of Cash Flow from Operations with Surplus/(Deficit)

	2017	2016
	\$	\$
Net surplus/(deficit) for the year	-	-
Non-cash flows in surplus/(deficit)		
- Depreciation	8,607	10,185
Changes in assets and liabilities		
- (Increase)/decrease in trade and other receivables	82,376	(66,606)
- (Increase)/decrease in other assets	(12,533)	4,380
- (Increase)/decrease in inventories	-	32
- Increase/(decrease) in trade and other payables	9,677	(69,517)
- Increase/(decrease) in other liabilities	(24,699)	29,413
- Increase/(decrease) in provision for employee benefits	(18,941)	12,588
Cashflow from operations	<u>44,487</u>	<u>(79,525)</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

12 Cash Flow Information

(c) Cash Flows with Other Reporting Units

	2017	2016
	\$	\$
Cash Inflows		
The Pharmacy Guild of Australia - National Secretariat	144,005	197,882
The Pharmacy Guild of Australia - NSW Branch	217	398
The Pharmacy Guild of Australia - QLD Branch	1,007	3,739
The Pharmacy Guild of Australia - SA Branch	909	-
	<u>146,138</u>	<u>202,019</u>
Cash Outflows		
The Pharmacy Guild of Australia - National Secretariat	47,098	37,661
The Pharmacy Guild of Australia - NSW Branch	2,192	2,508
The Pharmacy Guild of Australia - VIC Branch	136	-
The Pharmacy Guild of Australia - QLD Branch	-	159
The Pharmacy Guild of Australia - SA Branch	-	2,218
The Pharmacy Guild of Australia - WA Branch	-	65
	<u>49,426</u>	<u>42,611</u>

13 Financial Risk Management

The Branch is exposed to a variety of financial risks through its use of financial instruments.

The Branch's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Branch does not speculate in financial assets.

The most significant financial risks to which the Branch is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Branch are:

- Trade receivables

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

13 Financial Risk Management

- Cash at bank
- Trade and other payables

Objectives, policies and processes

Risk management is carried out by the Branch Committee. The Finance Manager has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the Branch, these policies and procedures are then approved by the Branch Committee.

Reports are presented at each Branch Committee meeting regarding the implementation of these policies exposure.

Specific information regarding the mitigation of each financial risk to which the Branch is exposed is provided below.

The Branch's financial instruments consist mainly of deposits with banks, accounts receivable and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		2017	2016
		\$	\$
Financial Assets			
- Cash and cash equivalents	5	147,363	108,248
- Trade and other receivables	6	168,817	251,192
Total Financial Assets		<u>316,180</u>	<u>359,440</u>
Financial Liabilities			
- Trade and other payables	9	40,869	31,189
Total Financial Liabilities		<u>40,869</u>	<u>31,189</u>

Specific Financial Risk Exposures and Management

The main risks the reporting unit is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and commodity and equity price risk.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the reporting unit. 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 of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

13 Financial Risk Management

(a) Credit risk

The Pharmacy Guild of Australia Tasmanian Branch does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the reporting unit.

(b) Liquidity risk

Liquidity risk arises from the possibility that the reporting unit might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The reporting unit manages risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financial activities;
- monitoring credit facilities;
- obtaining funding from a variety of sources; and
- maintaining a reputable credit risk profile.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Financial liability maturity analysis - Non-derivative

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade and other payables	40,869	31,189	-	-	-	-	40,869	31,189
Total contractual outflows	<u>40,869</u>	<u>31,189</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,869</u>	<u>31,189</u>

The timing of expected outflows is not expected to be materially different from contracted cashflows.

(c) Interest rate risk

The Branch is not exposed to any significant interest rate risk.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

13 Financial Risk Management

(d) Foreign exchange risk

Sensitivity Analysis

The Branch Committee has performed an assessment of its exposure to interest rate risk, liquidity risk and credit risk at balance date. The Pharmacy Guild of Australia Tasmanian Branch is not currently subject to any interest rate risk on its financial liabilities and has assessed that there is no exposure to liquidity risk required to meet its financial obligations. The Pharmacy Guild of Australia Tasmanian Branch's exposure to credit risk has been assessed as not material, due to the nature, collectability and recoverability of amounts owed.

As a result of the risk assessment performed, any positive or negative changes in the interest rate risk, liquidity risk or credit risk would not have a material effect on the financial statements. Hence quantitative disclosures are not required.

14 Key Management Personnel Compensation

	2017	2016
	\$	\$
Short term employee benefits - Officer	33,000	32,988
Short term employee benefits - Director	132,469	142,924
Long-term benefits - Officer	-	-
Long-term benefits - Director	5,679	1,584
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	<u>171,148</u>	<u>177,496</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

15 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to non related parties.

Transactions with the National Secretariat and other branches of the Pharmacy Guild of Australia are separately disclosed within notes 6, 9 and 12(c) to the financial statements.

Transactions with related parties:

Name	Pharmacy	Training Services \$	Meeting & Dinner Events \$	Member Services \$	Outstanding at 30 June 2017 \$
John Dowling	Coventry's Pharmacy	990	428	4,243	-
Jeremy Hampton	North Hobart Amcal	-	428	1,739	-
	Priceline Eastlands	200	428	1,739	-
	West Hobart Amcal	-	428	1,739	-
	Warrane Pharmacy	90	428	1,739	-
Belinda Bird	New Norfolk Pharmacy	300	428	2,991-	300
Harvey Cuthill	Kings Meadows Capital Chemist	120	478	1,739	-
	South Hobart Capital Chemist	-	428	1,739	-
	Newstead Capital Chemist	-	578	1,739	570
Martin Quinn	Kings Meadows Capital Chemist	90	478	2,991	15
	South Hobart Capital Chemist	-	428	1,739	-
Martin Eade	Summerhill Pharmacy	-	428	2,990	-
	Old Tudor Pharmacy	-	428	2,990	-

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

15 Related Party Transactions

Name	Pharmacy	Training Services \$	Meeting & Dinner Events \$	Member Services \$	Outstanding at 30 June 2017 \$
Matthew Pilkington	Kingborough Medical Centre Pharmacy	-	428	1,739	-
	Kingston Plaza Drug Store	-	428	2,991	-
	Priceline Pharmacy Kingston	-	428	1,739	-
	Terry White Chemist Fourways	2,000	428	1,739	570
Joe'O'Malley	Westside Pharmacy	-	428	2,991	-
Madeleine Boweman	Terry White Chemart Dodges Ferry	22	428	2,991	-
	Terry White Chemart Sorell	120	428	1,739	120
	Terry White Chemart Lindisfarne	-	428	1,739	-
Helene O'Byrne	Riverside Capital Chemist	409	528	2,991	-
	Windor Pharmacy	-	428	1,739	-

16 Auditors' Remuneration

	2017 \$	2016 \$
Remuneration of the auditor, Crowe Horwath Tasmania, of the Branch for:		
- auditing or reviewing the financial report	7,340	7,090
- other services	-	-
	<u>7,340</u>	<u>7,090</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

17 Fair Value Measurement

The Branch measures the following assets and liabilities at fair value on a recurring basis:

- Plant and equipment
- Financial assets
- Financial liabilities

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Branch.:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
30 June 2017				
Trade and other receivables	168,817	-	-	168,817
Trade and other payables	40,869	-	-	40,869
30 June 2016				
Trade and other receivables	251,192	-	-	251,192
Trade and other payables	31,189	-	-	31,189

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

18 Going Concern

These financial statements have been prepared on a going concern basis which contemplates the realisation of assets and the payment of liabilities in the ordinary course of business. Should The Tasmanian Branch be unable to continue as a going concern, it may be unable to realise the carrying value of assets and to meet its liabilities as they become due.

The Tasmanian Branch's ability to continue as a going concern is dependent upon its capacity to attain profitable operations and to continue to obtain support from The Pharmacy Guild of Australia National Secretariat sufficient to meet current and future obligations. Also refer to Note 1 (r).

The following table represents the effect on the Tasmanian Branch's comprehensive result if the National Secretariat Funding had not been received:

	2017	2016
	\$	\$
Total comprehensive income for the year	-	-
Less National Secretariat Funding	(146,136)	(222,410)
Total comprehensive income before National Secretariat Funding	<u>(146,136)</u>	<u>(222,410)</u>

19 Events After the End of the Reporting Period

There are no events after the statement of financial position date to be disclosed.

20 Capital and Leasing Commitments

(a) Operating lease commitments

	2017	2016
	\$	\$
Payable - minimum lease payments		
- no later than 1 year	77,267	77,267
- between 1 year and 5 years	212,324	289,591
- greater than 5 years	-	-
	<u>289,591</u>	<u>366,858</u>

A lease is currently in place for the lease of office premises within Knopwood House, Battery Point.

(b) Capital commitments

There are no capital commitments as at 30 June 2017.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2017

21 Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets as at reporting date to be disclosed.

22 Operating Segments

The Branch operates predominantly in one business and geographical segment being servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.

23 Other specific disclosures funds

	2017	2016
	\$	\$
Compulsory levy/voluntary contribution fund		
Balance at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance at end of year	<u>-</u>	<u>-</u>
Other fund(s) required by rules		
Balance at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance at end of year	<u>-</u>	<u>-</u>

There have been no fund or account operated in respect of compulsory levies or voluntary contributions.

24 Branch Details

The registered office of the organisation is:
The Pharmacy Guild of Australia (Tasmanian Branch)
2nd Floor Knopwood House 38 Montpelier Retreat
Battery Point Tasmania 7004

The Pharmacy Guild of Australia (Tasmanian Branch)

Auditors' Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Accounting Professional Ethical Pronouncements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.


Crowe Horwath Tasmania


Alison Flakemore
Audit Partner

Dated this 14th day of November 2017.

Hobart, Tasmania.

The Pharmacy Guild of Australia (Tasmanian Branch)

Independent Audit Report to the members of The Pharmacy Guild of Australia (Tasmanian Branch)

Opinion

We have audited the financial report of The Pharmacy Guild of Australia (Tasmanian Branch), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the Branch Committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Branch as at 30 June 2017, and of its financial performance and its cash flows for the year then ended 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 (the RO Act)*.

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

Emphasis of Matter – Going Concern

Given the financial support outlined in Note 18 from The Pharmacy Guild of Australia National Secretariat, we have assessed that management's use of the going concern basis of accounting in the preparation of the Branch's financial report appears appropriate.

Other Information

The Branch Committee responsible for the other information. The other information comprises the Operating Report the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

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.

The Pharmacy Guild of Australia (Tasmanian Branch)

Independent Audit Report to the members of The Pharmacy Guild of Australia (Tasmanian Branch)

Responsibilities of the Branch Committee for the Financial Report

The Branch Committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Branch Committee is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Branch Committee either intends to liquidate the Branch or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Branch's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is 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 my 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 Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Branch Committee.

The Pharmacy Guild of Australia (Tasmanian Branch)

Independent Audit Report to the members of The Pharmacy Guild of Australia (Tasmanian Branch)

- Conclude on the appropriateness of the Branch Committee'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 Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the 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 the auditor's report. However, future events or conditions may cause the Branch 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 Branch to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Branch audit. We remain solely responsible for our audit opinion.

We communicate with the Branch Committee 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 the audit.



Crowe Horwath Tasmania



Alison Flakemore
Audit Partner

Audit Partner Qualifications:

Fair Work (Registered Organisations) Act 2009 - Registered Auditor No. AA2017/135

Bachelor of Commerce with Honours

Registered Company Auditor No. 241220

Institute of Chartered Accountants Australia Member No. 96387

Hold a current Public Practice Certificate

Dated this 15th day of November 2017.

Hobart, Tasmania.