



Australian Government
Australian Industrial Registry

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Mr Kosmas Sclavos
 Branch President
 Pharmacy Guild of Australia
 Queensland Branch
 132 Leichhardt Street
 SPRING HILL QLD 4004

By email: guild.qld@guild.org.au

Dear Mr Sclavos,

Re: Financial Documents - year ended 30 June 2005 (FR2005/270)
Schedule 1B - Workplace Relations Act 1996 (RAO Schedule)

I have received the financial report for the Queensland Branch of The Pharmacy Guild of Australia for the year ended 30 June 2005. The documents were lodged in the Registry on 6 October 2005 under s268 of the RAO Schedule of the Workplace Relations Act 1996.

This is the second lodgment by the branch of its audited financial reports under the *Registration and Accountability of Organisations (RAO) Schedule* which commenced on 12 May 2003.

The documents have not yet been filed as the following matter requires your further attention:

Uncertainty over membership figures

The Operating Report must provide the membership figures for the branch as at the end of the financial year. The figures provided in the Operating Report appear to be inconsistent with a number of other documents lodged by the branch as follows:

2005 Operating Report	membership as at 30 June 2005	683
2004 Operating Report	membership as at 30 June 2004	1,492
2005 Annual Report	membership as at 30 June 2005	1,527
2004 Annual Report	membership as at 30 June 2004	1,492
2005 Annual Return	membership as at 31 Dec 2004	679
2004 Annual Return	membership as at 31 Dec 2003	764

I also note that the 2005 Annual Report provides a table which sets out 5 different categories of membership - see Attachment A.

Would you be able to advise me by cob Friday 28 October 2005 regarding the correct membership figures for the branch as at 30 June 2005.

Note - the obligation to provide membership figures in the Operating Report is set out in Regulation 159(a) of the RAO Regulations. Section 244(2)(a) of the RAO Schedule provides the definition of a 'member' of a branch/reporting entity. The obligation to provide membership figures in the Annual Return is set out in sections 230(1)(d) and 233(1)(b) of the RAO Schedule and Regulation 147(f) of the RAO Regulations.

Comments to assist in future financial years

The following comments may assist you when you next prepare financial reports. No further action is required regarding these issues with respect to the lodged documents.

Donations and legal fees

Note 4 to the Accounts disclosed the following expenditure items:

Sponsorship and Donations - \$67,523

Legal and Professional Fees - \$ 23,114

In future financial years the branch will need to separately disclose the amounts expended on the following items:

Legal costs

Grants and Donations

For further information please see Item 11 of the Industrial Registrar's Reporting Guidelines (issued under s253 of the RAO Schedule).

RAO Schedule available on internet

For the benefit of registered organisations you can view the full text of the following documents on the Australian Industrial Relations Commission's website at www.airc.gov.au:

- Workplace Relations Act 1996,
- the RAO Schedule,
- the RAO Regulations,
- the RAO Reporting Guidelines,
- the RAO Fact Sheets, and
- copies of financial returns as lodged by other organisations under the RAO Schedule.

Yours faithfully,



Andrew Schultz
Statutory Services Branch

12 October 2005



The PHARMACY GUILD of AUSTRALIA
QUEENSLAND BRANCH
A.B.N. 87 076 197 623

Designated Officer's Certificate

s268 of Schedule 1B Workplace Relations Act

I, Kosmas Stan Sclavos, being the Branch President of the Pharmacy Guild of Australia Queensland Branch certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on 6th September 2005; and
- that the full report was presented to a general meeting of members of the reporting unit on 27th September 2005; in accordance with section 266 of the RAO Schedule.

Signature.....

Date: September 2005

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) OPERATING REPORT

I, KOSMAS STAN SCLAVOS, being the designated officer responsible for preparing this report for the financial year ended 30 June 2005 of The Pharmacy Guild of Australia Queensland Branch, report as follows:

- (a) Principal Activities:
 - (i) The Pharmacy Guild of Australia Queensland Branch is an employers' organisation servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.
 - (ii) The Pharmacy Guild of Australia Queensland 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 Queensland Branch's President, Director and Officers outlining the activities for the year. There were no significant changes in the nature of these activities during the year under review.

- (b) Significant financial changes:

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

- (c) Members advice:
 - (i) under Section 174 of the Registration and Accountability of Organisations schedule (RAO) and Rule 36 of the Constitution of the Guild, 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; and
 - (iii) Section 272 of the RAO outlines members and the registrar's rights to certain prescribed information. This information is detailed in Note 2 of the financial statements.

- (d) Officers of the organisation holding the position of a trustee of a superannuation entity are as follows:
 - (i) Timothy Logan, trustee of the Logan Family Superannuation Fund.
 - (ii) Robert Tomarchio, trustee of the AR Tomarchio Superannuation Fund.
 - (iii) Michael Farrell, trustee of the Caneland Pharmacy Superannuation Fund.
 - (iv) Jason Yim, trustee of the Yim's Superannuation Fund.
 - (v) Rick Xynias, trustee of the Xynias Super Fund.
 - (vi) Neil Anderson, director of N&D Anderson Family Superannuation. N&D Anderson Family Superannuation acts as trustee of the N&D Anderson Family Superannuation Fund.

- (e) Prescribed and other Information:
 - (i) As at 30 June 2005, to which this report relates, the number of members of the organisation was 683 including Honorary Life Members;
 - (ii) As at 30 June 2005, the total number of employees employed by the reporting entity was 27.
 - (iii) The persons who have been members of the committee of management of The Pharmacy Guild of Australia Queensland Branch during the reporting period are:

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
OPERATING REPORT(Cont)**

Branch Executive

M Farrell
T Logan

K Sclavos
R Xynias

Branch Committee

N Anderson
M Bou-Samra
M Farrell
S Holzberger
N Loukas
T Logan

K Peachey
K Sclavos
R Tomarchio
R Xynias
G Yeates
J Yim

(f) Insurance of Officers:

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


.....
KOSMAS STAN SCLAVOS

Date: 31 August 2005

PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	Note	2005 \$	2004 \$
Revenues from ordinary activities	3	4,460,659	4,001,736
Employee benefits expense	4(c)	(1,253,910)	(1,038,350)
Depreciation and amortisation expense	4(a)	(154,559)	(108,841)
Borrowing costs expense	4(a)	(40,631)	(41,576)
Other expenses from ordinary activities	4(d)	(2,971,872)	(2,727,781)
Profit from ordinary activities before income tax expense	4	39,687	85,188
Net Profit from ordinary activities after income tax expense	14	39,687	85,188
Total changes in equity other than those resulting From transactions with owners as owners		\$ 39,687	\$ 85,188

The accompanying notes form part of these financial statements.

PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005***All amounts shown have been rounded to the nearest dollar unless otherwise indicated.*

	Note	2005 \$	2004 \$
CURRENT ASSETS			
Cash assets	5	1,163,540	1,434,686
Receivables	6	1,305,416	830,478
Other	7	141,546	112,582
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		2,610,502	2,377,746
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,766,624	1,717,266
Other	9	30,261	42,410
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		1,796,885	1,759,676
		<hr/>	<hr/>
TOTAL ASSETS		4,407,387	4,137,422
CURRENT LIABILITIES			
Payables	10	2,053,517	1,790,626
Interest Bearing Liabilities	11	64,221	59,939
Provisions	12	125,596	120,741
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		2,243,334	1,971,306
NON-CURRENT LIABILITIES			
Interest Bearing Liabilities	11	429,631	486,346
Provisions	12	29,528	14,563
		<hr/>	<hr/>
TOTAL NON-CURRENT LIABILITIES		459,159	500,909
		<hr/>	<hr/>
TOTAL LIABILITIES		2,702,493	2,472,215
		<hr/>	<hr/>
NET ASSETS		<u>\$1,704,894</u>	<u>\$1,665,207</u>
EQUITY			
Reserves	13	4,615	4,615
Retained profits	14	1,700,279	1,660,592
		<hr/>	<hr/>
TOTAL EQUITY		<u>\$1,704,894</u>	<u>\$1,665,207</u>

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005

All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	Note	2005 \$ Inflows (Outflows)	2004 \$ Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		3,232,128	3,105,587
Payments to suppliers and employees		(3,303,453)	(2,680,034)
Interest received		86,561	81,717
Borrowing costs paid		(40,631)	(41,576)
Net cash provided by/ (used in) operating activities	19(b)	(25,395)	465,694
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(213,027)	(116,207)
Payments for deferred development costs		12,148	(42,410)
Proceeds from sale of property, plant and equipment		7,560	-
Net cash provided by/(used in) investing activities		(193,319)	(158,617)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(52,432)	(11,949)
Proceeds from project assets		-	4,906
Net cash provided by/(used in) financing activities		(52,432)	(7,043)
NET (DECREASE) INCREASE IN CASH HELD		(271,146)	300,034
Cash at the beginning of the financial year		1,434,686	1,134,652
CASH AT THE END OF THE FINANCIAL YEAR	19(a)	\$ 1,163,540	\$ 1,434,686

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Financial Statements

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

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

The accounting policies have been consistently applied, unless otherwise stated.

(b) Property, Plant and Equipment

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

(c) Deferred Development Costs

The costs associated with the on going development of the epharmacy website are capitalised upon each stage of completion and are amortised over a period of two and a half years.

(d) Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the estimated useful lives to the entity commencing from the time the asset is held ready to use. Leasehold improvements are amortised over the estimated useful lives of the improvements.

Depreciation rates used for each class of assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	2.5%
Leased Assets	20%
Motor vehicles	20%
Office furniture, fittings and equipment	5% - 33.33%

(e) Employee Entitlements

Provision is made for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year, together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liabilities are settled plus related on costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the entity to employee superannuation funds and are charged as expenses when incurred.

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(f) Income Tax

The Pharmacy Guild of Australia is exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997.

(g) Cash

For the purpose of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, net of bank overdraft.

(h) Consolidation

The financial report has been prepared to include the Queensland Branch financial accounts and the investment held in the Guild Properties (Queensland) Unit Trust.

(i) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the lease ownership are transferred to the entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

(j) Adoption of Australian Equivalent to International Financial Reporting Standards

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The economic entity's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. The Committee of Management are of the opinion that the key differences in the economic entity's accounting policies which will arise from the adoption of IFRS are:

Research and Development Expenditure

Pending standard AASB 138 Intangible Assets further requires that costs associated with research be expensed in the period in which they are incurred. In terms of current policy, research costs are capitalised to the statement of financial position where it is expected beyond any reasonable doubt that sufficient future benefits will be derived so as to recover these deferred costs.

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(j) Adoption of Australian Equivalent to International Financial Reporting Standards (Cont)

Impairment of Assets

The entity currently determines the recoverability amount of an asset on the basis of undiscounted net cash flows that will be received from the assets use and subsequent disposal. In terms of the pending AASB 136 Impairment of Assets, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use. It is likely that this change in accounting policy will lead to impairments being recognised more often than under the existing policy.

Note 2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272 of Schedule 1B – Registration and Accountability of Organisations which read as follows:

- (1) “A Member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).”

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2005 \$	2004 \$
Note 3. REVENUE		
<i>Operating activities</i>		
Administration costs recovered	218,538	199,335
Commissions received	436,224	452,612
Interest received	86,561	81,717
Member Subscriptions	981,384	969,888
National Secretariat Fighting Fund	412,587	387,795
Qld Health Project	112,682	-
QUPMPOMI Funding	81,017	-
Sales revenue	1,382,603	1,130,677
Training course fees	555,738	625,921
Third Agreement Co-ordinator Assistant Funding	72,088	40,833
Third Agreement DMMR Income	121,237	112,958
	<hr/>	<hr/>
Total revenue	\$4,460,659	\$4,001,736
	<hr/> <hr/>	<hr/> <hr/>

Note 4. PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax expense has been determined after:

(a) Expenses:

<i>Amortisation of non-current assets</i>		
Leased Assets	12,417	12,417
	<hr/>	<hr/>
	12,417	12,417
<i>Depreciation of non-current assets</i>		
Plant and equipment	123,748	78,001
Buildings	18,394	18,423
	<hr/>	<hr/>
	142,142	96,424
	<hr/>	<hr/>
Total Depreciation and Amortisation Expense	154,559	108,841
	<hr/> <hr/>	<hr/> <hr/>
<i>Remuneration of auditor</i>		
Audit or review services	15,875	16,700
Other services	600	750
	<hr/>	<hr/>
Total remuneration	16,475	17,450
	<hr/> <hr/>	<hr/> <hr/>
<i>Bad and Doubtful Debts</i>	-	572
	<hr/> <hr/>	<hr/> <hr/>
<i>Borrowing Costs</i>	40,631	41,576
	<hr/> <hr/>	<hr/> <hr/>

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2005 \$	2004 \$
Note 4. Profit from Ordinary Activities (Cont)		
(b) Losses:		
Revenue from disposal of Plant, Property and Equipment	7,559	-
Expense from disposal of Plant, Property and Equipment	(9,110)	-
	<u> </u>	<u> </u>
<i>Net (Loss) on disposal of Plant, Property and Equipment</i>	<u>(1,551)</u>	<u>-</u>

(c) Significant Revenues and Expenses:

The following significant revenue and expense items are relevant in explaining the financial performance:

Employee benefits expense

Fringe benefits tax	(44,283)	(32,165)
Payroll tax	(59,421)	(47,363)
Provision for annual leave	(81,135)	(66,479)
Provision for long service leave	(12,518)	(4,547)
Salaries – employees	(948,526)	(793,018)
Superannuation	(98,066)	(83,216)
Other	(9,961)	(11,562)
	<u> </u>	<u> </u>
	<u>\$ (1,253,910)</u>	<u>\$ (1,038,350)</u>

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2005	2004
	\$	\$
Note 4. Profit from Ordinary Activities (Cont)		
(d) Amounts included in other expenses from ordinary activities:		
Administration fees	210,852	174,332
Advertising and promotions expenses	69,124	28,585
Bank and card charges	34,280	16,462
Branch committee expenses	13,899	13,355
Cleaning expenses	19,197	18,266
Computer costs	14,952	23,262
Conference and seminar expenses	24,771	27,786
Consultancy expenses – other	31,745	7,232
Contract Staff	40,530	40,087
Dispatch expenses	61,445	65,644
Elected officials' remuneration	148,250	133,364
Events Expenses		
- Catering	229,065	203,586
- Commissions Paid	30,638	28,797
- Consultancy expenses	25,200	24,000
- Display expenses	95,219	28,050
- Printing & Stationery	65,798	77,415
- Speaker Costs	51,369	47,342
- Technical expenses	117,353	155,032
Legal and professional fees	23,114	12,947
Meals expenses	39,679	37,732
Meeting expenses – AGM	6,361	7,715
Motor Vehicle expenses	33,549	23,609
National Secretariat dues expense	490,159	482,687
National Secretariat Fighting Fund	412,587	387,795
Insurance expenses	57,119	52,560
Printing and stationery - other	114,049	134,057
Power and light	13,936	13,356
Purchases – Merchandise	25,790	25,300
Rates	28,366	25,575
Repairs and maintenance	13,786	15,647
Security expenses	4,537	3,049
Sponsorship & donations	67,523	20,232
Staff Procurement	13,437	29,333
Subscriptions	20,143	41,315
Telephone & internet expenses	70,919	43,759
Travelling and fares expenses	71,885	79,921
Third Agreement DMMR consulting expenses	87,000	73,995
Sundry expenses	94,246	104,600
	<u>\$ 2,971,872</u>	<u>\$ 2,727,781</u>

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2005 \$	2004 \$
Note 5. CASH ASSETS		
Cash at bank	1,163,190	1,434,486
Cash on hand	350	200
	<u>\$ 1,163,540</u>	<u>\$ 1,434,686</u>
Note 6. RECEIVABLES		
Current		
Trade debtors	981,897	662,832
Provision for Doubtful Debts	-	-
	<u>981,897</u>	<u>662,832</u>
Accrued Revenue	81,438	101,628
Sundry Debtors	200	28,009
Amounts receivable from related entities:		
The National Secretariat	217,242	19,321
Pharmacy Guild of Australia NSW Branch	20,823	17,834
Pharmacy Guild of Australia ACT Branch	2,820	68
Pharmacy Guild of Australia NT Branch	996	-
Pharmacy Guild of Australia SA Branch	-	437
Pharmacy Guild of Australia VIC Branch	-	202
Pharmacy Guild of Australia WA Branch	-	147
	<u>\$ 1,305,416</u>	<u>\$ 830,478</u>
Note 7. OTHER ASSETS		
Current		
Prepayments	<u>\$ 141,546</u>	<u>\$ 112,582</u>

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2005 \$	2004 \$
Note 8. PROPERTY, PLANT AND EQUIPMENT		
Furniture and equipment at cost	627,096	457,124
Accumulated depreciation	(381,736)	(319,794)
	<hr/> 245,360	<hr/> 137,330
Motor vehicles at cost	219,759	216,486
Accumulated depreciation	(85,842)	(54,708)
	<hr/> 133,917	<hr/> 161,778
Furniture and Fittings at revaluation	2,821	2,821
Accumulated depreciation	(2,821)	(2,821)
	<hr/> -	<hr/> -
Leased Assets at cost	62,086	62,086
Accumulated amortisation	(34,925)	(22,508)
	<hr/> 27,161	<hr/> 39,578
Freehold Land at cost	940,000	940,000
Buildings at cost	575,718	575,718
Accumulated depreciation	(155,532)	(137,138)
	<hr/> 1,360,186	<hr/> 1,378,580
TOTAL PROPERTY, PLANT AND EQUIPMENT	\$ 1,766,624	\$ 1,717,266

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

2005 2004
 \$ \$

Note 8. PROPERTY, PLANT AND EQUIPMENT (Cont)

(a) Movements in Carrying Amounts

	Furniture and Equipment \$	Motor Vehicles \$	Furniture and Fittings \$	Leased Assets \$	Property Land and Buildings \$	Total \$
Balance at the beginning of year	137,330	161,778	-	39,578	1,378,580	1,717,266
Additions	190,855	22,172	-	-	-	213,027
Disposals	(1,551)	(7,559)	-	-	-	(9,110)
Depreciation & amortisation expense	(81,274)	(42,474)	-	(12,417)	(18,394)	(154,559)
Carrying amount at the end of the year	245,360	133,917	-	27,161	1,360,186	1,766,624

Note 9. OTHER NON – CURRENT ASSETS

Deferred Development Costs

Web Site Development – epothecary phases \$ 30,261 \$ 42,410

Note 10. PAYABLES

Current

Trade creditors	90,076	162,144
Income in Advance-		
Subscriptions	1,492,453	1,377,100
Course fees	117,919	47,643
Sponsorship	7,663	10,828
Events	34,000	-
Other	19,111	-
Amounts payable to related entities		
Guild Insurance Limited	48,777	62,188
The National Secretariat	7,235	1,070
Pharmacy Guild of Australia NSW Branch	312	773
Accrued expenses	44,053	73,501
Sundry payables	191,918	55,379
	<u>\$ 2,053,517</u>	<u>\$ 1,790,626</u>

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

		2005 \$	2004 \$
Note 11. INTEREST BEARING LIABILITIES			
Current			
Bank Loan – Secured	11a	50,220	47,005
Lease liability	16	14,001	12,934
		<u>\$ 64,221</u>	<u>\$ 59,939</u>
Non-Current			
Bank Loan – Secured	11a	410,282	452,995
Lease liability	16	19,349	33,351
		<u>\$ 429,631</u>	<u>\$ 486,346</u>

(a) The bank loan is secured by:

- (i) First Registered Mortgage to Bendigo Bank over the property situated at 132 Leichardt Street, Spring Hill, Queensland 4004.
- (ii) Guarantee and Indemnity from Guild Properties Ltd, in the guarantor's own right as trustee of any trust of which the guarantor acts as trustee.
- (iii) Letter of Offer from The Pharmacy Guild of Australia.

Note 12. PROVISIONS

Current		
Annual leave	76,143	68,253
Long service leave	49,453	52,488
	<u>125,596</u>	<u>120,741</u>
Non-Current		
Long service leave	29,528	14,563
	<u>\$ 155,124</u>	<u>\$ 135,304</u>
Aggregate employee entitlement liabilities		
	<u>27</u>	<u>24</u>
Number of employees at year end		

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2005 \$	2004 \$
Note 13. RESERVES		
Asset revaluation reserve	<u>\$ 4,615</u>	<u>\$ 4,615</u>

Note 14. RETAINED PROFITS

Retained profits at the beginning of the financial year	1,660,592	1,575,403
Net profit attributable to the members of the entity	39,687	85,188
Retained profits at the end of the financial year	<u>\$1,700,279</u>	<u>\$1,660,592</u>

Note 15. SEGMENTAL REPORTING

The Queensland Branch of the Pharmacy Guild of Australia provides services to pharmacists predominantly in Queensland.

Note 16. CAPITAL AND LEASING COMMITMENTS

(a) Finance lease commitments

Payable - not later than one year	16,226	16,226
- later than one year but not later than 5 years	19,956	36,182
Minimum lease payments	36,182	52,408
Less future finance charges	2,832	6,123
Total lease liability	<u>\$ 33,350</u>	<u>\$ 46,285</u>
Represented by:		
Current liability	14,001	12,934
Non-current liability	19,349	33,351
	<u>\$ 33,350</u>	<u>\$ 46,285</u>

The finance liabilities relate to 3 leased assets; a copier, printer and scanner system, a telephone system and a motor vehicle that are all financed by Guild Insurance Limited with lease payments paid monthly in advance.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

Note 17. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

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

	<i>Weighted Average effective interest rate</i>		<i>Floating interest rate</i>		<i>Fixed Interest Rate maturing</i>			
	<i>%</i>	<i>%</i>	<i>\$</i>	<i>\$</i>	<i>Within 1 Year</i>		<i>1 to 5 years</i>	
	2005	2004	2005	2004	2005	2004	2005	2004
Financial assets								
Cash at bank	5.45	4.82	1,163,190	1,434,486	-	-	-	-
Cash			350	200				
Total financial assets			1,163,540	1,434,686				
Financial liabilities								
Loan	7.85	7.5	-	-	50,220	47,005	410,282	452,995
Finance Lease Liabilities	7.95	7.5	-	-	14,001	12,934	19,349	33,351
Total financial liabilities					64,221	59,939	429,631	486,346

(b) Credit Risk

The maximum exposure to credit risk to recognised financial assets at balance date, excluding the value of any collateral or other security, is the varying amount of those assets, net of any provision for doubtful debts, as disclosed in the Statement of Financial Position and Notes to the Financial Statements.

The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

(c) Net Fair Values

For other assets and other liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets, where the carrying amount exceeds net fair values, have not been written down as the economic entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the Notes to the Financial Statements.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

Note 18. RELATED PARTY DISCLOSURES

(a) The following persons were members of the Branch Committee during the financial year:

N Anderson	K Peachey
M Bou-Samra	K Sclavos
M Farrell	R Tomarchio
S Holzberger	R Xynias
N Loukas	G Yeates
T Logan	J Yim

Some committee members received reimbursement of expenditure incurred on branch business.

During the year payments were paid as remuneration to:

A company associated with Mr K Sclavos was paid the amount of \$151,750 (2004 - \$135,000) being for his Guild work, including his duties as Branch President and \$25,200 (2004 - \$24,000) fees associated with Events Management.

No amounts have been paid to committee members on retirement from office, nor to prescribed superannuation funds for the provision of retirement benefits.

(b) The ultimate controlling entity of the Pharmacy Guild of Australia (Queensland Branch) is the Pharmacy Guild of Australia.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2005	2004
	\$	\$
Note 19. CASH FLOW INFORMATION		
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:-		
Cash at bank	1,163,190	1,434,486
Cash on hand	350	200
	<hr/>	<hr/>
	\$ 1,163,540	\$ 1,434,686
	<hr/> <hr/>	<hr/> <hr/>
(b) Reconciliation of Net Cash Provided by Operating Activities to Operating Profit after Income Tax		
Operating profit after income tax	39,687	85,188
Non-cash flows in operating profit:		
Amortisation - leasehold premises	12,417	12,417
Depreciation	142,142	96,424
Loss/(Gain) on sale of assets	1,551	-
Changes in Assets and Liabilities:		
Increase/(decrease) in creditors and accruals	262,753	967,762
Increase/(decrease) in provisions	19,818	12,073
(Increase)/decrease in debtors & prepayments	(503,763)	(708,170)
	<hr/>	<hr/>
	(\$25,395)	\$ 465,694
	<hr/> <hr/>	<hr/> <hr/>

20. ENTITY DETAILS

The registered office of the entity is:

The Pharmacy Guild of Australia
 Queensland Branch
 132 Leichhardt Street
 SPRING HILL QLD 4004

**PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
COMMITTEE OF MANAGEMENT STATEMENT**

On 10th August 2005 the Committee of Management of The Pharmacy Guild of Australia Queensland Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2005:

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

- (a) the financial statements and notes comply with 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 Pharmacy Guild of Australia Queensland Branch for the financial year to 30 June 2005;
- (d) there are reasonable grounds to believe that The Pharmacy Guild of Australia Queensland Branch will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of The Pharmacy Guild of Australia Queensland Branch have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of The Pharmacy Guild of Australia Queensland Branch have been kept and maintained in accordance with the Registration and Accountability of Organisations (RAO) Schedule and the RAO Regulations; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of The Pharmacy Guild of Australia Queensland Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) The Pharmacy Guild of Australia Queensland Branch has complied with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: KOSMAS STAN SCLAVOS

Title of Office Held: BRANCH PRESIDENT

Signature:

BRISBANE

Date: 3 / August 2005

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

Scope

The financial report and committee of management's responsibility

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

The committee of management is 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

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional 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.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Pharmacy Guild of Australia (Queensland Branch) financial position, and of its performance as represented by the results of its operations and cash flows.

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

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

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

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

Independence

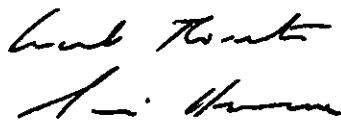
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit opinion

In our opinion, the financial report of the Pharmacy Guild of Australia (Queensland Branch) is in accordance with:

- (a) the Workplace Relations Act 1996, including:
 - (i) giving a true and fair view of the financial position of the Pharmacy Guild of Australia (Queensland Branch) as at 30 June 2005 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and any other requirements imposed by schedule 1B chapter 8, Part 3 of the Workplace relations Act 1996; and
- (b) other mandatory financial reporting requirements in Australia.

GRANT THORNTON
Chartered Accountants



SIMON HANCOX
Partner

Brisbane

31 August 2005