



Australian Government
Australian Industrial Registry

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

Mr Ian Campbell
Branch Secretary
The Pharmacy Guild of Australia
New South Wales Branch
Locked Bag 2112
ST LEONARDS NSW 1590

Dear Mr Campbell,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 30 June 2005 - FR2005/268**

Thank you for the financial reports of the New South Wales Branch of The Pharmacy Guild of Australia for year ended 30 June 2005. The documents were lodged in the Industrial Registry on 12 October 2005.

A statement of donations made by the Branch for the financial year ending 30 June 2005 accompanied the above financial reports. The content of the statement has been noted and detached from the financial reports and placed on a Registry file that is not available to the general public.

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

Committee of Management Statement:

Your Committee of Management Statement provides at paragraph (e)(iv) that the organisation consists of one reporting unit.

This part of the Statement appears to confuse a number of organisations and branches. Subsection 242(3) of the RAO Schedule provides, in part, that where an organisation is divided into branches, each branch will be a reporting unit. Therefore, as the Pharmacy Guild of Australia (the organisation) consists of a number of branches, the organisation and each of its branches are all separate reporting units. What this part of the Statement is seeking is confirmation that there is a consistency amongst the reporting units of the Pharmacy Guild with respect to the reporting of its financial affairs.

Operating Report:

Your Operating Report did not contain the names of the Branch Committee members for the full financial year. I note the names were contained in Item 21 of the Notes to the financial statements, however, s254(2) of the RAO Schedule requires the information to be in the operating report.

Please do not hesitate to contact me on (03) 8661 7817 if you wish to discuss this letter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R. Pfeiffer', written in a cursive style.

Robert Pfeiffer
Statutory Services Branch

22 November 2005



The PHARMACY GUILD of AUSTRALIA

NSW BRANCH

ABN 87 740 877 429

FR2005/268

The Registrar
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001

7 October 2005

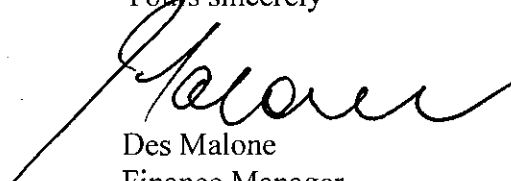
Dear Sir/Madam

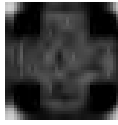
Financial Reporting Obligations

Following the Annual General Meeting of members on 28 September 2005 please find attached the following:

- Copy of the Full Report.
- Secretary's Certificate verifying that the Full Report is a copy of the documents provided to members on 5 September 2005 and presented to the Annual General Meeting on 28 September 2005.
- Details of political donations made by the branch for the financial year ended 30 June 2005.

Yours sincerely


Des Malone
Finance Manager



The PHARMACY GUILD of AUSTRALIA

NSW BRANCH

ABN 87 740 877 429

The Registrar
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001

7 October 2005

Dear Sir/Madam

Secretary's Certificate

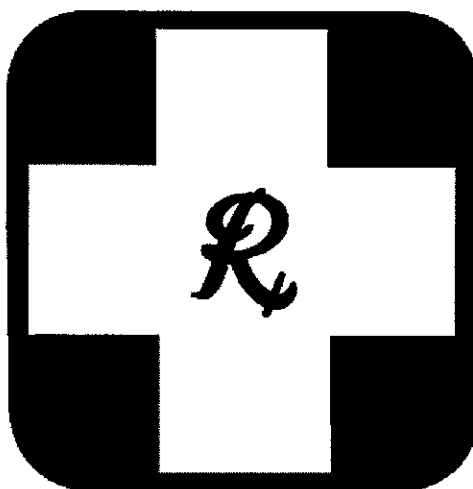
I confirm that the enclosed Full Report for 30 June 2005 was provided to members on 5 September 2005 and presented at the Annual General Meeting of members on 28 September 2005.

Yours sincerely

Ian Campbell
Branch Director and Secretary

**THE PHARMACY GUILD OF AUSTRALIA
(NSW BRANCH)**

ABN 87 740 877 429



**FULL REPORT
CONSISTING OF**

- ◆ **GENERAL PURPOSE FINANCIAL REPORT
(FINANCIAL STATEMENTS)**
- ◆ **AUDITOR'S REPORT**
- ◆ **OPERATING REPORT**

30 JUNE 2005

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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005

	Not e	2005 \$	2004 \$
REVENUE			
Advertising		90,518	130,740
Commission income		692,928	640,172
FIP conference		-	1,204,128
Government liaison officer funding		-	90,909
Interest		285,823	271,680
Marketing department income		324,616	521,331
Member subscriptions		2,805,787	2,805,868
MMR facilitator		142,103	92,500
Pharmacy methadone incentive scheme funding		1,165,241	1,261,375
Printing sales		133,018	172,524
Promotional income		1,167,774	-
Quality Care Assist services		473,535	621,522
Syringe exchange program funding		1,023,732	1,084,512
Special syringe exchange funding		8,640	17,034
Training services		480,371	591,151
WorkCover Assist project		-	49,655
Other revenue from ordinary activities		<u>321,249</u>	<u>764,187</u>
Revenues from ordinary activities	2	<u>9,115,335</u>	<u>10,319,288</u>
EXPENSES			
Administrative service costs		114,662	60,999
Advertising		283,566	69,594
Audit fees		33,918	29,206
Consultancy fees		194,672	132,743
Contract wages paid to employee contractors		290,887	400,164
Depreciation expenses		170,512	233,886
Donations		43,313	43,485
FIP conference expenses		-	1,216,472
Furniture hire		261,595	-
Insurance		175,757	156,391
Interest expense		66,515	82,323
Loss on disposal of assets		59,211	-
Maintenance		153,104	218,864
National council dues		1,612,968	1,612,905
Pharmacy methadone incentive		926,509	955,980
Postage		130,370	138,652
Printing expenses		79,933	113,463
Printing & stationery		384,896	421,593
Reliever expenses		266,601	209,285
Rent & outgoings		52,528	49,469
Salaries paid to employees		1,738,750	1,715,450
Superannuation		218,286	183,422
Syringe exchange		942,629	1,107,069
Telephone		114,318	115,143
Travel & accommodation		115,641	87,888
Other expenses from ordinary activities		<u>481,324</u>	<u>544,750</u>
		<u>8,912,465</u>	<u>9,899,196</u>
Profit from ordinary activities before income tax expense	3	202,870	420,092
Income tax expense relating to ordinary activities		-	-
Net profit from ordinary activities after income tax expense		<u>202,870</u>	<u>420,092</u>

THE PHARMACY GUILD OF AUSTRALIA (NSW BRANCH)
ABN 87 740 877 429

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005

	Notes	2005 \$	2004 \$
CURRENT ASSETS			
Cash assets	5	1,594,159	2,367,043
Receivables	6	750,473	938,504
Inventories	7	392	392
Other	8	<u>78,700</u>	<u>322,864</u>
TOTAL CURRENT ASSETS		<u>2,423,724</u>	<u>3,628,803</u>
NON-CURRENT ASSETS			
Other financial assets	9	34	34
Property, plant and equipment	10	<u>5,933,131</u>	<u>5,868,956</u>
TOTAL NON-CURRENT ASSETS		<u>5,933,165</u>	<u>5,868,990</u>
TOTAL ASSETS		<u>8,356,889</u>	<u>9,497,793</u>
CURRENT LIABILITIES			
Payables	11	1,343,401	1,367,530
Interest bearing liabilities	12	-	890,657
Provisions	13	221,724	194,268
Other	14	<u>103,637</u>	<u>535,023</u>
TOTAL CURRENT LIABILITIES		<u>1,668,762</u>	<u>2,987,478</u>
NON-CURRENT LIABILITIES			
Provisions	13	<u>46,634</u>	<u>71,692</u>
TOTAL NON-CURRENT LIABILITIES		<u>46,634</u>	<u>71,692</u>
TOTAL LIABILITIES		<u>1,715,396</u>	<u>3,059,170</u>
NET ASSETS		<u>6,641,493</u>	<u>6,438,623</u>
EQUITY			
Reserves	15	1,513,434	1,513,434
Retained profits	16	<u>5,128,059</u>	<u>4,925,189</u>
TOTAL EQUITY		<u>6,641,493</u>	<u>6,438,623</u>

STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2005

	Not e	2005 \$	2004 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		10,817,905	11,046,083
Payments to suppliers and employees		(10,624,995)	(10,342,814)
Interest received		285,823	271,680
Interest and other costs of finance paid		<u>(66,515)</u>	<u>(82,323)</u>
Net cash provided by operating activities	24(b)	<u>412,218</u>	<u>892,626</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		1,818	19,000
Payment for property, plant and equipment		<u>(296,263)</u>	<u>(77,948)</u>
Net cash (used in) investing activities		<u>(294,445)</u>	<u>(58,948)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		<u>(890,657)</u>	<u>(509,343)</u>
Net cash used in financing activities		<u>(890,657)</u>	<u>(509,343)</u>
NET (DECREASE)/INCREASE IN CASH HELD		(772,884)	324,335
Cash at the beginning of the financial year		<u>2,367,043</u>	<u>2,042,708</u>
Cash at the end of the financial year	24(a)	<u>1,594,159</u>	<u>2,367,043</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

1. STATEMENT OF ACCOUNTING POLICIES

Basis of Accounting

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

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the organisation in the preparation of the financial report:

Income Tax

Under Section 50-15 of the Income Tax Assessment Act 1997, the income of Pharmacy Guild of Australia (NSW Branch) ("Guild") is exempt from income tax.

Inventories

Inventories are valued at the lower of cost and net realisable value. Costs are assigned to individual items on a first-in first-out basis. Cost comprises direct materials, direct labour and an appropriate portion of fixed and variable overheads.

Property, Plant and Equipment

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Property, plant and equipment are brought to account at cost or fair value, less where applicable, any accumulated depreciation or amortisation. The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.50%
Plant and equipment	10-33%
Motor vehicles	15%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

Employee Benefits

Provision is made for the company'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 economic entity to an employee superannuation fund and are charged as expenses when incurred.

Amounts accrued for long service leave benefits are calculated in accordance with awards and negotiated agreements.

Cash

For the purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis, net of outstanding bank overdrafts.

Revenue

Revenue from the rendering of the sale of goods is recognised upon the delivery of the goods.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST). Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from or payable to, the Australian Taxation Office is included as part of receivables or payables in the balance sheet. Cash flows in the Statement of Cash Flows are included on a gross basis. The GST component of cash flows arising from investing and financing activities that are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

Comparative Figures

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

Impact of Adoption of Australian Equivalents to International Financial Reporting Standards

The Guild is preparing and managing the transition to Australian equivalents to International Financial Reporting Standards (A-IFRS) effective for the financial years commencing from 1 January 2005. The adoption of AIFRS will be reflected in the association's financial statements for the year ending 30 June 2006. On first time adoption of AIFRS, comparatives for the financial year ended 30 June 2005 are required to be restated.

The Committee of Management has assessed the significance of the expected changes and is preparing for their implementation. The impact of the alternative treatments and elections under AASB 1: First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been considered where applicable.

The Committee of Management are of the opinion that there are no material differences in the Guilds' accounting policies on conversion to AIFRS and there will be no financial impact on first time adoption.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
2. REVENUE		
Operating activities:		
Subscriptions	2,805,787	2,805,868
Advertising and marketing	415,134	652,071
Training	480,371	591,151
FIP conference	-	1,204,128
Quality Care Assist	473,535	621,522
Syringe exchange program	1,023,732	1,084,512
Syringe exchange special project	8,640	17,034
Pharmacy Methadone incentive scheme funding	1,165,241	1,261,375
Printing sales	133,018	172,524
Promotional income	1,167,774	-
MMR facilitator	142,103	92,500
Government liaison officer	-	90,909
WorkCover Assist project	-	49,655
Industrial Relations Extended Services	5,206	11,078
Sales & Valuation commissions	70,106	14,985
Other sundry income	156,573	279,864
Non Operating activities:		
Interest – other persons	285,823	271,680
Rent received	157,652	157,875
Commissions	622,822	625,187
Proceeds from the sale of plant and equipment	1,818	19,000
Other sundry income	-	296,370
	<u>9,115,335</u>	<u>10,319,288</u>

3. PROFIT FROM ORDINARY ACTIVITIES

The profit from ordinary activities before income tax has been determined after:

(a) Charging as Expense:

Borrowing costs:	<u>66,515</u>	<u>82,323</u>
Depreciation of non-current assets:		
Property, plant and equipment	105,213	104,401
Buildings and leasehold improvements	40,360	103,971
Motor Vehicles	<u>24,939</u>	<u>25,514</u>
Total depreciation of non-current assets	<u>170,512</u>	<u>233,886</u>
Net loss/(profit) on disposal of non-current assets	<u>59,211</u>	<u>(13,425)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
4. REMUNERATION AND RETIREMENT BENEFITS			
Office holders' remuneration:			
Income paid or payable to all office holders of the branch		<u>187,800</u>	<u>158,400</u>
Number of office holders whose income was within the following bands:			
\$150,000-\$159,999		-	1
\$180,000-\$189,999		1	-
5. CASH			
Bank term deposit		1,000,000	1,600,000
Cash at bank		593,159	766,043
Cash on hand		<u>1,000</u>	<u>1,000</u>
		<u>1,594,159</u>	<u>2,367,043</u>
6. RECEIVABLES			
CURRENT			
Trade debtors		595,772	738,083
Provision for doubtful debts		<u>(13,106)</u>	<u>(27,063)</u>
		582,666	711,020
Other debtors		<u>167,807</u>	<u>227,484</u>
		<u>750,473</u>	<u>938,504</u>
7. INVENTORIES			
Raw materials and stores		<u>392</u>	<u>392</u>
8. OTHER			
Postage imprest		-	3,000
Prepayments		<u>78,700</u>	<u>319,864</u>
		<u>78,700</u>	<u>322,864</u>
9. OTHER FINANCIAL ASSETS			
Shares in controlled entities – at cost	20	<u>34</u>	<u>34</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
10. PROPERTY, PLANT AND EQUIPMENT		
Freehold land, at independent valuation 2004	<u>3,600,000</u>	<u>3,600,000</u>
	<u>3,600,000</u>	<u>3,600,000</u>
Buildings, at independent valuation 2004	1,600,000	1,600,000
Accumulated depreciation	<u>(40,360)</u>	<u>-</u>
	<u>1,559,640</u>	<u>1,600,000</u>
 Total land and buildings	 <u>5,159,640</u>	 <u>5,200,000</u>
Plant and equipment, at cost	1,508,008	1,369,739
Accumulated depreciation	<u>(989,123)</u>	<u>(980,328)</u>
	<u>518,885</u>	<u>389,411</u>
Motor vehicles, at cost	166,259	166,259
Accumulated depreciation	<u>(63,752)</u>	<u>(38,813)</u>
	<u>102,507</u>	<u>127,446</u>
Works of Art, at fair value	<u>152,099</u>	<u>152,099</u>
	<u>152,099</u>	<u>152,099</u>
 Total property, plant and equipment	 <u>5,933,131</u>	 <u>5,868,956</u>

Works of Art are recorded at a fair market value in continued use and are revalued every three years. On 6 February 2004, Hymans Asset Management Pty Ltd revalued the Works of Art to \$152,099.

Mr Ian Handley, Certified Practising Valuer No.1135, of Handley Partners Property, performed an independent valuation on the land and buildings on 30 June 2004, the revalued amount is \$5,200,000.

(a) Movements in carrying amounts

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Opening balance	Additions	Re- valuations	Disposals	Depreciatio n	Closing balance
	\$	\$	\$	\$	\$	\$
Freehold land and buildings	5,200,000	-	-	-	(40,360)	5,159,640
Plant and equipment	389,411	296,263	-	(61,575)	(105,213)	518,885
Motor vehicles	127,446	-	-	-	(24,939)	102,507
Works of art	152,099	-	-	-	-	152,099
 Total	 <u>5,868,956</u>	 <u>296,263</u>	 <u>-</u>	 <u>(61,575)</u>	 <u>(170,512)</u>	 <u>5,933,131</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
11. PAYABLES		
CURRENT		
Trade creditors	966,206	774,561
Accounts payable – related entity	-	350
Accrued charges	<u>377,195</u>	<u>592,619</u>
	<u>1,343,401</u>	<u>1,367,530</u>
12. INTEREST BEARING LIABILITIES		
CURRENT		
Bank loan - secured	<u>-</u>	<u>890,657</u>
The bank loan was repaid on 30 June 2005.		
13. PROVISIONS		
CURRENT		
Employee benefits	<u>221,724</u>	<u>194,268</u>
NON-CURRENT		
Employee benefits	<u>46,634</u>	<u>71,692</u>
Aggregate employee benefits liability	<u>268,358</u>	<u>265,960</u>
No. of employees at end of financial year	<u>44</u>	<u>43</u>
14. OTHER		
Deferred income	8,775	439,201
Subscriptions in advance	68,423	69,640
Monies received in advance	<u>26,439</u>	<u>26,182</u>
	<u>103,637</u>	<u>535,023</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005	2004
		\$	\$
15. RESERVES			
Asset replacement reserve	15(a)	433,000	433,000
Asset revaluation reserve	15(b)	<u>1,080,434</u>	<u>1,080,434</u>
		<u>1,513,434</u>	<u>1,513,434</u>
(a) Asset replacement reserve			
Opening balance		<u>433,000</u>	<u>433,000</u>
Closing balance		<u>433,000</u>	<u>433,000</u>
(b) Asset revaluation reserve			
Opening balance		1,080,433	131,566
Revaluation of land and buildings		-	937,076
Revaluation of other non-current assets		<u>-</u>	<u>11,791</u>
Closing balance		<u>1,080,433</u>	<u>1,080,433</u>
The asset revaluation reserve records revaluations of non-current assets.			
16. RETAINED PROFITS			
Retained profits at the beginning of the financial year		4,925,189	4,505,098
Net profit attributable to the association		<u>202,870</u>	<u>420,091</u>
Retained profits at the end of the financial year		<u>5,128,059</u>	<u>4,925,189</u>
17. AUDITORS' REMUNERATION			
Amounts received, or due and receivable, by the auditors for:			
Audit of financial report		30,200	25,250
Other assurance services		<u>2,450</u>	<u>9,750</u>
		<u>32,650</u>	<u>35,000</u>
18. SEGMENT INFORMATION			
The Pharmacy Guild of Australia (NSW Branch) operates in one geographical segment being the provision of services to pharmacists throughout Australia.			

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

19. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The organisation's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Note	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-Interest bearing	
		2005 %	2004 %	2005 \$	2004 \$	2005 \$	2004 \$
FINANCIAL ASSETS							
Cash at bank	5	5.28	4.69	593,159	766,043	-	-
Bank term deposit	5	5.55	5.17	1,000,000	1,600,000	-	-
Receivables	6	-	-	-	-	595,772	738,083
Other	6	-	-	-	-	167,807	227,484
TOTAL FINANCIAL ASSETS				1,593,159	2,366,043	763,579	965,567
FINANCIAL LIABILITIES							
Interest bearing liabilities	12	-	8.15%	-	890,657	-	-
Trade and sundry creditors	11	-	-	-	-	966,206	774,561
Accrued charges	11	-	-	-	-	377,195	592,619
TOTAL FINANCIAL LIABILITIES				-	890,657	1,343,401	1,367,180

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet 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.

(c) Net Fair Value

Methods and assumptions used in determining net fair value:

The net fair values of financial assets and liabilities approximates their carrying values.

20. CONTROLLED ENTITIES

Name	Country of Incorporation	% Owned		Investment At Cost		Contribution to Operating Surplus	
		2005 %	2004 %	2005 \$	2004 \$	2005 \$	2004 \$
Pharmacy Guild Services (NSW) Pty Ltd	Australia	100	100	22	22	Nil	Nil
Pharmacy Guild Sales & Valuations (NSW) Pty Ltd	Australia	100	100	12	12	Nil	Nil

The controlled entities are non-trading.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

21. RELATED PARTY INFORMATION

The Branch is part of an Australia wide organisation.

Sales to and purchases from other Branches and the National Secretariat were made on normal commercial terms of trade during the year and amounted in aggregate to:

Sales	\$ 840,151
Purchases	\$2,041,275

Branch committee members who held office during the financial year were:

A Aylott	S Banks	J Bronger	P Dibben	J Dorman
M Fois	A Gullotta	D Hanna	D Leahy	P McBeath
B O'Loughlin	R Turner			

22. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, Registration and Accountability of Organisations, Schedule 1B, Subsection 272(5), the attention of members is drawn to the following provisions:

Subsection 272 (1)

A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation to be made available to the person making the application.

Subsection 272 (2)

The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the organisation.

Subsection 272 (3)

An organisation must comply with an application made under subsection (1).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

23. SYRINGE EXCHANGE & METHADONE INCENTIVE PROGRAMS

These programs operate throughout the state and are wholly funded by the NSW government.

	2005	2004
	\$	\$

24. CASH FLOW INFORMATION

(a) Reconciliation of Cash

Cash at the end of financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash on hand	1,000	1,000
Cash at bank	<u>1,593,159</u>	<u>2,366,043</u>
Cash balance as per statement of cash flows	<u>1,594,159</u>	<u>2,367,043</u>

(b) Reconciliation of net cash flows from operating activities with operating profit after income tax

Operating surplus	202,870	420,092
Non-cash flows in operating profit		
Depreciation	170,512	233,886
Loss (gain) on sale of property, plant and equipment	59,211	(13,425)
Changes in assets and liabilities, net of the effects of purchase and disposals of controlled entities		
Decrease/(increase) in receivables	188,578	349,852
Decrease/(increase) in prepaid expenses	244,164	(99,269)
Decrease in inventories	-	16,396
(Decrease)/increase in creditors	(24,129)	330,526
(Decrease)/ increase in other current liabilities	(431,386)	(211,221)
Increase/(decrease) in provisions – employee entitlements	<u>2,398</u>	<u>(134,211)</u>
Cash flows from operations	<u>412,218</u>	<u>892,626</u>

25. EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

COMMITTEE OF MANAGEMENT STATEMENT

On 29 August 2005 the Committee of Management of The Pharmacy Guild of Australia (NSW Branch) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2005:

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

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of The Pharmacy Guild of Australia (NSW Branch) for the financial year to 30 June 2005;
- (d) there are reasonable grounds to believe that The Pharmacy Guild of Australia (NSW Branch) will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of The Pharmacy Guild of Australia (NSW Branch) have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the The Pharmacy Guild of Australia (NSW Branch) have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the organisation consists of one reporting unit; and
 - (v) the information sought in any request of a member of The Pharmacy Guild of Australia (NSW Branch) or a Registrar duly made under Section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) no orders have been made by the Commission under Section 273 of the RAO Schedule during the period.

For Committee of Management:



Silas Banks
State President
29 August 2005



John Dorman
Senior Vice-President, Finance
29 August 2005

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE PHARMACY GUILD OF AUSTRALIA (NSW
BRANCH)**

Scope

The financial report and committee's responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the committee's declaration for The Pharmacy Guild of Australia (NSW Branch) (the association), for the year ended 30 June 2005.

The committee is responsible for the preparation and true and fair presentation of the financial report in accordance with Australian accounting standards, other mandatory professional reporting requirements and the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the association. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the requirements of the Australian accounting standards, other mandatory professional reporting requirements and the Workplace Relations Act 1996, a view which is consistent with our understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

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

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

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

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**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE PHARMACY GUILD OF AUSTRALIA (NSW
BRANCH) (cont)**

Independence

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

Audit opinion

In our opinion, the financial report of The Pharmacy Guild of Australia (NSW Branch) presents fairly, in accordance with the applicable Accounting Standards, other mandatory professional reporting requirements in Australia and the Workplace Relations Act 1996, the financial position of The Pharmacy Guild of Australia (NSW Branch) as at 30 June 2005 and the results of its operations and its cashflows for the year then ended.



GRANT THORNTON NSW
Chartered Accountants



AJ ARCHER
Partner

Sydney

29 August 2005

**THE PHARMACY GUILD OF AUSTRALIA - NSW BRANCH
OPERATING REPORT**

I, IAN CAMPBELL, being the designated officer responsible for preparing this report for the financial year ended 30 June 2005 of The Pharmacy Guild of Australia NSW Branch, report as follows:

(a) **Principal Activities:**

- (i) The Pharmacy Guild of Australia NSW Branch is an employers' organisation servicing the needs of proprietors of independent community pharmacies and representing their interests in industrial matters.
- (ii) The Pharmacy Guild of Australia NSW Branch assists the National Council and the National Executive of The Pharmacy Guild of Australia ("the Guild") in carrying out the overall policy and objectives of the Guild.
- (iii) Included in the Annual Report are the various reports compiled by The Pharmacy Guild of Australia NSW Branch President, Director and Officers outlining the activities for the year. There were no significant changes in the nature of these activities during the year under review.

(b) **Significant financial changes:**

There have been no significant changes in The Pharmacy Guild of Australia NSW Branch's financial affairs during the period to which this report relates.

(c) **Members advice:**

- (i) Under Section 174 of the Registration and Accountability of Organisations schedule, (RAO), a member may resign from membership by written notice addressed and delivered to the Branch Director in accordance with Rule 36 of the Guild's Constitution
- (ii) The register of members of the organisation was maintained in accordance with the RAO; and
- (iii) Section 272 of the RAO outlines members and the registrar's rights to certain prescribed information.

(d) **Officers of the organisation holding the position of a trustee of a superannuation entity are as follows:**

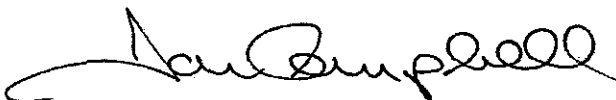
- (i) Alison Aylott, trustee of the Alison Aylott Superannuation Fund.
- (ii) Si Banks, director of Lomani Pty Ltd which acts as trustee of the Ingleburn Health and Beauty Aids Superannuation Fund.
- (iii) John Bronger, director of Chemistworks Management Pty Ltd which acts as trustee of the Bronger Superannuation Fund.
- (iv) Phil Dibben, director of Dibbens Developments Pty Ltd which acts as trustee of the Dibbens Superannuation Benefits Fund. Phil Dibben, director of P&L Dibben Pty Ltd which acts as trustee of the PJ Dibben Pty Ltd Superannuation Fund No.2.
- (v) Margaret Fois, director of Global Medical Informatics Pty Ltd which acts as trustee of the Fois Superannuation Fund.
- (vi) Brendan O'Loughlin, director of None Pty Ltd which acts as trustee of the Faith Superannuation Fund.
- (vii) Peter McBeath, director of Petromac Pty Ltd which acts as trustee of the McBeath Superannuation Fund.

(e) **Prescribed and other Information:**

- (i) As at 30 June 2005 to which this report relates the number of members of the organisation was 1,502 including Nominal and Honorary Life Members.
- (ii) As at 30 June 2005 the total number of employees employed by the reporting entity was 44.
- (iii) Included in the General Purpose Financial Report are the names of each person who has been a member of the committee of management of The Pharmacy Guild of Australia NSW Branch for the full reporting period.

(f) **Insurance of Officers:**

During the financial year, The Pharmacy Guild of Australia NSW Branch paid insurance to cover all officers of The Pharmacy Guild of Australia NSW Branch. The officers of The Pharmacy Guild of Australia NSW Branch covered by the insurance policy included all the Committee of Management. Other officers covered by the contract are the management of The Pharmacy Guild of Australia NSW Branch. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of The Pharmacy Guild of Australia NSW Branch.



29 August 2005