



FAIR WORK
COMMISSION

20 October 2015

Mr Paul Sinclair
Branch President, New South Wales Branch
Pharmacy Guild of Australia

Sent via email: guild.nsw@guild.org.au

Dear Mr Sinclair

Re: Lodgement of Financial Statements and Accounts – Pharmacy Guild of Australia, New South Wales Branch - for year ended 30 June 2015 (FR2015/106)

I refer to the financial report for the New South Wales Branch of the Pharmacy Guild of Australia. The report was lodged with the Fair Work Commission on 24 September 2015.

The financial report has been filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2016 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comment however to be complied with when preparing next year's report.

Disclosure of grants or donations

Reporting Guideline 16(e) requires that where grants or donations have been paid,¹ the total amounts² paid are to be disclosed as follows:

- (i) grants that were \$1,000 or less;
- (ii) grants that exceeded \$1,000;
- (iii) donations that were \$1,000 or less; and
- (iv) donations that exceeded \$1,000

¹ Where, for example, no grants at all were paid, a nil balance or statement that none were paid is required by RG17.

² Note that RG16(e) does not require individual itemisation of donations or grants exceeding \$1,000 in the general purpose financial report itself, simply the *total* amounts for each sub-category. Grants and donations exceeding \$1,000 only have to be individually itemised in the statement of loans, grants and donations under section 237. The *total* amounts disclosed in the financial report for grants and for donations exceeding \$1,000 should reconcile, respectively with the *totals* of any grants and donations appearing in the statement of loans, grants and donations. The amounts disclosed in the financial report for each of grants and donations \$1,000 or less should, when added to the amounts for the grants and donations exceeding \$1,000 equal the total amounts paid in grants and donations.

The donations expenses were disclosed as a total figure in the Statement of Comprehensive Income but not broken down in the form required by the above Required Guideline. No explicit disclosure in relation to grants expense was made.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

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 by email at stephen.kellett@fwc.gov.au

Yours sincerely

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

cc. Mr Des Malone, Finance and Systems Compliance Manager

Designated Officer's Certificate

s.268 *Fair Work (Registered Organisations) Act 2009*

Certificate for the period ended 30 June 2015.

I, Paul Sinclair, being the Secretary of The Pharmacy Guild of Australia (NSW Branch) certify:

- that the documents lodged herewith are copies of the full report for The Pharmacy Guild of Australia (NSW Branch) referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of The Pharmacy Guild of Australia (NSW Branch) on 22 August 2015; and
- that the full report was presented to a general meeting of members of The Pharmacy Guild of Australia (NSW Branch) on 17 September 2015; in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer 

Name of prescribed designated officer: Paul Sinclair

Title of prescribed designated officer: Secretary and State President

Dated: 18 September 2015

**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 2015

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OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2015

The committee presents its report on The Pharmacy Guild of Australia (NSW Branch) for the financial year ended 30 June 2015.

- (a) **Review of 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) has continued to assist the National Council and the National Executive of The Pharmacy Guild of Australia 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) State President, Branch 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 changes in financial affairs:**
There have been no significant changes during the year.
- (c) **Right of members to resign:**
Under Section 174 of the Fair Work (Registered Organisations) Act 2009, 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.
- (d) **Number of members:**
As at 30 June 2015 the number of members of The Pharmacy Guild of Australia (NSW Branch) was 1,230 (2014: 1,323) including Honorary Life & 50 Year Life Members.
- (e) **Number of employees:**
As at 30 June 2015 the number of employees of The Pharmacy Guild of Australia (NSW Branch) was 37 (2014: 40).
- (f) **Names of Committee of Management members and period positions held during the financial year:**
In accordance with Regulation 159(c) of the Fair Work (Registered Organisations) Regulations 2009 the following persons were members of the Branch Committee during the financial year:

1 July 2014 – 30 June 2015

Mario Barone	John Black	Phil Dibben	Mark Douglass
Gregory Everett	David Heffernan	Feras Karem	Paul Jones
Denis Leahy	Binh Luu	Peter McBeath	George Mendria
Rick Samimi	Paul Sinclair	Richard Walsh	



Paul Sinclair
State President
14 August 2015

**STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
REVENUE			
Grants			
Methadone incentive scheme funding		1,791,069	1,515,845
Needle & Syringe exchange funding		1,190,808	1,341,480
Quit for New Life funding		80,591	20,429
Pain Awareness funding		85,000	-
Pharmacy Health Checks funding		950,421	939,447
Other revenue			
Advertising		80,000	94,709
Commission income		558,882	701,086
Get Healthy funding		14,149	32,040
Interest		194,040	201,309
Pharmacy business services income		323,507	254,342
Promotional income		(6,939)	500,601
QCPP funding		833,313	906,717
Value of Community Pharmacy funding		-	38,156
Rent		126,566	113,709
Subscriptions		3,579,964	3,482,180
Temperature verification fees		369,420	257,553
Training services		997,349	615,349
Other revenue from ordinary activities		638,696	621,693
Revenues from ordinary activities		11,806,836	11,636,645
EXPENSES			
Depreciation			
Buildings and leasehold improvements		30,000	30,000
Property, plant and equipment		30,821	34,468
Intangibles		27,851	14,736
		<u>88,672</u>	<u>79,204</u>
Employee Benefit Expense			
Contract wages paid to employee contractors		21,373	90,274
Fringe Benefits Tax		45,079	49,307
Leave provisions		36,468	(201,488)
Salaries and Allowances	4	2,682,550	2,918,317
Superannuation	4	338,397	344,847
Temporary staff		72,926	66,349
		<u>3,196,793</u>	<u>3,267,606</u>
Other Expenses			
Administration services		143,245	116,660
Audit fees		50,624	48,808
Capitation fees – National Council Dues		1,943,127	1,932,019
Cleaning		31,920	31,840
Conference and meeting expenses		13,718	7,904
Consultancy fees		18,277	146,755
Donations		23,077	27,211
Electricity		45,367	50,790
Furniture hire		-	102,794
Insurance		68,209	82,088
Legal costs – other legal matters		11,005	8,516
Balance carried forward		2,348,569	2,555,385

**STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)**

	2015	2014
	\$	\$
Other Expenses (Continued)		
Balance brought forward	2,348,569	2,555,385
Loss on disposal of asset	-	22,375
Maintenance	121,414	121,228
Methadone incentive payments	1,622,273	1,333,043
Needle & syringe exchange contractor fees	189,381	203,498
Needle & syringe exchange payments	630,655	792,282
Payroll tax	134,348	138,751
Pharmacy Health Checks Payments	729,082	602,270
Poisons schedule costs	29,599	11,504
Postage & courier costs	200,157	102,724
Printing & stationery	372,931	326,109
Telephone, fax & internet costs	103,750	140,433
Travel, motor vehicle & accommodation expenses	221,579	268,208
Venue hire	49,504	258,726
Other expenses from ordinary activities	1,294,500	1,443,624
	<u>8,047,742</u>	<u>8,320,160</u>
Total Expenditure	<u>11,333,207</u>	<u>11,666,970</u>
Net surplus/(loss) from ordinary activities	<u>473,629</u>	<u>(30,325)</u>
OTHER COMPREHENSIVE INCOME		
Net gain/(loss) on revaluation of land and buildings	-	255,000
Total other comprehensive income for the year	<u>-</u>	<u>255,000</u>
Total comprehensive income for the year	<u>473,629</u>	<u>224,675</u>

These statements should be read in conjunction with the accompanying notes

STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2015

	Notes	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	5	2,663,321	3,105,563
Trade and other receivables	6	2,781,316	2,693,885
Inventories	7	-	29,065
Other assets	8	84,761	54,357
Financial assets	9	4,000,000	4,000,000
TOTAL CURRENT ASSETS		9,529,398	9,882,870
NON-CURRENT ASSETS			
Financial assets	9	34	34
Property, plant and equipment	10	4,957,457	4,892,152
Intangible assets	11	21,998	50,838
TOTAL NON-CURRENT ASSETS		4,979,489	4,943,024
TOTAL ASSETS		14,508,887	14,825,894
CURRENT LIABILITIES			
Trade and other payables	12	2,314,097	1,796,662
Short-term provisions	13	314,859	305,387
Other liabilities	14	2,922,156	4,266,695
TOTAL CURRENT LIABILITIES		5,551,112	6,368,744
NON-CURRENT LIABILITIES			
Long-term provisions	13	37,758	10,762
TOTAL NON-CURRENT LIABILITIES		37,758	10,762
TOTAL LIABILITIES		5,588,870	6,379,506
NET ASSETS		8,920,017	8,446,388
EQUITY			
Reserves	15	751,632	751,632
Retained earnings		8,168,385	7,694,756
TOTAL EQUITY		8,920,017	8,446,388

These statements should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Closing Balance at 30 June 2013	7,725,081	496,632	8,221,713
Profit for the year ended 30 June 2014	(30,325)	-	(30,325)
Revaluation increment (decrement)	-	255,000	255,000
Total comprehensive income for the year	(30,325)	255,000	224,675
Closing Balance at 30 June 2014	7,694,756	751,632	8,446,388
Profit for the year ended 30 June 2015	473,629	-	473,629
Revaluation increment (decrement)	-	-	-
Total comprehensive income for the year	473,629	-	473,629
Closing Balance at 30 June 2015	8,168,385	751,632	8,920,017

These statements should be read in conjunction with the accompanying notes

STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		12,571,396	12,113,645
Receipts from National Secretariat and Other Branches	19(c)	1,442,172	1,176,532
Payments to suppliers and employees		(12,401,110)	(11,041,230)
Payments to National Secretariat and Other Branches	19(c)	(2,123,603)	(2,216,356)
Interest received		194,040	201,309
Net cash used in operating activities	19(b)	<u>(317,105)</u>	<u>233,900</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(126,126)	(84,571)
Proceeds from sale of property plant and equipment		990	-
Purchase of financial assets		-	-
Net cash used in investing activities		<u>(125,136)</u>	<u>(84,571)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash used in financing activities		-	-
Net (decrease)/ increase in cash and cash equivalents		(442,242)	149,329
Cash and cash equivalents at the beginning of year		<u>3,105,563</u>	<u>2,956,234</u>
Cash and cash equivalents at the end of year	19(a)	<u>2,663,321</u>	<u>3,105,563</u>

These statements should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is for the entity Pharmacy Guild of Australia (NSW Branch) ("Guild") as an individual entity. The Branch is registered under the Fair Work (Registered Organisations) Act 2009. In accordance with the Act the Branch is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Branch is not subject to the Corporations Act.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of the Fair Work (Registered Organisations) Act 2009 and Fair Work (Registered Organisations) Regulations 2009. The Pharmacy Guild of Australia (NSW) Branch is a not-for-profit entity for the purposes of preparing the financial statements.

The reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act) require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards. As such the branch committee of management have prepared a full set of financial statements with all disclosure requirements.

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

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

New Australian Accounting Standards

The accounting policies adopted are consistent with those of the previous financial year except for the following standards, which have been adopted for the first time this financial year:

- AASB 10 Consolidated Financial Statements redefines the concept of control. AASB 10 replaces the consolidation requirements of SIC-12 Consolidation—Special Purpose Entities and AASB 127 Consolidated and Separate Financial Statements and is effective for not-for-profit entities with annual periods beginning on or after 1 January 2014. This standard does not have any impact on the Guild's financial statements.
- AASB 11 Joint Arrangements sets out a new framework for the accounting for joint ventures, including removal of the option to use proportionate consolidation. This standard does not have any impact on the Guild's financial statements.
- AASB 12 Disclosures of Interests in Other Entities is a disclosure standard that includes all of the disclosure requirements for subsidiaries, joint arrangements, associates and consolidated and unconsolidated structured entities. This standard does not have any impact on the Guild's financial statements.

Accounting Policies

(a) 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.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned to individual items on a first-in first-out basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property, plant and equipment are measured on a fair value basis less depreciation and impairment losses. Revaluation entries were processed to the asset revaluation reserve.

Works of art are re-valued every 3 years at fair value.

The carrying amount of property, plant and equipment is reviewed annually by the branch committee to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount of an asset is determined as the higher of fair value less costs to sell, and value in use, with value in use being determined as the written-down current cost (depreciated replacement cost) of the asset.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Guild 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	20%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each financial year. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) **Intangibles**

Software and implementation costs are treated as intangible assets.

(e) **Employee Benefits**

A provision is made for the Guild's liability for employee benefits arising from services rendered by employees and officers to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus any related on-costs. 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 Guild to an employee superannuation fund and are charged as expenses when incurred.

Amounts accrued for long service leave benefits are calculated in accordance with The National Employment Standards, awards and negotiated agreements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) **Cash and Cash Equivalents**

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.

(g) **Revenue**

Revenue from subscriptions is accounted for on an accruals basis and is recorded as revenue in the year to which it relates. Revenue from the sale of goods is recognised upon the delivery of the goods to the customer. Revenue from the rendering of a service is recognised upon the delivery of the service to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(h) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown exclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(i) **Financial Assets**

Recognition

Financial assets are initially measured at cost on trade debt, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the entity's intention to hold these investments to maturity. Any held-to-maturity investments held by the entity are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

(j) **Impairment of Assets**

At each reporting date, the group reviews the carrying values of its tangible 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.

Where it is not possible to estimate the recoverable amount of an individual asset, the Guild estimates the recoverable amount of the cash-generating unit to which the asset belongs.

As not-for-profit, where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use shall be determined as the depreciated replacement cost of the asset.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants are recognised as revenue subject to conditions being met.

(l) Comparative Figures

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

(m) Critical Accounting Estimates and Judgments

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

Key estimates - Impairment

The Branch Committee assesses impairment at each reporting date by evaluating conditions specific to the Guild that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

(n) Accounting Standards Issued But Not Yet Effective

There have been no accounting standards issued which have a financial impact on the financial report in future periods and which are not yet effective.

(o) Going concern

The Pharmacy Guild of Australia (NSW Branch) has agreed to provide The New South Wales Pharmacy Guild with financial support to ensure they can continue as a going concern. The Pharmacy Guild of Australia (NSW Branch) has an ongoing agreement to supply financial and administration support to The New South Wales Pharmacy Guild, and during the year paid audit fees of \$2,900 (2013: donation of \$2,800) to support the entity.

2. ORGANISATIONAL INFORMATION

The financial report of The Pharmacy Guild of Australia (NSW Branch) for the year ended 30 June 2015 was authorized for issue in accordance with a resolution passed by the Committee of Management.

The Pharmacy Guild of Australia is an organization registered under the Fair Work (Registered Organisations) Act 2009. The nature of the operations and principal activities of the Guild are described in the Operating Report.

The principal place of business of The Pharmacy Guild of Australia (NSW Branch) is 84 Christie Street, St Leonards, NSW 2065.

3. KEY MANAGEMENT PERSONNEL COMPENSATION

	Salary & Bonus	Superannuation	Non-Cash Benefits	Other	Long-term Benefits	Total
	\$	\$	\$	\$	\$	\$
2015						
Total						
Compensation	1,167,942	183,605	18,956	53,184	-	1,423,687
2014						
Total						
Compensation	1,282,993	126,179	15,105	57,570	-	1,481,847

The number of people included as key management personnel is 12 (2014: 13).

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
4. EMPLOYEE EXPENSES		
Holders of office:		
- Wages and salaries	-	-
- Superannuation	-	-
- Leave and other entitlements	-	-
- Separation and redundancies	-	-
- Other employee expenses	-	-
Subtotal employee expenses – holders of office	<u>-</u>	<u>-</u>
Employees other than office holders		
- Wages and salaries	2,682,550	2,918,317
- Superannuation	338,397	344,847
- Leave and other entitlements	-	-
- Separation and redundancies	-	-
- Other employee expenses	-	-
Subtotal employee expenses – employees other than office holders	<u>3,020,947</u>	<u>3,263,164</u>
Total employee expenses	<u>3,020,947</u>	<u>3,263,164</u>
5. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	<u>2,663,321</u>	<u>3,105,563</u>
	<u>2,663,321</u>	<u>3,105,563</u>
6. TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade debtors		
- National Secretariat and related party receivables	47,630	19,590
- Other debtors	2,579,685	2,379,700
Provision for doubtful debts	<u>(44,985)</u>	<u>(8,569)</u>
	2,582,330	2,390,721
Sundry debtors	<u>198,986</u>	<u>303,164</u>
	<u>2,781,316</u>	<u>2,693,885</u>
Current trade and term receivables are generally on 30 day terms except for branch membership subscriptions which members can elect to pay by installments in accordance within the Guild's Constitution. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired.		
7. INVENTORIES		
Raw materials and stores	<u>-</u>	<u>29,065</u>
8. OTHER CURRENT ASSETS		
Prepayments	<u>84,761</u>	<u>54,357</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2015

		2015 \$	2014 \$
9. FINANCIAL ASSETS			
CURRENT			
Bank term deposits		<u>4,000,000</u>	<u>4,000,000</u>
There is a Bank Guarantee for \$420,000 f/o Australian Skills Quality Authority secured by the term deposit. This is to ensure compliance with protecting student fees.			
NON-CURRENT			
Shares in controlled entities – at cost	16	<u>34</u>	<u>34</u>
10. PROPERTY, PLANT AND EQUIPMENT			
Freehold land, at fair value		<u>3,600,000</u>	<u>3,600,000</u>
		<u>3,600,000</u>	<u>3,600,000</u>
Buildings, at fair value		<u>1,170,000</u>	<u>1,200,000</u>
		<u>1,170,000</u>	<u>1,200,000</u>
Total land and buildings		<u>4,770,000</u>	<u>4,800,000</u>
Plant and equipment, at cost		1,151,066	1,024,940
Accumulated depreciation		<u>(1,033,798)</u>	<u>(1,002,979)</u>
		<u>117,267</u>	<u>21,962</u>
Works of art, at fair value		<u>70,190</u>	<u>70,190</u>
		<u>70,190</u>	<u>70,190</u>
Total property, plant and equipment		<u>4,957,457</u>	<u>4,892,152</u>

The valuation of land and building assets was completed by Certified Practising Valuer, Ian Handley (Registered Valuer 1135), of Handley Partners Property with the date of inspection of the assets being performed on 1 June 2014 for the value as at 30 June 2014. The same valuer performed the revaluation for the land and buildings for the year ended 30 June 2013. The revaluation was credited in 2014 to the asset revaluation reserve. Management have not considered it necessary for a revaluation to be performed for the value as at 30 June 2015.

Works of Art are recorded at a fair market value in continued use and are revalued every three years. On 22 April 2013, Mr. Colin McWilliam, NCJV Fine Arts Division Registered Valuer No. 384, of McWilliam & Associates Pty Ltd revalued the Works of Art at \$70,190. The revaluation was credited in 2013 to the asset revaluation reserve.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

10. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Movements in carrying amounts

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

2015	Opening balance	Additions	Revaluations	Disposals	Depreciation	Closing balance
	\$	\$	\$	\$	\$	\$
Freehold Land	3,600,000	-	-	-	-	3,600,000
Buildings	1,200,000	-	-	-	(30,000)	1,170,000
Plant and equipment	21,962	126,126	-	-	(30,821)	117,267
Works of art	70,190	-	-	-	-	70,190
Total	4,892,152	126,126			(60,821)	4,957,457

2014	Opening balance	Additions	Revaluations	Disposals	Depreciation	Closing balance
	\$	\$	\$	\$	\$	\$
Freehold Land	3,300,000	-	300,000	-	-	3,600,000
Buildings	1,275,000	-	(45,000)	-	(30,000)	1,200,000
Plant and equipment	42,954	14,352	-	(876)	(34,468)	21,962
Works of art	70,190	-	-	-	-	70,190
Total	4,688,144	14,352	255,000	(876)	(64,468)	4,892,152

11. INTANGIBLE ASSETS

	2015	2014
	\$	\$
Software, at cost	193,793	194,783
Accumulated amortisation	(171,796)	(143,945)
	<u>21,997</u>	<u>50,838</u>

Movements in carrying amounts

Movements in carrying amounts for the intangible assets between the beginning and the end of the financial year.

2015	Opening balance	Additions	Disposals	Amortisation	Closing balance
	\$	\$	\$	\$	\$
Software	50,838	-	(990)	(27,851)	21,977
Total	50,838	-	(990)	(27,851)	21,977

2014	Opening balance	Additions	Disposals	Amortisation	Closing balance
	\$	\$	\$	\$	\$
Software	16,854	70,220	(21,500)	(14,736)	50,838
Total	16,854	70,220	(21,500)	(14,736)	50,838

12. TRADE AND OTHER PAYABLES

	2015	2014
	\$	\$
CURRENT		
Trade creditors		
- National Secretariat and Other Branches	190,345	98,947
- Other creditors	693,470	904,088
Accrued charges	1,430,282	793,627
	<u>2,314,097</u>	<u>1,796,662</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
13. PROVISIONS		
Office Holders:		
Annual Leave	-	-
Long Service Leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions – office holders	<u>-</u>	<u>-</u>
Employees other than office holders:		
Annual Leave	196,360	185,976
Long Service Leave	156,257	130,173
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions – employees other than office holders	<u>352,617</u>	<u>316,149</u>
Total employee provisions	<u>352,617</u>	<u>316,149</u>
Current	314,859	305,387
Non-current	37,758	10,762
Total employee provisions	<u>352,617</u>	<u>316,149</u>

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1(e).

14. OTHER CURRENT LIABILITIES

Deferred income	1,728,056	2,055,836
Subscriptions in advance	1,174,100	1,603,621
Monies received in advance	20,000	607,238
	<u>2,922,156</u>	<u>4,266,695</u>

15. RESERVES

Asset revaluation reserve	<u>751,632</u>	<u>751,632</u>
Asset revaluation reserve		
Opening balance	751,632	496,632
Revaluation of land and buildings	-	255,000
Revaluation of works of art	-	-
Closing balance	<u>751,632</u>	<u>751,632</u>

The asset revaluation reserve records revaluations of non-current assets.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2015

16. CONTROLLED ENTITIES

Name	Country of Incorporation	% Owned		Investment At Cost		Contribution to Operating Surplus	
		2015	2014	2015	2014	2015	2014
		\$	%	\$	\$	\$	\$
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

Pharmacy Guild Services (NSW) Pty Ltd is the holding company for Pharmacy Guild Sales & Valuations (NSW) Pty Ltd.

17. 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:

National Secretariat	
Sales	\$1,404,878
Purchases	\$2,074,421
Guild Branches	
Sales	\$37,294
Purchases	\$49,182

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

M Barone	J Black	P Dibben	M Douglas	G Everett
D Heffernan	F Karem	P Jones	D Leahy	B Luu
P McBeath	G Mendria	R Samimi	P Sinclair	R Walsh

The aggregate amount of remuneration paid to officers during the year is disclosed on the statement of comprehensive income.

The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officials is nil (2014: nil).

During the year an amount of \$103,957 (excluding GST) was paid to DM & JM Enterprises Pty Ltd for management of the Methadone Incentive Scheme. Mr Denis Leahy is a director of DM & JM Enterprises Pty Ltd and has provided the relevant Disclosure Form to the Guild.

There have been no other transactions between the Officers and the Branch other than those relating to their membership of the Branch and the reimbursement by the Branch in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

18. INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, Chapter 8, Division 7, Section 272, the attention of members is drawn to the following provisions:

Subsection 272 (1)

A member of a reporting unit, or the General Manager, 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.

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 reporting unit.

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 2015

	2015 \$	2014 \$
19. 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	-	-
Cash at bank	2,663,321	3,105,563
Cash balance as per statement of cash flows	<u>2,663,321</u>	<u>3,105,563</u>
(b) Reconciliation of net cash flows from operating activities with operating profit after income tax		
Operating surplus/(loss)	473,629	(30,325)
Non-cash flows in operating profit		
Depreciation and amortisation	88,672	79,204
Net loss on sale of property plant and equipment	-	22,375
<i>Changes in assets and liabilities, net of the effects of purchase and disposals of controlled entities:</i>		
Decrease / (increase) in trade and other receivables	(87,431)	318,327
Decrease / (increase) in prepaid expenses	(30,404)	6,282
Decrease / (increase) in inventories	29,065	(21,042)
Increase / (decrease) in creditors	517,435	(374,709)
Increase / (decrease) in other current financial liabilities	(1,344,539)	435,274
Increase / (decrease) in provisions – employee entitlements	36,468	(201,486)
Cash flows from operations	<u>(317,105)</u>	<u>233,900</u>
(c) Cash flow information		
Cash inflows		
The Pharmacy Guild of Australia (National Secretariat)	1,404,878	1,160,679
The Pharmacy Guild of Australia (ACT Branch)	18	109
The Pharmacy Guild of Australia (Victoria Branch)	2,888	226
The Pharmacy Guild of Australia (Queensland Branch)	6,937	9,484
The Pharmacy Guild of Australia (Northern Territory Branch)	23,733	1,339
The Pharmacy Guild of Australia (South Australia Branch)	1,597	862
The Pharmacy Guild of Australia (Western Australia Branch)	1,708	2,564
The Pharmacy Guild of Australia (Tasmania Branch)	413	1,269
Total cash inflows	<u>1,442,172</u>	<u>1,176,532</u>
Cash outflows		
The Pharmacy Guild of Australia (National Secretariat)	2,074,421	2,093,295
The Pharmacy Guild of Australia (ACT Branch)	10,426	7,339
The Pharmacy Guild of Australia (Victoria Branch)	16,243	266
The Pharmacy Guild of Australia (Queensland Branch)	13,984	75,528
The Pharmacy Guild of Australia (Northern Territory Branch)	1,537	5,061
The Pharmacy Guild of Australia (South Australia Branch)	2,636	1,260
The Pharmacy Guild of Australia (Western Australia Branch)	2,577	29,289
The Pharmacy Guild of Australia (Tasmania Branch)	1,779	4,318
Total cash outflows	<u>2,123,603</u>	<u>2,216,356</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

20. METHADONE INCENTIVE SCHEME, NEEDLE & SYRING EXCHANGE, PHARMACY HEALTH CHECKS "KNOW YOUR NUMBERS", GET HEALTHY AND QUIT FOR NEW LIFE.

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

21. FINANCIAL RISK MANAGEMENT

(a) Capital Management

The Guild's financial instruments consist of deposits with banks and accounts receivable and payable. Branch funds are invested in accordance with the Guild's Constitution whereby all monies are deposited with an accredited bank. The Branch manages liquidity risk by monitoring forecast cash flows and ensuring that adequate surplus funds are maintained to meet financial obligations.

When managing capital, the Guild's objective is to ensure that the organisation continues as a going concern as well as to maintain optimal benefits for stakeholders. The Guild also aims to maintain a capital structure that ensures the lowest cost of capital available to the organisation.

The Guild is not subject to any externally imposed capital requirements.

(b) Credit Risk

The Guild continuously monitors defaults by customers and other counterparties and incorporates this information into its credit risk controls. The Guild's management considers that all of the above financial assets are not impaired for each reporting date and are of good quality, including those past due.

The credit risk for liquid funds is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

In respect of trade and other receivables, the Guild is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Current trade and term receivables are 30 day terms except for branch membership subscriptions which members can elect to pay by instalments in accordance with the Guild's Constitution. No terms have been renegotiated during the year.

A provision for impairment totalling \$44,985 has been made to recognise some difficulty in collectability of some invoices issued. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. No write-offs have been necessary during the current year.

No trade and other receivables are deemed to be impaired. Collateral is not held as security, nor is it the Guild's policy to transfer (on-sell) receivables. In addition some of the unimpaired trade receivables are past due as at reporting date. The ageing of financial assets past due is as follows:

	2015	2014
	\$	\$
0-30 days	2,466,534	2,319,930
31-60 days PDNI*	29,261	30,411
31-60 days CI*	-	-
61-90 days PDNI*	32,240	22,126
61-90 days CI*	4,125	-
+91 days PDNI*	54,295	18,469
+91 days CI*	40,860	8,354
	<u>2,627,315</u>	<u>2,399,290</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

21. FINANCIAL RISK MANAGEMENT (Cont'd)

PDNI* Past due not considered impaired

CI* Considered to be impaired

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 statement of financial position and notes to the financial statements. The organisation has material credit risk exposure within the pharmaceutical industry under financial instruments entered into by the organisation.

The financial assets of the organisation are as follows:

	Note	Weighted Average Effective Interest Rate		Floating & Fixed Interest Rate		Non-Interest bearing	
		2015 %	2014 %	2015 \$	2014 \$	2015 \$	2014 \$
FINANCIAL ASSETS							
Cash at bank	5	3.03*	2.50	2,663,321	3,105,563	-	-
Bank term deposit	9	3.72	3.72	4,000,000	4,000,000	-	-
Trade and other receivables	6	-	-	-	-	2,582,330	2,390,721
Other debtors	6	-	-	-	-	198,986	303,164
TOTAL FINANCIAL ASSETS				6,663,321	7,105,563	2,781,316	2,693,885

*The Guild has negotiated an interest rate of the official cash rate plus 0.67%.

FINANCIAL LIABILITIES

Trade and other payables	12	-	-	-	-	883,815	1,003,035
Accrued charges	12	-	-	-	-	1,430,282	793,627
TOTAL FINANCIAL LIABILITIES				-	-	2,314,097	1,796,662

(c) Sensitivity Analysis

The Guild has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks. The Guild is exposed to changes in market interest rates through the cash held at banks which are subject to variable and fixed interest rates.

The following table illustrates the sensitivity of the net result for the year and the equity to a reasonably possible change in interest rates of +1% and -1% (2014: +/-1%), with the effect from the beginning of the year. These changes are considered to be reasonably possible based on observations of current market conditions.

The calculations are based on the Guild's financial instruments held at each balance date and exclude monies held in 'at call' accounts for the Methadone Incentive Scheme and Needle and Syringe Exchange government funded programs as bank interest received for these funds must be paid to the NSW State Government. All other variables are held constant.

	2015 \$	2015 \$	2014 \$	2014 \$
	+1%	(1%)	+1%	(1%)
Net result for the year	66,633	(66,633)	71,056	(71,056)
Equity	66,633	(66,633)	71,056	(71,056)

The Guild does not have any foreign currency or other market exposures.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

22. 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.

23. CONTINGENT LIABILITIES

As at 30 June 2015 there are no contingent liabilities (2014: Nil).

24. NSW GOVERNMENT FUNDED PROGRAMS

The following programs operate throughout the state and are wholly funded by the NSW Government:

- Methadone Incentive Scheme
- Needle & Syringe Exchange
- Pharmacy Health Checks 'Know Your Numbers'
- Quit for New Life
- Get Healthy
- Pain Network Awareness Campaign

25. SPECIFIC REQUIREMENTS OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

- The reporting entity is not reliant on agreed financial support of another reporting unit;
- The reporting entity has not acquired an asset or a liability during the year as a result of an amalgamation, or other restructure, or business combination;
- The reporting entity has not received any capitation fees;
- The reporting entity has not received financial support from another reporting unit;
- The reporting entity has not incurred fees as consideration for employers making payroll deductions of membership subscriptions;
- The reporting entity has not paid fees or allowances to persons to attend a conferences or other meeting as a representative of the reporting unit;
- The reporting entity has not had penalties imposed under the RO Act;
- The reporting entity has no payables to employers as consideration for the employers making payroll deductions of membership subscriptions; and
- The reporting entity has no payables in respect of legal costs and other expenses related to litigation or other legal matters.

	2015	2014
	\$	\$
Expenses incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible	<u>108,633</u>	<u>82,437</u>

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

On 14 August 2015 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) for the year ended 30 June 2015:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (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 which they relate;
- (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; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of the branch concerned; 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 Pharmacy Guild of Australia (NSW Branch) have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of The Pharmacy Guild of Australia (NSW Branch) have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of The Pharmacy Guild of Australia (NSW Branch) or General Manager of Fair Work Australia duly made under Section 272 of the Fair Work (Registered Organisations) Act 2009 has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under Section 273 of the Fair Work (Registered Organisations) Act 2009, there has been compliance.
- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
 - (ii) the committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by The Pharmacy Guild of Australia (NSW Branch) from which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and

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

COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

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



Paul Sinclair
State President
14 August 2015



Denis Leahy
Vice-President, Finance
14 August 2015

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**Independent Auditor's Report
To the Members of The Pharmacy Guild of Australia (NSW Branch)**

We have audited the accompanying financial report of The Pharmacy Guild of Australia (NSW Branch) (the "Guild"), which comprises the statement of financial position as at 30 June 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the Committee of Management statement.

Responsibility of the Committee of Management and the Branch Secretary for the financial report

The Committee of Management and the Branch Secretary of the Guild are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009. This responsibility includes such internal controls as the Committee of Management and the Branch Secretary determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's

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judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Guild's preparation and fair presentation of the financial report 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 Guild's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management and the Branch Secretary, as well as evaluating the overall presentation of the financial report.

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

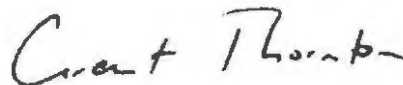
Independence

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Auditor's Opinion

In our opinion:

- a The financial report of The Pharmacy Guild of Australia (NSW Branch):
 - i presents fairly, in all material respects, The Pharmacy Guild of Australia (NSW Branch) financial position as at 30 June 2015 and of its performance and cash flows for the year then ended;
 - ii complies with Australian Accounting Standards and the relevant legislation; and
 - iii complies with the requirements of the Fair Work (Registered Organisations) Regulation 2009 and Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009
- b Management's use of the going concern basis of accounting in the preparation of The Pharmacy Guild of Australia (NSW Branch)'s financial statements is appropriate.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



C.F. Farley
Partner - Audit & Assurance

Sydney, 14 August 2015