



Australian Government

Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0401
Email: melbourne@air.gov.au

Mr Timothy Logan
Branch President
Queensland Branch
The Pharmacy Guild of Australia
PO Box 457
SPRING HILL QLD 4004

Dear Mr Logan,

**The Pharmacy Guild of Australia - Queensland Branch,
Financial Reports for the Year Ended 30 June 2006 - FR2006/439
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial reports of the Queensland Branch of The Pharmacy Guild of Australia for the year ended 30 June 2006. The documents were lodged in the Industrial Registry on 23 October 2006.

The documents have been examined and filed. However, I wish to draw your attention to the following matter.

Statement of Loans, Grants and Donations

A statement setting out donations made by the Branch during the year ended 30 June 2006 was lodged in the Registry on 29 September 2006. That statement was placed on a file that is not available to the general public in accordance with section 237(4) of the RAO Schedule.

There appears to be an inconsistency between the accounts which have been lodged and the statement of donations. While the statement shows donations totalling \$18,598, the accounts show on page 42 of the 'Notes to the Financial Statements for the year ended 30 June 2006' an item for 'Donations' totalling \$12,439. It therefore appears that the accounts may not disclose all of the donations which were made during the financial year.

You are requested to examine this issue and to advise the Registry in writing by Friday, 16 February 2007 regarding how this apparent discrepancy may have arisen.

Please do not hesitate to contact me by email at robert.pfeiffer@air.gov.au or on (03) 8661 7817 if you wish to discuss this letter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R Pfeiffer'.

Robert Pfeiffer
Assistant Team Manager
Statutory Services Branch, Melbourne

29 January 2007



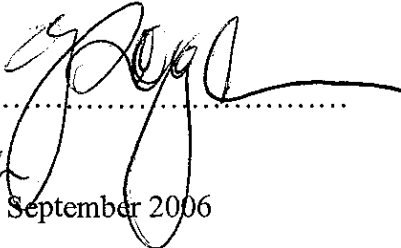
**The PHARMACY GUILD of AUSTRALIA
QUEENSLAND BRANCH
A.B.N. 87 076 197 623**

Designated Officer's Certificate

s268 of Schedule 1B Workplace Relations Act

I, Timothy John Logan, 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 28th August 2006; and
- that the full report was presented to a general meeting of members of the reporting unit on 20th September 2006; in accordance with section 266 of the RAO Schedule.

Signature.....

Date: 30th September 2006

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) OPERATING REPORT

I, TIMOTHY JOHN LOGAN, being the designated officer responsible for preparing this report for the financial year ended 30 June 2006 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) Rick Xynias, trustee of the Xynias Super Fund.

- (e) **Prescribed and other Information:**
 - (i) As at 30 June 2006, to which this report relates, the number of members of the organisation was 680 including Honorary Life Members;
 - (ii) As at 30 June 2006, the total number of employees employed by the reporting entity was 29.
 - (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	K Sclavos
T Logan	R Xynias (to 27/9/05)
S Holzberger (from 28/9/05)	K Peachey (from 28/9/05)

Branch Committee

N Anderson (to 22/10/05)	K Peachey
M Bou-Samra	K Sclavos
M Brown (from 2/2/06)	J Singleton (from 28/9/05)
M Farrell	R Tomarchio
S Holzberger	R Xynias
T Logan	G Yeates (to 27/9/05)
N Loukas	J Yim (to 27/9/05)

(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).


.....
TIMOTHY JOHN LOGAN

Date: 21st August 2006

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

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

	Note	2006 \$	2005 \$
Revenue	3	5,078,203	4,460,659
Employee benefits expense	4(b)	(1,531,446)	(1,253,910)
Depreciation and amortisation expense	4(a)	(172,896)	(154,559)
Finance costs	4(a)	(35,898)	(40,631)
Other expenses from ordinary activities	4(c)	(3,300,751)	(2,971,872)
Profit from ordinary activities before income tax expense	4	<u>37,212</u>	<u>39,687</u>
Profit from ordinary activities after income tax expense		<u>37,212</u>	<u>39,687</u>
Total changes in equity other than those resulting From transactions with owners as owners		<u>\$ 37,212</u>	<u>\$ 39,687</u>

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)**BALANCE SHEET AS AT 30 JUNE 2006***All amounts shown have been rounded to the nearest dollar unless otherwise indicated.*

	Note	2006 \$	2005 \$
CURRENT ASSETS			
Cash and cash equivalents	5	975,362	1,163,540
Trade and other receivables	6	1,308,690	1,305,416
Other current assets	7	300,358	141,546
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		2,584,410	2,610,502
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,757,573	1,766,624
Intangible assets	9	73,925	30,261
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		1,831,498	1,796,885
		<hr/>	<hr/>
TOTAL ASSETS		4,415,908	4,407,387
CURRENT LIABILITIES			
Trade and other payables	10	2,037,120	2,053,517
Short-term borrowings	11	67,731	64,221
Short-term provisions	12	157,655	125,596
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		2,262,506	2,243,334
NON-CURRENT LIABILITIES			
Long-term borrowings	11	356,527	429,631
Long-term provisions	12	54,769	29,528
		<hr/>	<hr/>
TOTAL NON-CURRENT LIABILITIES		411,296	459,159
		<hr/>	<hr/>
TOTAL LIABILITIES		2,673,802	2,702,493
		<hr/>	<hr/>
NET ASSETS		\$1,742,106	\$1,704,894
EQUITY			
Reserves	13	4,615	4,615
Retained earnings		1,737,491	1,700,279
		<hr/>	<hr/>
TOTAL EQUITY		\$1,742,106	\$1,704,894
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	\$	\$	\$
	Retained Earnings	Asset Reva- luation Reserve	Total
BALANCE AT 1 JULY 2004	1,660,592	4,615	1,665,207
Profit attributable to members	39,687	-	39,687
BALANCE AT 30 JUNE 2005	1,700,279	4,615	1,704,894
Profit attributable to members	37,212	-	37,212
BALANCE AT 30 JUNE 2006	<u>\$1,737,491</u>	<u>\$4,615</u>	<u>\$1,742,106</u>

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

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

	Note	2006 \$ Inflows (Outflows)	2005 \$ Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		5,414,078	4,531,759
Payments to suppliers and employees		(5,356,311)	(4,603,084)
Interest received		86,745	86,561
Finance costs		(35,898)	(40,631)
Net cash provided by/ (used in) operating activities	18(b)	108,614	(25,395)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(276,373)	(213,027)
Payments for deferred development costs		(43,663)	12,148
Proceeds from sale of property, plant and equipment		92,838	7,560
Net cash provided by/(used in) investing activities		(227,198)	(193,319)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(69,594)	(52,432)
Net cash provided by/(used in) financing activities		(69,594)	(52,432)
NET (DECREASE) IN CASH HELD		(188,178)	(271,146)
Cash at beginning of financial year		1,163,540	1,434,686
CASH AT END OF FINANCIAL YEAR	18(a)	\$ 975,362	1,163,540

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 2006**

Note 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial report of The Pharmacy Guild of Australia (Queensland Branch) complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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

Basis of Preparation

The Pharmacy Guild of Australia (Queensland Branch) has prepared financial statements in accordance with the Australian equivalents to International Financial reporting Standards (AIFRS) from 1 July 2005.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments resulting from the introduction of AIFRS have been applied retrospectively to 2005 comparative figures. These accounts are the first financial statements of The Pharmacy Guild of Australia (Queensland Branch) to be prepared in accordance with AIFRS. The entity's management, along with its auditors have assessed the significance of the changes on adopting AIFRS and have noted that the changes in accounting policies have not resulted in quantitative changes to the financial information.

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.

(a) Income Tax

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

(b) Property, Plant and Equipment

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

(c) Intangibles

Deferred Development Costs

AASB 138 Intangible assets requires costs associated with research to be expensed in the period they are incurred. The costs associated with the apothecary website and eQCP website are development costs and therefore capitalised upon each stage of completion and amortised over a period of two and a half years.

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006**

Note 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(d) Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their 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.

The depreciation rates used for each class of depreciable 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 Benefits

Provision is made for employee benefits arising from services rendered by employees 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 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 entity to employee superannuation funds and are charged as expenses when incurred.

(f) Impairment of Assets

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

(g) Cash and Cash Equivalents

Cash includes cash on hand and deposits held at call with banks.

(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.

During the year the Queensland Branch registered a new company, InnovationRX Pty Ltd, which it fully owns: at balance date this was a dormant company with no activity for the year, nor assets or liabilities held.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

Note 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(i) Leases

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

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 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	Note	2006 \$	2005 \$
Note 3. REVENUE			
<i>Operating activities</i>			
Administration costs recovered		256,124	218,538
Commissions received		450,984	436,224
Interest received	3(a)	86,745	86,561
Member Subscriptions		1,023,526	981,384
National Secretariat Fighting Fund		427,280	412,587
Qld Health Projects		174,305	112,682
Sales revenue		1,554,086	1,382,603
Training course fees		820,597	555,738
Third Agreement Co-ordinator Assistant Funding		79,270	72,088
Third Agreement DMMR Income		142,739	121,237
Other National Secretariat Funded Projects		62,547	81,017
Total Revenue		<u>\$5,078,203</u>	<u>\$4,460,659</u>
(a) Interest revenue from:			
- other persons		86,745	86,561
Total interest revenue		<u>\$86,745</u>	<u>\$86,561</u>

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		11,817	12,417
		<u>11,817</u>	<u>12,417</u>
<i>Depreciation of non-current assets</i>			
Plant and equipment		142,723	123,748
Buildings		18,356	18,394
		<u>161,079</u>	<u>142,142</u>
Total Depreciation and Amortisation Expense		<u>172,896</u>	<u>154,559</u>
<i>Remuneration of auditor</i>			
Audit or review services		23,800	15,875
Taxation services		1,200	600
Total remuneration		<u>25,000</u>	<u>16,475</u>

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2006 \$	2005 \$
Note 4(a). Profit from Ordinary Activities (Cont)		
<i>Bad and Doubtful Debts</i>	9,351	-
<i>Financial Costs</i>	35,898	40,631
<i>Net Loss on disposal of Plant, Property and Equipment</i>	19,690	1,551

(b) Significant Revenues and Expenses:

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

Employee benefits expense

Fringe benefits tax	(40,936)	(44,283)
Payroll tax	(69,164)	(59,421)
Provision for annual leave	(98,270)	(81,135)
Provision for long service leave	(32,724)	(12,518)
Salaries – employees	(1,162,498)	(948,526)
Superannuation	(113,576)	(98,066)
Other	(14,278)	(9,961)
	<u> </u>	<u> </u>
	\$ (1,531,446)	\$ (1,253,910)

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2006	2005
	\$	\$
Note 4. Profit from Ordinary Activities (Cont)		
(c) Amounts included in other expenses from ordinary activities:		
Administration fees	241,481	210,852
Advertising and promotions expenses	68,610	69,124
Bank and card charges	36,747	34,280
Branch committee expenses	12,381	13,899
Cleaning expenses	20,007	19,197
Computer costs	52,565	14,952
Conference and seminar expenses	22,572	24,771
Consultancy expenses – other	28,538	31,745
Contract Staff	54,984	40,530
Dispatch expenses	62,203	61,445
Donations	12,439	31,581
Elected officials’ remuneration	86,825	148,250
Events Expenses		
- Catering & Dinner	293,630	229,065
- Commissions Paid	38,333	30,638
- Consultancy expenses	26,664	25,200
- Display expenses	106,509	95,219
- Printing & Stationery	42,729	65,798
- Speaker Costs	23,442	51,369
- Technical expenses	98,027	117,353
Legal costs	74,864	7,731
Meals expenses	37,769	39,679
Meeting expenses – AGM	7,665	6,361
Motor Vehicle expenses	33,811	33,549
National Secretariat dues expense	511,745	490,159
National Secretariat Fighting Fund	427,280	412,587
Insurance expenses	49,124	57,119
Printing and stationery - other	107,176	114,049
Power and light	15,769	13,936
Professional Fees inc Audit	28,663	15,383
Purchases – Merchandise	42,041	25,790
Queensland Health Project purchases	73,143	-
Rates	30,710	28,366
Repairs and maintenance	14,065	13,786
Security expenses	6,118	4,537
Sponsorship	27,172	35,942
Staff Procurement	22,150	13,437
Subscriptions	19,148	20,143
Telephone & internet expenses	74,191	70,919
Travelling and fares expenses	125,021	71,885
Third Agreement DMMR consulting expenses	108,760	87,000
Sundry expenses	135,680	94,246
	<u>\$ 3,300,751</u>	<u>\$ 2,971,872</u>

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2006 \$	2005 \$
Note 5. CASH AND CASH EQUIVALENTS		
Cash at bank	975,012	1,163,190
Cash on hand	350	350
	<u>\$ 975,362</u>	<u>\$ 1,163,540</u>

Note 6. TRADE AND OTHER RECEIVABLES

Current

Trade debtors	964,899	981,897
Accrued Revenue	112,931	81,438
Sundry Debtors	6,703	200
Amounts receivable from related entities:		
The National Secretariat	169,434	217,242
Guild Insurance and Financial Services	54,103	-
Pharmacy Guild of Australia NSW Branch	9,795	20,823
Pharmacy Guild of Australia SA Branch	132	-
Pharmacy Guild of Australia ACT Branch	-	2,820
Pharmacy Guild of Australia NT Branch	-	996
Provision for Doubtful Debts	(9,307)	-
	<u>\$ 1,308,690</u>	<u>\$ 1,305,416</u>

Note 7. OTHER ASSETS

Current

Prepayments - Expense	172,563	141,546
- Construction Costs	127,795	-
	<u>\$ 300,358</u>	<u>\$ 141,546</u>

Prepayments of construction costs relate to initial design, legal costs and council fees to redevelop the property situated at 132 Leichhardt Street, Spring Hill, Queensland 4004. Upon local council and finance approval, and upon ratification by Branch Committee, expenditure would be transferred to Other Non Current Assets during the term of construction.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2006 \$	2005 \$
Note 8. PROPERTY, PLANT AND EQUIPMENT		
Furniture and equipment at cost	649,468	627,096
Accumulated depreciation	(390,499)	(381,736)
	<hr/>	<hr/>
	258,969	245,360
	<hr/>	<hr/>
Motor vehicles at cost	163,556	219,759
Accumulated depreciation	(17,326)	(85,842)
	<hr/>	<hr/>
	146,230	133,917
	<hr/>	<hr/>
Furniture and Fittings at revaluation	2,821	2,821
Accumulated depreciation	(2,821)	(2,821)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Leased Assets at cost	44,086	62,086
Accumulated amortisation	(33,542)	(34,925)
	<hr/>	<hr/>
	10,544	27,161
	<hr/>	<hr/>
Freehold Land at cost	940,000	940,000
Buildings at cost	575,718	575,718
Accumulated depreciation	(173,888)	(155,532)
	<hr/>	<hr/>
	1,341,830	1,360,186
	<hr/>	<hr/>
TOTAL PROPERTY, PLANT AND EQUIPMENT	\$ 1,757,573	\$ 1,766,624
	<hr/> <hr/>	<hr/> <hr/>

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

2006 **2005**
\$ **\$**

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	245,360	133,917	-	27,161	1,360,186	1,766,624
Additions	134,990	141,383	-	-	-	276,373
Disposals	(17,828)	(89,900)	-	(4,800)	-	(112,528)
Depreciation & amortisation expense	(103,553)	(39,170)	-	(11,817)	(18,356)	(172,896)
Carrying amount at the end of the year	258,969	146,230	-	10,544	1,341,830	1,757,573

Note 9. INTANGIBLE ASSETS

Deferred Development Costs

Web Site Development	\$ 73,925	\$ 30,261
----------------------	------------------	------------------

Note 10. TRADE AND OTHER PAYABLES

Current

Trade creditors	74,569	90,076
Income in Advance-		
Subscriptions	1,469,718	1,492,453
Course fees	104,449	117,919
Sponsorship	9,411	7,663
Events	44,000	34,000
Other	52,071	19,111
Amounts payable to related entities		
The National Secretariat	256	7,235
Pharmacy Guild of Australia WA Branch	23	-
Guild Insurance Limited	-	48,777
Pharmacy Guild of Australia NSW Branch	-	312
Accrued expenses	46,758	44,053
Sundry payables	235,865	191,918
	\$ 2,037,120	\$ 2,053,517

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

		2006	2005
		\$	\$
Note 11. BORROWINGS			
Current			
Bank Loan – Secured	11a	54,342	50,220
Lease liability	15	13,389	14,001
		<u>\$ 67,731</u>	<u>\$ 64,221</u>
Non-Current			
Bank Loan – Secured	11a	355,514	410,282
Lease liability	15	1,013	19,349
		<u>\$ 356,527</u>	<u>\$ 429,631</u>

(a) The bank loan is secured by:

- (i) First Registered Mortgage to Bendigo Bank over the property situated at 132 Leichhardt 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		101,955	76,143
Long service leave		55,700	49,453
		<u>157,655</u>	<u>125,596</u>
Non-Current			
Long service leave		54,769	29,528
		<u>54,769</u>	<u>29,528</u>
Aggregate employee entitlement liabilities		<u>\$ 212,424</u>	<u>\$ 155,124</u>

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2006	2005
	\$	\$
Note 13. RESERVES		
Asset revaluation reserve	<u>\$ 4,615</u>	<u>\$ 4,615</u>

Note 14. SEGMENTAL REPORTING

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

Note 15. CAPITAL AND LEASING COMMITMENTS

(a) Finance lease commitments

Payable - not later than one year	13,721	16,226
- later than one year but not later than 5 years	1,031	19,956
	<u> </u>	<u> </u>
Minimum lease payments	14,752	36,182
Less future finance charges	(350)	(2,832)
	<u> </u>	<u> </u>
Present value of minimum lease payments	<u>\$ 14,402</u>	<u>\$ 33,350</u>
Represented by:		
Current liability	13,389	14,001
Non-current liability	1,013	19,349
	<u> </u>	<u> </u>
	<u>\$ 14,402</u>	<u>\$ 33,350</u>

The finance liabilities relate to 2 leased assets; a telephone system and a motor vehicle that are all financed by Guild Insurance Limited with lease payments paid monthly in advance.

Note 16. FINANCIAL INSTRUMENTS

(a) Financial Risk Management

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

The entity does not have any derivative instruments at 30 June 2006.

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

Note 16(a). FINANCIAL INSTRUMENTS (Cont)

i) Interest rate risk

Interest rate risk is managed with fixed rate debt. At 30 June 2006 100% of the entity's debt is fixed. For further details on interest rate risk refer to Note 16(b).

ii) Foreign currency risk

The entity is not exposed to fluctuations in foreign currencies.

iii) Liquidity risk

The entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

iv) Credit risk

The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

v) Price risk

The entity is not exposed to any material commodity price risk.

(b) Interest Rate Risk

The 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>Within 1 Year</i>		<i>1 to 5 years</i>	
	2006	2005	2006	2005	\$	\$	\$	\$
Financial assets								
Cash at bank	5.54	5.45	975,012	1,163,190	-	-	-	-
Cash			350	350				
Total financial assets			975,362	1,163,540				
Financial liabilities								
Loan	7.85	7.85	-	-	54,342	50,220	355,514	410,282
Finance Lease Liabilities	7.95	7.95	-	-	13,389	14,001	1,013	19,349
Total financial assets			975,362	1,163,540	67,731	64,221	356,527	429,631

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

Note 16. FINANCIAL INSTRUMENTS (Cont)

(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 balance sheet and notes to the financial statements.

Note 17. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Transactions between The Pharmacy Guild of Australia (Queensland Branch) & The Pharmacy Guild of Australia and its branches include reimbursements of expenses.

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

N Anderson (to 22/10/05)	K Peachey
M Bou-Samra	K Sclavos
M Brown (from 2/2/06)	J Singleton (from 28/9/05)
M Farrell	R Tomarchio
S Holzberger	R Xynias
T Logan	G Yeates (to 27/9/05)
N Loukas	J Yim (to 27/9/05)

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 the amount of \$86,825 (2005 - \$151,750) being for his Guild work, including his duties as Branch President (to 28/11/05) and \$26,664 (2005 - \$25,200) fees associated with Events Management.

An amount of \$29,100 was paid to Mr T Logan for his duties as Branch President (from 22/12/05).

A company associated with a committee member was paid \$22,842 for consultancy services provided.

No amounts have been paid to committee members on retirement from office. An amount of \$2,619 was provided for Mr T Logan into prescribed superannuation fund 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 2006
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

	2006	2005
	\$	\$
Note 18. CASH FLOW INFORMATION		
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:-		
Cash at bank	975,012	1,163,190
Cash on hand	350	350
	<hr/>	<hr/>
	\$ 975,362	\$ 1,163,540
	<hr/> <hr/>	<hr/> <hr/>
(b) Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Operating profit after income tax	37,212	39,687
Non-cash flows in operating profit:		
Amortisation - leasehold premises	11,817	12,417
Depreciation	161,079	142,142
Loss/(Gain) on sale of assets	19,690	1,551
Changes in Assets and Liabilities:		
Increase/(decrease) in creditors and accruals	(15,388)	262,753
Increase/(decrease) in provisions	57,301	19,818
(Increase)/decrease in debtors & prepayments	(163,097)	(503,763)
	<hr/>	<hr/>
	\$108,614	(\$25,395)
	<hr/> <hr/>	<hr/> <hr/>

19. ENTITY DETAILS

The registered office of the entity is:

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

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


On 21st August 2006 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 2006:

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 2006;
- (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: TIMOTHY JOHN LOGAN

Title of Office Held: BRANCH PRESIDENT

Signature: 

BRISBANE

Date: 21st August 2006

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 Income statement, balance sheet, statement of changes in equity, cash flow statement, accompanying notes to the financial statements, the operating report and the committee of management statement for the Pharmacy Guild of Australia (Queensland Branch) (the entity), for the year ended 30 June 2006.

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 2006 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 QUEENSLAND PARTNERSHIP
Chartered Accountants

Grant Thornton Queensland Partnership

S G Hancox

S G HANCOX
Partner

Brisbane

²⁶ August 2006