



Australian Government
Australian Industrial Registry

Level 36, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0401

Darryl Stewart
Branch Vice President (Finance)
The Pharmacy Guild of Australia
Northern Territory Branch
GPO Box 1554
DARWIN NT 0801

Dear Mr Stewart,

**Re: The Pharmacy Guild of Australia - Northern Territory Branch
Financial reports for year ended 30 June 2004
Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule) FR2004/301**

Thank you for the information sought by this office on 4 November 2004 in relation to the branch's financial reports for year ended 30 June 2004. The information was received in this office on 21 December 2004. The delay in responding to you in this matter has been caused by the increase in the assistance provided to organisations since the introduction of the RAO Schedule.

The information has been examined and filed. I would, however, 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:

The Branch Committee's statement at paragraph (e)(iv) is incorrect. That paragraph provides that "the organisation consisted of one reporting unit". 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. The Pharmacy Guild of Australia (the organisation) consists of a number of reporting units, and this requirement asks that a consistent approach to financial reporting between the reporting units of the organisation be recognised. You may wish to visit our website at <http://www.e-airc.gov.au/175v> to view the financial reports of other reporting units of the organisation.

Designated Officer's Certificate (Secretary's Certificate):

Subsection 265(5)(a) of the RAO Schedule requires copies of the full report to be provided to members 21 days before the general meeting at which the report is to be presented. According to the information contained in your covering letter (better known as the Designated Officer's Certificate), the full report of the reporting unit was presented to a General Meeting on 7 December 2004, but with no indication of the full report being provided to the members in advance of its presentation. To assist in this matter, I have attached a form for your use when next lodging the financial reports of the branch.

Operating Report:

Paragraph (c)(i) of the Operating Report provides that a member may resign from membership by written notice addressed and delivered to the Branch Director. It is our view that this requirement necessitates, as a minimum, the inclusion of a reference to the specific rule in the rules of the reporting unit which makes provision for the resignation of members - in this case rule 36. Of course, if you choose to reproduce the whole of the relevant rule that would clearly satisfy the requirements of that provision.

I also note that paragraph (c)(iii) refers to s272 of the RAO Schedule. I should point out that this requirement should be placed in the General Purpose Financial Report - perhaps under Notes to the financial statements. It must also set out in full, word for word, subsections 272(1), (2) and (3).

Paragraph (e)(iii) suggests that the names of each person who has been a member of the Committee during the reporting period is located elsewhere in the Annual Report. This list must be included in the Operating Report - refer regulation 159(c) of the *Workplace Relations (Registration and Accountability of Organisations) Regulations* (the regulations).

Auditor's Report:

The opinion expressed by the auditor in his report has been drafted in terms of the previous requirements of the Act. Section 257(5) of the RAO Schedule now sets the matters on which an auditor is required to state an opinion. An acceptable wording would be as follows:

"In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the RAO Schedule."

I have forwarded a copy of this letter to your auditor, Devendra Patel. Further, there is nothing in the report that identifies KPMG as an 'Approved Auditor', which is defined under regulation 4 of the regulations.

Accounting Officer's Certificate:

Your Accounting Officer's Certificate appears to replicate the Accounting Officer's certificate previously required under former provisions of the Act. Please note that there is no requirement under the RAO Schedule to lodge an Accounting Officer's certificate.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the RAO Schedule, please contact me on (03) 8661 7817 or email: robert.pfeiffer@air.gov.au.

Yours sincerely,



Robert Pfeiffer
Statutory Services Branch, Melbourne

31 May 2005

cc Devendra Patel
KPMG
GPO Box 1616
DARWIN NT 0801



The PHARMACY GUILD of AUSTRALIA
NORTHERN TERRITORY BRANCH

rec'd 21/12/04
fs

FR 2004/301

16 December 2004

The Industrial Registrar
GPO BOX 1994S
Melbourne VIC 3001

Attention: Shane Ellard

Dear Sir,

Thank you for your letter of 4 November 2004 acknowledging receipt of our financial reports and noting that they could not be accepted as they had been prepared under the former provisions of the Workplace Relations Act 1996. Our accountant and auditor have now prepared, audited, supplied to members and presented at a meeting an amended Annual Report, which we now lodge with the Industrial Register.

Enclosed herewith, in accordance with Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule), is a copy of the amended Annual Report including the Operating Report, the General Purpose Financial Report and the Auditors Report for the Pharmacy Guild of Australia - Northern Territory Branch for the year ended 30 June 2004. These documents were presented to, and accepted by members at a General Meeting held on Tuesday 7th December, 2004.

Should you have any queries in relation to this matter please contact Judith Oliver of this office.

Yours sincerely

Darryl Stewart
Branch Vice President (Finance)

**The Pharmacy Guild of Australia
(Northern Territory Branch)**

**General Purpose Financial Report for the
Year Ended 30 June 2004**

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

GENERAL PURPOSE FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2004

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PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

ACCOUNTING OFFICER'S CERTIFICATE

I, Darryl Stewart, being the officer responsible for keeping the accounting records of the Pharmacy Guild of Australia (Northern Territory Branch), certify that as at 30 June 2004, the number of members of the organisation was:

Proprietors	14
Premises	10
Branches	10
Nominal & Associates	-
Honorary Life	-

In my opinion:

- (a) The attached accounts show a true and fair view of the financial affairs of the Branch as at 30 June 2004
- (b) A record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the organisation
- (c) Before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation
- (d) With regard to funds of the organisation raised by the compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules of the organisation, no payments were made out of any such fund for purposes other than those for which the fund was operated
- (e) No loans or other financial benefits, other than remuneration in respect of their full-time employment with the organisation, were made to persons holding office in the organisation
- (f) The register of members of the branch was maintained in accordance with the Act
- (g) The attached accounts have been prepared in accordance with applicable Australian Accounting Standards.


DARRYL STEWART

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

Dated: December 2004

1/12/04

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

COMMITTEE OF MANAGEMENT STATEMENT


On 7th December 2004, the Committee of Management of The Pharmacy Guild of Australia Northern Territory 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 2004.

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of 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 RAO Schedule and the RAO Regulations; and
 - (iv) the organisation consisted of one reporting unit;
 - (v) no information has been sought by a member of the reporting unit or a Registrar under section 272 of the RAO schedule;
 - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: IAN MARSHALL

Title of Office Held: BRANCH PRESIDENT

Signature: 

DARWIN

Date:  December 2004

Independent audit report to the members of Pharmacy Guild of Australia (Northern Territory Branch)

Scope

The financial report and committee members' responsibility

The financial report comprises statement of financial performance, statement of financial position, statement of cash flows, accompanying notes, and the statement by committee members set out on pages 6 to 15 for Pharmacy Guild of Australia (Northern Territory Branch) ("the Branch"), for the year ended 30 June 2004.

The committee members of the Branch are responsible for the preparation and true and fair presentation of the financial report in accordance with 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

I conducted an independent audit in order to express an opinion to the members of the Branch and for distribution to the National Secretariat for the purpose of fulfilling the committee of management's financial reporting requirements under the Workplace Relations Act 1996.

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

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

I formed my 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 members.

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

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

Qualification

Cash receipts are a significant source of revenue for the Pharmacy Guild of Australia (Northern Territory Branch). The Pharmacy Guild of Australia (Northern Territory Branch) has determined that it is impracticable to establish control over the collection of cash receipts prior to entry into its financial records. Accordingly, as evidence available to us regarding revenue from this source was limited, our audit procedures with respect to cash receipts had to be restricted to the amounts recorded in the financial records.

We therefore are unable to express an opinion whether cash receipts obtained by the Pharmacy Guild of Australia (Northern Territory Branch) are complete.

Qualified audit opinion

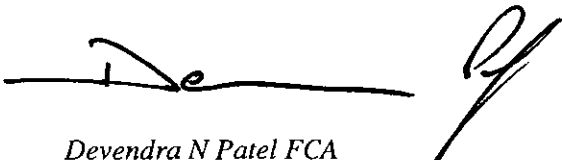
In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, the financial report of Pharmacy Guild of Australia (Northern Territory Branch) is properly drawn up, including:

- a) satisfactory accounting records have been kept by the Pharmacy Guild of Australia (Northern Territory Branch) so far as appears from our examination of these books, including:
 - (i) records of the sources and nature of the income of the Pharmacy Guild of Australia (Northern Territory Branch) (including income from members); and
 - (ii) records of the nature and purposes of the expenditure of the Pharmacy Guild of Australia (Northern Territory Branch); and
- b) the financial report has been properly drawn up, in accordance with section 273 of the Workplace Relations Act 1996, so as to give a true and fair view of:
 - (i) the financial affairs of the Pharmacy Guild of Australia (Northern Territory Branch) as at the end of the year;
 - (ii) the income and expenditure, and any surplus or deficit, of the Pharmacy Guild of Australia (Northern Territory Branch) for the year; and
 - (iii) the cash flows of the Pharmacy Guild of Australia (Northern Territory Branch) for the year ended 30 June 2004

All the information and explanations that, under section 276 subsection (2) of the Workplace Relations Act 1996, officers or employees of the organisation were required to provide were provided.

KPMG

KPMG


Devendra N Patel FCA
Partner

Darwin

Date: 1 December 2004

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
Revenue from ordinary activities	2	82,177	34,258
Accounting Fees		(1,900)	(3,900)
Administration Expenses		(13,330)	-
Audit Fees		(2,500)	(4,615)
Depreciation		(1,457)	-
Doubtful Debts		(10,472)	-
Employment Expenses		(9,912)	-
Interest Expense		(182)	(3)
Rent		(7,710)	-
Secretariat Expenditure		(21,372)	(24,019)
Training Expenditure		-	(121)
Net Profit	8	<u>13,342</u>	<u>1,600</u>

Notes to the financial statements are included on pages 9 – 15

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2004

	Note	2004 \$	2003 \$
CURRENT ASSETS			
Cash	3	43,201	28,173
Receivables	4	57,436	50,414
TOTAL CURRENT ASSETS		<u>100,637</u>	<u>78,587</u>
NON-CURRENT ASSETS			
Property plant and equipment	5	10,534	-
TOTAL NON-CURRENT ASSETS		<u>10,534</u>	<u>78,587</u>
TOTAL ASSETS		<u>111,171</u>	<u>78,587</u>
CURRENT LIABILITIES			
Payables	6	10,500	15,467
Subscriptions in Advance	7	43,465	40,396
Funding in Advance	8	41,240	20,100
TOTAL CURRENT LIABILITIES		<u>95,205</u>	<u>75,963</u>
TOTAL LIABILITIES		<u>95,205</u>	<u>75,963</u>
NET ASSETS		<u>15,966</u>	<u>2,624</u>
EQUITY			
Accumulated Funds	9	15,966	2,624
TOTAL EQUITY		<u>15,966</u>	<u>2,624</u>

Notes to the financial statements are included on pages 9 - 15

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

STATEMENT OF CASH FLOWS

AS AT 30 JUNE 2004

	Note	2004	2003
Cash receipts in the course of operations		47,149	5,278
Cash payments in the course of operations		(106,576)	(4,769)
Interest Received		205	1
Extraordinary item – Funding in Advance	10(c)	74,250	22,110
Net cash provided by/(used in) operating activities	10(b)	15,028	22,620
Net increase/(decrease) in cash held		15,028	22,620
Cash at the beginning of the financial year		28,173	5,553
Cash at the end of the financial year	10(a)	43,201	28,173

Notes to the financial statements are included on pages 9 - 15

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

1. SUMMARY OF ACCOUNTING POLICIES

Financial Reporting Framework

The financial report is a general purpose financial report which has been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views and comply with the Workplace Relations Act 1996.

Significant Accounting Policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transaction or other event is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

a) **Going Concern Basis**

The financial report is prepared on a going concern basis.

b) **Payables**

Trade payables and other accounts payable are recognised when the Northern Territory Branch becomes obliged to make future payments resulting from the purchase of goods and services.

c) **Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

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

d) **Income Tax**

The association is exempt from Income Tax under section 50-5 of the Income Tax Assessment Act 1997.

e) **Receivables**

Trade receivables and other receivables are recorded at amounts due less any provision for doubtful debts.

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

f) Revenue Recognition

i) **Commission**

Commission revenue is recognised in the period to which it relates.

ii) **Subscriptions**

Revenue from subscriptions is recognised in the period to which it relates.

g) Reporting Period & Comparatives

The Northern Territory Branch of the Pharmacy Guild of Australia commenced activities on 7 January 2002. Accordingly the reporting period these financial statements refer to is for the year ended 30 June 2004, with comparatives being for the year ended 30 June 2003.

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

2. REVENUE FROM ORDINARY ACTIVITIES

	2004 \$	2003 \$
Commissions – FRED computer Installations	5,000	5,000
Commissions – GIC	2,878	1,160
Commissions – EFTPOS Applications fees	-	62
Commissions Gold Cross	1,314	951
Grant – Pharmacy Guild of Australia	26,260	3,000
Rent Recovery	3,043	-
Subscriptions	41,682	24,019
Miscellaneous Income	2,000	66
	<u>82,177</u>	<u>34,258</u>

3. CASH

Cash at Bank – National Australia Bank	43,101	28,173
Petty Cash	100	-
	<u>43,201</u>	<u>28,173</u>

4. RECEIVABLES

Trade Debtors - Pharmacy Computers Aust	5,500	5,500
- The Pharmacy Guild of Australia	1,445	4,419
- Members	58,679	40,474
- Guild Insurance Ltd	855	21
Provision for Doubtful Debts	(10,472)	-
Accrued Revenue	386	-
Prepayments	1,043	-
	<u>57,436</u>	<u>50,414</u>

5. PROPERTY PLANT AND EQUIPMENT

Furniture and Equipment at Cost	11,991	-
Accumulated Depreciation	(1,457)	-
	<u>10,534</u>	<u>-</u>

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
6. PAYABLES		
Creditors	1,467	8,205
GST Payable	5,104	6,262
PAYG Tax Payable	1,624	-
Payroll Tax Payable	568	-
Superannuation Payable	108	-
Other Accrued Expenses	1,629	1,000
	<u>10,500</u>	<u>15,467</u>
7. SUBSCRIPTIONS IN ADVANCE		
Subscriptions in Advance – Premises	14,316	12,738
Subscriptions in Advance – Branches	15,509	17,370
Subscriptions in Advance – Proprietors	13,640	10,288
	<u>43,465</u>	<u>40,396</u>
8. FUNDING IN ADVANCE		
Community Information Access System (CIAS)	-	20,100
Pharmacy Guild of Australia – Branch Setup Costs	16,240	-
Pharmacy Guild of Australia – Govt Liaison Officer	25,000	-
	<u>41,240</u>	<u>20,100</u>
9. ACCUMULATED FUNDS		
Balance at the beginning of the financial year	2,624	1,024
Net profit	13,342	1,600
Balance at the end of the financial year	<u>15,966</u>	<u>2,624</u>

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$	2003 \$
10. STATEMENT OF CASH FLOWS		
(a) Reconciliation of cash		
Cash at bank	43,101	28,173
Petty Cash	100	-
	<hr/>	<hr/>
Balance at the end of the financial year	43,201	28,173
	<hr/>	<hr/>
(b) Reconciliation of profit from ordinary activities to net cash provided by operating activities		
Profit from ordinary activities	13,342	1,600
Add/(less) non-cash items	11,544	-
	<hr/>	<hr/>
Net cash provided by operating activities before change in assets and liabilities	24,886	1,600
Change in assets and liabilities		
(Increase)/decrease in trade debtors	(16,065)	(50,414)
(Increase)/decrease in prepayments	(1,043)	-
(Increase)/decrease in non-current assets	(11,992)	-
(Decrease)/increase in accounts payable	(6,738)	8,205
(Decrease)/increase in provisions	1,771	2,733
(Decrease)/increase in subscriptions in advance	3,069	40,396
(Decrease)/increase in funding in advance	21,140	20,100
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	15,028	22,620
	<hr/>	<hr/>

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
(c) Extraordinary item		
Funding received	67,500	20,100
GST relating to funding	6,750	2,010
Total funding in advance	<u>74,250</u>	<u>22,110</u>

11. RELATED PARTY DISCLOSURES

(a) Transactions with Related Parties

The following persons held positions on the Branch Committee or National Council during the reporting period:

President	Ian Marshall
Vice President	Darryl Stewart
Vice President and National Councillor	Nunzio Meta
Members	Kerry Bradshaw
	Andrew Hahn
	Sue Meta
	Peter Kern

(b) Balances with Related Parties

(i) Amounts Payable to Related Parties

	2004	2003
	\$	\$

Other Branches - Current

The Pharmacy Guild of Australia (National Secretariat)	1,289	-
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(ii) Amounts Receivable from Related Parties

Other Branches – Current

The Pharmacy Guild of Australia	1,014	3,000
The Pharmacy Guild of Australia (VIC)	5,000	5,000
Gold Cross Products and Services Pty Ltd	300	951

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

The following transactions took place with related parties during the reporting period:

Party	Type of transaction	2004	2003
Other Branches		\$	\$
The Pharmacy Guild of Australia National Secretariat	Membership contributions paid by Northern Territory Branch	20,200	24,019
	Premises rental subsidies received by Northern Territory Branch	2028	-
	Grant for premises set up costs	30,000	-
	Grant for Government Liaison Officer employment	37,500	-
Gold Cross Products and Services Pty Ltd	Commission paid to Northern Territory Branch for distribution of its material	1,314	951
The Pharmacy Guild of Australia (VIC)	Commission on sales from Pharmacy Computers Australia Pty Ltd	5,000	5,000
Other Related Parties			
Subsidiaries of The Pharmacy Guild of Australia			
Guild Insurance Company Ltd	Commission received from Guild Insurance for business referred from Northern Territory Members	2,878	1,160

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

OPERATING REPORT

I, Ian Marshall, being the designated officer responsible for preparing this report for the financial year ended 30 June 2004 of The Pharmacy Guild of Australia Northern Territory Branch, report as follows:

(a) Principal Activities:

- (i) The Pharmacy Guild of Australia Northern Territory 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 Northern Territory 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 Northern Territory Branch's President, Director and Officers outlining the activities for the year. There were no significant changes in the nature of these activities in the year under review.

(b) Significant financial changes:

The Northern Territory Branch of The Pharmacy Guild of Australia has established independent offices and employed one staff member 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;
- (ii) the register of members of the organisation was maintained in accordance with the RAO;
- (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:

Kerry Bradshaw, trustee of the CA & KA Bradshaw Superannuation Fund
Andrew Hahn, trustee of the AJ Hahn Superannuation Fund
Ian Marshall, trustee of the Leaping Pty Ltd Superannuation Fund

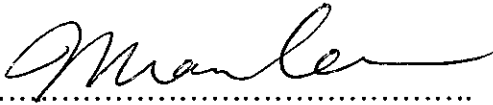
(e) Prescribed and other information:

- (i) as at 30 June 2004 to which this report relates the number of members of the organisation was 14 including Honorary Life Members;
- (ii) as at 30 June 2004 the total number of employees employed by the reporting entity was 1
- (iii) included in the Annual Report in the Northern Territory Branch Committee are the names of each person who has been a member of the committee of management of Pharmacy Guild of

Australia Northern Territory Branch for the full reporting period and the period for which he or she held such a position if not for the full year.

(f) Insurance of officers:

During the financial year The Pharmacy Guild of Australia Northern Territory Branch paid insurance to cover all officers of The Pharmacy Guild of Australia Northern Territory Branch. The officers of The Pharmacy Guild of Australia Northern Territory Branch covered by the insurance policy include all the committee of management. Other affairs covered by the contract are the management of The Pharmacy Guild of Australia Northern Territory Branch. The liabilities include cost 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 Northern Territory Branch.



IAN MARSHALL

Date: 1st December 2004



Australian Government

Australian Industrial Registry

Level 36, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0401

Mr Darryl Stewart
Branch Vice President (Finance)
The Pharmacy Guild of Australia
Northern Territory Branch
Ground Floor, 5 Shepherd St
DARWIN

By email: office@ntguild.org.au

Dear Mr Stewart,

**Re: The Pharmacy Guild of Australia - Northern Territory Branch
Financial reports for year ended 30 June 2004
Schedule 1B of the *Workplace Relations Act 1996* (the RAO Schedule)
FR2004/301**

I acknowledge receipt of the financial reports of The Pharmacy Guild of Australia - Northern Territory Branch for the year ended 30 June 2004. The documents were lodged in the Industrial Registry on 25 October 2004.

On 8 May 2003 the Industrial Registrar wrote to all organisations and provided a number of fact sheets covering various aspects of the RAO Schedule. The letter and fact sheets indicated there would be substantial changes to financial reporting requirements and that the RAO Schedule would apply to a financial year that commences on or after the commencement of the reporting guidelines.¹

The Industrial Registrar then wrote to all organisations on 7 July 2003 advising that he had issued reporting guidelines to apply to each financial year that starts on or after 1 July 2003.

Following the financial year ending 30 June 2004, Deputy Industrial Registrar Nassios wrote to Ms Christine Spargo, Acting Branch Director, on 10 August 2004, outlining what the organisation must do to meet its financial reporting obligations under the RAO Schedule (a copy of this letter is attached).

An examination of the reports lodged reveal they have been prepared under the former provisions of the *Workplace Relations Act 1996*. The Industrial Registry cannot accept financial reports which have been lodged without any regard to the RAO Schedule.

Your organisation is now requested to prepare, audit, supply to members, present to a meeting and lodge in the Industrial Registry financial reports in accordance with the RAO Schedule.

For assistance, you may wish to liaise with other Branches of the PGA (SA, QLD, WA & ACT) who have recently lodged financial reports with the Industrial Registry under the RAO Schedule.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the RAO Schedule, please contact me on (03) 8661-7811 or email: shane.ellard@air.gov.au.

¹ Fact Sheet No. 06/2003 7 May 2003, Australian Industrial Registry, *Accounting, Auditing and Reporting Obligations*.

Yours sincerely,

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

Shane Ellard
Team Manager - RIA Team 4
Statutory Services Branch (Melbourne)

4 November 2004

Attch.



The PHARMACY GUILD of AUSTRALIA
NORTHERN TERRITORY BRANCH

FR 2004/301

19 October 2004

Rec'd 25/10/04

The Industrial Registrar
GPO BOX 1994S
Melbourne VIC 3001

Dear Sir/Madam,

Enclosed herewith, in accordance with Section 280 (1) of the Workplace Relations Act, is a copy of the Annual Report including the Operating Report and the General Purpose Financial Report for the Pharmacy Guild of Australia - Northern Territory Branch for the year ended 30 June 2004 as required to be lodged with your office. These documents were presented to, and accepted by members at our Annual General Meeting held on Tuesday 12th October, 2004.

In accordance with Sub-section 269 (1) of the Act, I advise that no loans, grants and donations exceeding \$1,000 were made by the organisation during the financial year ended 30 June 2004.

Should you have any queries in relation to this matter please contact Judith Oliver of this office.

Yours sincerely

Darryl Stewart
Branch Vice President (Finance)

**The Pharmacy Guild of Australia
(Northern Territory Branch)**

**Special Purpose Financial Report for the
Year Ended 30 June 2004**

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

SPECIAL PURPOSE FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2004

C O N T E N T S

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1	Index
2	Accounting Officer's Certificate
3	Statement of the Committee of Management
4	Independent Audit Report (not included)
6	Statement of Financial Performance
7	Statement of Financial Position
8	Statement of Cash Flows
9 – 13	Notes to the Financial Statements

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

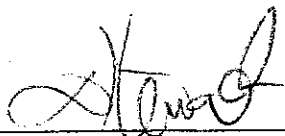
ACCOUNTING OFFICER'S CERTIFICATE

I, Darryl Stewart, being the officer responsible for keeping the accounting records of the Pharmacy Guild of Australia (Northern Territory Branch), certify that as at 30 June 2004, the number of members of the organisation was:

Proprietors	14
Premises	10
Branches	10
Nominal & Associates	-
Honorary Life	-

In my opinion:

- (a) The attached accounts show a true and fair view of the financial affairs of the Branch as at 30 June 2004
- (b) A record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the organisation
- (c) Before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation
- (d) With regard to funds of the organisation raised by the compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules of the organisation, no payments were made out of any such fund for purposes other than those for which the fund was operated
- (e) No loans or other financial benefits, other than remuneration in respect of their full-time employment with the organisation, were made to persons holding office in the organisation
- (f) The register of members of the branch was maintained in accordance with the Act
- (g) The attached accounts have been prepared in accordance with applicable Australian Accounting Standards.



DARRYL STEWART

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

Dated: 30 September 2004

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

STATEMENT OF THE COMMITTEE OR MANAGEMENT

In accordance with a resolution of the Committee of Management, we state that in the opinion of the Committee:

- i) The attached accounts show a true and fair view of the state of affairs of the organisation as at 30 June 2004
- (ii) Meetings of the Committee of Management were held in accordance with the rules of the organisation during the year ended 30 June 4
- (iii) To the knowledge of all members of the Committee, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under sub-section 274(2) of the Workplace Relations Act 1996), or copies of the rules of the organisation have not been furnished, or made available, to members of the organisation in accordance with the Workplace Relations Act 1996, the Regulations thereto, or the rules of the organisation
- (iv) The organisation has, in relation to the auditor's report on the accounts and statements in respect of the immediately preceding year, complied with the provisions of the sections 279(1) and 279(6) of the Workplace Relations Act 1996


Signed on behalf of the Committee of Management



IAN MARSHALL – COMMITTEE MEMBER

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

September 2004



DARRYL STEWART – COMMITTEE MEMBER

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

30 **September 2004**

**Independent audit report to the members of The Pharmacy Guild of Australia
(Northern Territory Branch)**

Scope

We have audited the financial report of The Pharmacy Guild of Australia (Northern Territory Branch) for the financial year ended 30 June 2004 being a special purpose financial report consisting of the statement of financial performance, statement of financial position, statement of cash flows and accompanying notes set out on pages 6 to 14. The committee of management is responsible for the financial report and has determined that the accounting policies used and described in Note 1 to the financial statements are appropriate to meet the needs of the National Secretariat. We have conducted an independent audit of this financial report in order to express an opinion on it to the National Secretariat of the Pharmacy Guild of Australia (Northern Territory Branch). No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the National Secretariat.

The financial report has been prepared for distribution to the National Secretariat for the purpose of fulfilling the committee of management's financial reporting requirements under the Workplace Relations Act 1996. We disclaim any assumption of responsibility for any reliance on this report, or on the financial report to which it relates, to any person other than the National Secretariat, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the basis of accounting described in Note 1 to the financial statements and the Workplace Relations Act 1996, so as to present a view which is consistent with our understanding of The Pharmacy Guild of Australia (Northern Territory Branch) financial position and performance, as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards nor other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

Qualification

Cash receipts are a significant source of revenue for the Pharmacy Guild of Australia (Northern Territory Branch). The Pharmacy Guild of Australia (Northern Territory Branch) has determined that it is impracticable to establish control over the collection of cash receipts prior to entry into its financial records. Accordingly, as evidence available to us regarding revenue from this source was limited, our audit procedures with respect to cash receipts had to be restricted to the amounts recorded in the financial records.

We therefore are unable to express an opinion whether cash receipts obtained by the Pharmacy Guild of Australia (Northern Territory Branch) are complete.

Qualified Audit opinion

In our opinion, except for the effects of such adjustments, if any, as might have been required had the limitation on our audit procedures referred to in the qualification paragraph not existed:

- a) satisfactory accounting records have been kept by the Pharmacy Guild of Australia (Northern Territory Branch) so far as appears from our examination of these books, including:
 - (i) records of the sources and nature of the income of the Pharmacy Guild of Australia (Northern Territory Branch) (including income from members); and
 - (ii) records of the nature and purposes of the expenditure of the Pharmacy Guild of Australia (Northern Territory Branch); and
- b) the financial report has been properly drawn up, in accordance with the accounting policies described in Note 1, so as to give a true and fair view of:
 - (i) the financial affairs of the Pharmacy Guild of Australia (Northern Territory Branch) as at the end of the year; and
 - (ii) the income and expenditure, and any surplus or deficit, of the Pharmacy Guild of Australia (Northern Territory Branch) for the year; and

All the information and explanations that, under section 276 subsection (2) of the Workplace Relations Act 1996, officers or employees of the organisation were required to provide were provided.

KPMG

KPMG

De 

Devendra N Patel FCA
Partner

Darwin
Date: *30* September 2004

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
Revenue from ordinary activities	2	82,177	34,258
Accounting Fees		(1,900)	(3,900)
Administration Expenses		(13,330)	-
Audit Fees		(2,500)	(4,615)
Depreciation		(1,457)	-
Doubtful Debts		(10,472)	-
Employment Expenses		(9,912)	-
Interest Expense		(182)	(3)
Rent		(7,710)	-
Secretariat Expenditure		(21,372)	(24,019)
Training Expenditure		-	(121)
Net Profit	8	<u>13,342</u>	<u>1,600</u>

Notes to the financial statements are included on pages 9 – 14

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2004

	Note	2004 \$	2003 \$
CURRENT ASSETS			
Cash	3	43,201	28,173
Receivables	4	<u>57,436</u>	<u>50,414</u>
TOTAL CURRENT ASSETS		<u>100,637</u>	<u>78,587</u>
NON-CURRENT ASSETS			
Property plant and equipment	5	<u>10,534</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS		<u>10,534</u>	<u>78,587</u>
TOTAL ASSETS		<u>111,171</u>	<u>78,587</u>
CURRENT LIABILITIES			
Payables	6	10,500	15,467
Subscriptions in Advance	7	43,465	40,396
Funding in Advance	8	<u>41,240</u>	<u>20,100</u>
TOTAL CURRENT LIABILITIES		<u>95,205</u>	<u>75,963</u>
TOTAL LIABILITIES		<u>95,205</u>	<u>75,963</u>
NET ASSETS		<u>15,966</u>	<u>2,624</u>
EQUITY			
Accumulated Funds	9	<u>15,966</u>	<u>2,624</u>
TOTAL EQUITY		<u><u>15,966</u></u>	<u><u>2,624</u></u>

Notes to the financial statements are included on pages 9 - 14

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

STATEMENT OF CASH FLOWS

AS AT 30 JUNE 2004

	Note	2004	2003
Cash receipts in the course of operations		47,149	5,278
Cash payments in the course of operations		(106,576)	(4,769)
Interest Received		205	1
Extraordinary item – Funding in Advance	10(c)	74,250	22,110
Net cash provided by/(used in) operating activities	10(b)	<u>15,028</u>	<u>22,620</u>
Net increase/(decrease) in cash held		15,028	22,620
Cash at the beginning of the financial year		28,173	5,553
Cash at the end of the financial year	10(a)	<u><u>43,201</u></u>	<u><u>28,173</u></u>

Notes to the financial statements are included on pages 9 - 14

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

1. SUMMARY OF ACCOUNTING POLICIES

Financial Reporting Framework

The Northern Territory Branch is not a reporting entity because in the opinion of the Committee of Management there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this "special purpose financial report" has been prepared to satisfy the Committee of Management's reporting requirements under the Workplace Relations Act 1996.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report has been prepared in accordance with the Workplace Relations Act 1996, and the basis of accounting and disclosure requirements specified by all applicable Accounting Standards, except the disclosure requirements of:

AAS1	Statement of Financial Performance
AAS 4	Depreciation
AAS 10	Recoverable Amount of Non-Current Assets
AAS 15	Revenue
AAS16	Financial Reporting by Segments
AAS22	Related Party Disclosure
AAS28	Statement of Cash Flows
AAS33	Presentation and Disclosure of Financial Instruments
AAS36	Statement of Financial Position
AAS37	Financial Report Presentation and Disclosure
AASB 1028	Employee Benefits

Significant Accounting Policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transaction or other event is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

a) Going Concern Basis

The financial report is prepared on a going concern basis.

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

b) Payables

Trade payables and other accounts payable are recognised when the Northern Territory Branch becomes obliged to make future payments resulting from the purchase of goods and services.

c) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

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

d) Income Tax

The association is exempt from Income Tax under section 50-5 of the Income Tax Assessment Act 1997.

e) Receivables

Trade receivables and other receivables are recorded at amounts due less any provision for doubtful debts.

f) Revenue Recognition

- i) Commission**
Commission revenue is recognised in the period to which it relates.
- ii) Subscriptions**
Revenue from subscriptions is recognised in the period to which it relates.

g) Reporting Period & Comparatives

The Northern Territory Branch of the Pharmacy Guild of Australia commenced activities on 7 January 2002. Accordingly the reporting period these financial statements refer to is for the year ended 30 June 2004, with comparatives being for the year ended 30 June 2003.

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

2. REVENUE FROM ORDINARY ACTIVITIES

	2004	2003
	\$	\$
Commissions – FRED computer Installations	5,000	5,000
Commissions – GIC	2,878	1,160
Commissions – EFTPOS Applications fees	-	62
Commissions Gold Cross	1,314	951
Grant – Pharmacy Guild of Australia	26,260	3,000
Rent Recovery	3,043	-
Subscriptions	41,682	24,019
Miscellaneous Income	2,000	66
	<hr/>	<hr/>
	82,177	34,258
	<hr/>	<hr/>

3. CASH

Cash at Bank – National Australia Bank	43,101	28,173
Petty Cash	100	-
	<hr/>	<hr/>
	43,201	28,173
	<hr/>	<hr/>

4. RECEIVABLES

Trade Debtors - Pharmacy Computers Aust	5,500	5,500
- The Pharmacy Guild of Australia	1,445	4,419
- Members	58,679	40,474
- Guild Insurance Ltd	855	21
Provision for Doubtful Debts	(10,472)	-
Accrued Revenue	386	-
Prepayments	1,043	-
	<hr/>	<hr/>
	57,436	50,414
	<hr/>	<hr/>

5. PROPERTY PLANT AND EQUIPMENT

Furniture and Equipment at Cost	11,991	-
Accumulated Depreciation	(1,457)	-
	<hr/>	<hr/>
	10,534	-
	<hr/>	<hr/>

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
6. PAYABLES		
Creditors	1,467	8,205
GST Payable	5,104	6,262
PAYG Tax Payable	1,624	-
Payroll Tax Payable	568	-
Superannuation Payable	108	-
Other Accrued Expenses	1,629	1,000
	<u>10,500</u>	<u>15,467</u>
7. SUBSCRIPTIONS IN ADVANCE		
Subscriptions in Advance – Premises	14,316	12,738
Subscriptions in Advance – Branches	15,509	17,370
Subscriptions in Advance – Proprietors	13,640	10,288
	<u>43,465</u>	<u>40,396</u>
8. FUNDING IN ADVANCE		
Community Information Access System (CIAS)	-	20,100
Pharmacy Guild of Australia – Branch Setup Costs	16,240	-
Pharmacy Guild of Australia – Govt Liaison Officer	25,000	-
	<u>41,240</u>	<u>20,100</u>
9. ACCUMULATED FUNDS		
Balance at the beginning of the financial year	2,624	1,024
Net profit	13,342	1,600
Balance at the end of the financial year	<u>15,966</u>	<u>2,624</u>

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$	2003 \$
10. STATEMENT OF CASH FLOWS		
(a) Reconciliation of cash		
Cash at bank	43,101	28,173
Petty Cash	100	-
	<hr/>	<hr/>
Balance at the end of the financial year	43,201	28,173
	<hr/>	<hr/>
(b) Reconciliation of profit from ordinary activities to net cash provided by operating activities		
Profit from ordinary activities	13,342	1,600
Add/(less) non-cash items	11,544	-
	<hr/>	<hr/>
Net cash provided by operating activities before change in assets and liabilities	24,886	1,600
Change in assets and liabilities		
(Increase)/decrease in trade debtors	(16,065)	(50,414)
(Increase)/decrease in prepayments	(1,043)	-
(Increase)/decrease in non-current assets	(11,992)	-
(Decrease)/increase in accounts payable	(6,738)	8,205
(Decrease)/increase in provisions	1,771	2,733
(Decrease)/increase in subscriptions in advance	3,069	40,396
(Decrease)/increase in funding in advance	21,140	20,100
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	15,028	22,620
	<hr/>	<hr/>

PHARMACY GUILD OF AUSTRALIA (NORTHERN TERRITORY BRANCH)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$	2003 \$
(c) Extraordinary item		
Funding received	67,500	20,100
GST relating to funding	6,750	2,010
Total funding in advance	<u>74,250</u>	<u>22,110</u>