



Australian Government

Australian Industrial Registry

Level 4, 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 Tim 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 Report for the Year Ended 30th June 2007 - FR2007/425
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the Statement of Loans, Grants and Donations of the Queensland Branch of The Pharmacy Guild of Australia for the year ended 30th June 2007. The documents were lodged in the Industrial Registry on 13th November, 2007. I apologise for the delay in responding.

The Statement has been placed on a file that is not available to the general public in accordance with s237(4) of the RAO Schedule.

Provision of Financial Documents to Members at least 21 Days before Meeting

In my letter to you dated 1st November, 2007 I discussed the requirement in Section 265(5)(a) of the RAO Schedule that the Branch provide its financial documents to members at least 21 days before the meeting at which they are presented.

In your response you have stated that the full report was provided to members online on 3rd October, 2007 'which provides 21 days notice inclusive of the 3rd', before the general meeting of members on Tuesday 23rd of October 2007'.

In determining whether the timeline requirements of the Act have been met, the Registry makes reference to section 36 of the Acts Interpretation Act 1901 (Cth) as follows (emphasis added):

Reckoning of time

- (1) Where in an Act any period of time, dating from a given day, act, or event, is prescribed or allowed for any purpose, the time shall, unless the contrary intention appears, be reckoned exclusive of such day or of the day of such act or event.

Please contact me by email at ailsa.carruthers@air.gov.au or by telephone on (03) 8661 7767 if you have any questions.

Yours sincerely,

Ailsa Carruthers
Statutory Services Branch

5 February 2008



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

6 November 2007

Australian Industrial Registry
Level 36, 80 Collins Street
MELBOURNE Victoria 3000



**The Pharmacy Guild of Australia - Queensland Branch
Financial Report for the Year Ended 30th June 2007 – FR2007/425
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)
Response to your letter dated 1st November 2007**

Dear Ailsa Carruthers

Thank you for your letter including comments to assist us in preparing financial documents in the future. Although you state that we do not need to take any action in respect of the documents that have been lodged, I have responded to all your comments made in your letter.

Provision of Financial Documents to Members at least 21 Days before meeting

The full report to members was provided online on Wednesday 3rd of October 2007, which provides 21 days notice inclusive of the 3rd, before the general meeting of members on Tuesday 23rd of October 2007.

Statement of Loans, Grants and Donations – FR2007/425

Unfortunately, due to our general meeting of members not being held until the 23rd of October, we were delayed in sending this Statement. We will ensure this being sent by the 28th September in the future. This Statement was mailed to you at the same time as our Financial Report, a copy of which is included for your records.*

Statement of Loans, Grants and Donations – FR2006/439

Find attached a copy of our response mailed to you on 1st February 2007 in response to your letter dated 29th January 2007.*

** In your letter dated 1st November 2007, the AIR now appears to have a new street & postal address which we now note: however, this may be the reason why some mail sent to you has not been received.*

Operating Report – Superannuation Trustees

In 2007, The Pharmacy Guild of Australia Queensland Branch received advice from our National Secretariat that section 254(2)(d) of the RAO Schedule was in relation to an officer or member (or a director of a company) being a trustee or a superannuation entity owned or operated by The Pharmacy Guild of Australia. As no officer or member was, we were advised to be consistent with the National Secretariat and other Branches and exclude this section from our Operating Report.

However, we note and accept your comment that in future, in the event that no officer or member is such a trustee or director, the Operating Report will include a comment to this effect.

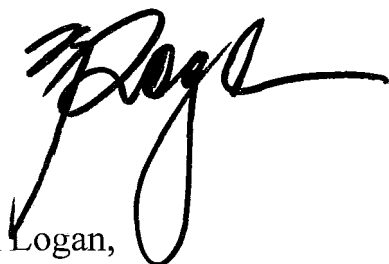
Operating Report – Periods for which Positions Held

We note and accept your comment to change the report wording in future.

Designated Officer's Certificate

We will ensure that in future all documents are dated.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tim Logan', with a long horizontal flourish extending to the right.

Tim Logan,
Branch President



Australian Government

Australian Industrial Registry

Level 36, 80 Collins 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
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 Report for the Year Ended 30th June 2007 - FR2007/425
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial report of the Queensland Branch of The Pharmacy Guild of Australia for the year ended 30th June 2007. The documents were lodged in the Industrial Registry on 1st November, 2007.

The documents have been filed.

I make the following comments to assist you in preparing financial documents in the future. You do not need to take any further action in respect of the documents that have been lodged.

Provision of Financial Documents to Members at least 21 Days before Meeting

The Designated Officer's Certificate states that the full report was provided to members on 3rd October, 2007 and that the full report was then presented to a general meeting of members on 23rd October, 2007 (that is, 20 days later).

Section 265(5)(a) of the RAO Schedule requires the Branch to provide its financial documents to members at least 21 days before the meeting at which they are presented.

You are requested to ensure in future that at least 21 days elapses between the date of provision of documents to members and the date of the meeting at which the financial report is presented.

Statement of Loans, Grants and Donations – FR2007/425

Note 4 of the accounts itemises donations totally \$11,074. While a Statement of Loans, Grants and Donations has been lodged by the Branch for the previous two financial years, our records do not show that the Branch has lodged a Statement of Loans, Grants and Donations as required by section 237 of the RAO Schedule for the financial year ended 30th June, 2007. As you know, subsection (1) requires a Branch to lodge a Statement within 90 days of the end of the financial year (that is, by 28th September 2007) setting out the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made during the financial year.

Should any of the amounts exceed the \$1,000 threshold, you are requested to lodge a Statement of Loans, Grants and Donations as soon as possible. A pro-forma statement is included for your assistance.

Statement of Loans, Grants and Donations – FR2006/439

I note that on 29th January, 2007 a letter was sent to the Branch by Mr Robert Pfeiffer of the Registry requesting a response regarding an apparent inconsistency between donations of \$18,598 as listed in the Statement of Loans, Grants and Donations for that financial year and donations of \$12,439 as listed in the Notes to Financial Statements. A copy of the letter is attached.

You were requested in Mr Pfeiffer's letter to provide the Registry with a written response regarding the discrepancy by 16th February, 2007. Our records do not show that a response has been received.

You are therefore requested to provide a response in writing by Friday, 16th November 2007.

Operating Report – Superannuation Trustees

The Operating Report is required to state whether any officer or member of the Branch is a trustee of a superannuation entity (or a director of a company that is a trustee of a superannuation entity) – see section 254(2)(d) of the RAO Schedule. I note that this information has been included in paragraph (d) of the Operating Reports that were lodged for the two previous financial years.

In the event that no officer or member of the Branch is a trustee or director of a superannuation entity, the Operating Report should include a comment to this effect.

Operating Report – Periods for which Positions Held

Regulation 159(c) of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003 (RAO Regulations) requires the Operating Report to state the 'period for which' each Committee of Management member has held office.

The Operating Report states that 'During the reporting period...' the listed individuals held office as members of Branch Committee. This wording *suggests* that these individuals held office for the entire financial year but you are requested in future to state this more clearly. For instance, there could be a simple change of wording to 'For all of the reporting period...' Alternatively, you may choose to state that all Committee members held office for the entire financial year 'except where otherwise stated' and then include in brackets after their names the dates upon which officers either assumed or left office.

Designated Officer's Certificate

While there is a space provided on the Designated Officer's Certificate for inclusion of the date of signing, the date has been left blank. Would you please ensure in future that all documents are dated as a matter of course.

Please contact me by email at ailsa.carruthers@air.gov.au or on (03) 8661 7767 if you wish to discuss this letter.

A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/175Vqld>.

Yours sincerely,



Ailsa Carruthers
Statutory Services Branch

1st November 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 3rd October 2007; and
- that the full report was presented to a general meeting of members of the reporting unit on 23rd October 2007; in accordance with section 266 of the RAO Schedule.

Signature.....

Date:

October 2007

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES OPERATING REPORT

I, TIMOTHY JOHN LOGAN, being the designated officer responsible for preparing this report for the financial year ended 30 June 2007 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) Prescribed and other Information:
- (i) As at 30 June 2007, to which this report relates, the number of members of the organisation was 677 including Honorary Life Members;
 - (ii) As at 30 June 2007, the total number of employees employed by the reporting entity was 35.
 - (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:

Branch Executive

M Farrell
T Logan
S Holzberger

K Peachey
K Sclavos

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

Branch Committee

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

K Peachey
K Selavos
J Singleton
R Tomarchio
R Xynias

(e) 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).



.....
TIMOTIN JOHN LOGAN

Date: 26 September 2007

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

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

| | Note | Consolidated Group | | Parent Entity | |
|-----------------------------------------------------|------|--------------------|-------------|---------------|-------------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| Revenue | 3 | 5,780,926 | 5,078,203 | 5,913,835 | 5,128,693 |
| Employee benefits expense | | (1,835,430) | (1,531,446) | (1,835,430) | (1,531,446) |
| Depreciation and amortisation expense | | (190,747) | (172,896) | (180,497) | (162,646) |
| Finance costs | 4(a) | (30,017) | (35,898) | (30,017) | (35,898) |
| Other expenses | 4(a) | (3,459,943) | (3,300,751) | (3,511,309) | (3,351,241) |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Profit before income tax | 4 | 264,789 | 37,212 | 356,582 | 47,462 |
| Income tax expense / (income) | 5 | (24,463) | - | - | - |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Profit attributable to members of the parent entity | | 289,252 | 37,212 | 356,582 | 47,462 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
BALANCE SHEET AS AT 30 JUNE 2007

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

| | Note | Consolidated Group | | Parent Entity | |
|--------------------------------------|------|--------------------|------------------|------------------|------------------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | 8 | 1,005,411 | 975,362 | 1,005,360 | 975,362 |
| Trade and other receivables | 9 | 1,579,232 | 1,308,690 | 1,553,232 | 1,308,690 |
| Other current assets | 10 | 490,525 | 300,358 | 490,525 | 300,358 |
| TOTAL CURRENT ASSET | | <u>3,075,168</u> | <u>2,584,410</u> | <u>3,049,117</u> | <u>2,584,410</u> |
| NON-CURRENT ASSETS | | | | | |
| Trade and other receivables | 9 | - | - | 104,594 | - |
| Financial assets | 11 | - | - | 1,350,100 | 1,350,000 |
| Property, plant and equipment | 13 | 1,861,045 | 1,757,573 | 562,254 | 448,532 |
| Deferred tax assets | 17 | 24,463 | - | - | - |
| Intangible assets | 14 | 118,909 | 73,925 | 118,909 | 73,925 |
| TOTAL NON-CURRENT ASSET | | <u>2,004,417</u> | <u>1,831,498</u> | <u>2,135,857</u> | <u>1,872,457</u> |
| TOTAL ASSETS | | <u>5,079,585</u> | <u>4,415,908</u> | <u>5,184,974</u> | <u>4,456,867</u> |
| CURRENT LIABILITIES | | | | | |
| Trade and other payables | 15 | 2,411,152 | 2,037,120 | 2,408,252 | 2,037,120 |
| Financial liabilities | 16 | 58,799 | 67,731 | 58,799 | 67,731 |
| Short-term provisions | 18 | 170,698 | 157,655 | 170,698 | 157,655 |
| TOTAL CURRENT LIABILITIES | | <u>2,640,649</u> | <u>2,262,506</u> | <u>2,637,749</u> | <u>2,262,506</u> |
| NON-CURRENT LIABILITIES | | | | | |
| Financial liabilities | 16 | 296,288 | 356,527 | 296,288 | 356,527 |
| Long-term provisions | 18 | 111,290 | 54,769 | 111,290 | 54,769 |
| TOTAL NON-CURRENT LIABILITIES | | <u>407,578</u> | <u>411,296</u> | <u>407,578</u> | <u>411,296</u> |
| TOTAL LIABILITIES | | <u>3,048,227</u> | <u>2,673,802</u> | <u>3,045,327</u> | <u>2,673,802</u> |
| NET ASSETS | | <u>2,031,358</u> | <u>1,742,106</u> | <u>2,139,647</u> | <u>1,783,065</u> |
| EQUITY | | | | | |
| Reserves | 19 | 4,615 | 4,615 | 4615 | 4,615 |
| Retained earnings | | 2,026,743 | 1,737,491 | 2,135,032 | 1,778,450 |
| TOTAL EQUITY | | <u>2,031,358</u> | <u>1,742,106</u> | <u>2,139,647</u> | <u>1,783,065</u> |

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2007

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

Consolidated Group

| | Retained Earnings | Asset Reva- luation Reserve | Total |
|-------------------------------------------------|----------------------|--------------------------------------|-----------|
| | \$ | \$ | \$ |
| Balance at 1 July 2005 | 1,700,279 | 4,615 | 1,704,894 |
| Profit attributable to members of parent entity | 37,212 | - | 37,212 |
| Balance at 30 June 2006 | 1,737,491 | 4,615 | 1,742,106 |
| Profit attributable to members of parent entity | 289,252 | - | 289,252 |
| Balance at 30 June 2007 | 2,026,743 | 4,615 | 2,031,358 |

Parent Entity

| | Retained Earnings | Asset Reva- luation Reserve | Total |
|-------------------------------------------------|----------------------|--------------------------------------|-----------|
| | \$ | \$ | \$ |
| Balance at 1 July 2005 | 1,730,988 | 4,615 | 1,735,603 |
| Profit attributable to members of parent entity | 47,462 | - | 47,462 |
| Balance at 30 June 2006 | 1,778,450 | 4,615 | 1,783,065 |
| Profit attributable to members of parent entity | 356,582 | - | 356,582 |
| Balance at 30 June 2007 | 2,135,032 | 4,615 | 2,139,647 |

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

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

| | Note | Consolidated Group | | Parent Entity | |
|-----------------------------------------------------|-------|--------------------|-------------|---------------|-------------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from members and customers | | 5,672,912 | 5,414,078 | 5,672,912 | 5,414,078 |
| Payments to suppliers and employees | | (5,271,775) | (5,356,311) | (5,271,726) | (5,356,311) |
| Interest received | | 75,797 | 86,745 | 75,797 | 86,745 |
| Finance costs | | (30,017) | (35,898) | (30,017) | (35,898) |
| Net cash provided by (used in) operating activities | 22(a) | 446,917 | 108,614 | 446,966 | 108,614 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Proceeds from sale of property, plant and equipment | | 6,684 | 92,838 | 6,684 | 92,838 |
| Purchase of property, plant and equipment | | (309,397) | (276,373) | (309,397) | (276,373) |
| Payments for deferred development costs | | (44,984) | (43,663) | (44,984) | (43,663) |
| Purchase of investments | | - | - | (100) | - |
| Net cash provided by (used in) investing activities | | (347,697) | (227,198) | (347,797) | (227,198) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Repayment of borrowings | | (69,171) | (69,594) | (69,171) | (69,594) |
| Net cash provided by (used in) financing activities | | (69,171) | (69,594) | (69,171) | (69,594) |
| Net increase (decrease) in cash held | | 30,049 | (188,178) | 29,998 | (188,178) |
| Cash at beginning of financial year | | 975,362 | 1,163,540 | 975,362 | 1,163,540 |
| Cash at end of financial year | 8 | 1,005,411 | 975,362 | 1,005,360 | 975,362 |

The accompanying notes form part of these financial statements.

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

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, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

The financial report covers the consolidated group of The Pharmacy Guild of Australia (Queensland Branch) and controlled entities, and The Pharmacy Guild of Australia (Queensland Branch) as an individual parent entity. The Pharmacy Guild of Australia (Queensland Branch) is an unincorporated organisation.

The financial report of The Pharmacy Guild of Australia (Queensland Branch) and controlled entities, and The Pharmacy Guild of Australia (Queensland Branch) as an individual parent entity 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 consolidated group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

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

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs 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.

Accounting Policies

(a) Principles of Consolidation

A controlled entity is any entity The Pharmacy Guild of Australia (Queensland Branch) has the power to control the financial and operating policies of so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 12 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the consolidated group during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

(b) Income Tax

Parent entity

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

Controlled entities

Where tax is applicable for controlled entities, the following policy applies to the consolidated group report:

The credit for current income tax income is based on the loss for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

Note 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought into account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by law.

(c) Property, Plant and Equipment

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

The cost of computer software developed within the consolidated group include the cost of materials, direct labour and appropriate proportion of overheads.

Depreciation

The depreciable amount of all fixed assets including building, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use. Note that buildings owned by the Unit Trust are only depreciated in the consolidated group.

The depreciation rates used for each class of depreciable assets are:

| <i>Class of Fixed Asset</i> | <i>Depreciation Rate</i> |
|---------------------------------|--------------------------|
| Buildings | 2.5% |
| Computer equipment and software | 25-40% |
| Leased assets | 20% |
| Motor vehicles | 20% |
| Furniture and equipment | 5% - 33.33% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

(d) Financial Instruments

Recognition

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

Available-for-sale financial assets

Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

Note 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(e) Impairment of Assets

At each reporting date, the group 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.

(f) Intangibles

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised over a period of two and a half years.

(g) Employee Benefits

Provision is made for the group's liability 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.

(h) Cash and Cash Equivalents

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

(i) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

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

All revenue is stated net of the amount of goods and services tax (GST).

(j) Borrowing Costs

All borrowing costs are recognised in income in the period in which they are incurred.

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis.

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

Note 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(l) Comparative Figures

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

Critical accounting estimates and judgements

The committee members evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

The financial report was authorised for issue on 21 September 2007.

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) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

Note 3. REVENUE

| | Note | Consolidated Group | | Parent Entity | |
|--------------------------------------|------|--------------------|-----------|---------------|-----------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| Administration costs recovered | | 304,188 | 256,124 | 304,188 | 256,124 |
| Commissions received | | 450,062 | 450,984 | 450,062 | 450,984 |
| Commonwealth Government funding | | 91,130 | - | 65,129 | - |
| Distributions received | 3(b) | - | - | 51,366 | 50,490 |
| Interest received | 3(a) | 75,797 | 86,745 | 75,797 | 86,745 |
| Member Subscriptions | | 1,020,661 | 1,023,526 | 1,020,661 | 1,023,526 |
| National Secretariat Fighting Fund | | 435,897 | 427,280 | 435,897 | 427,280 |
| National Secretariat Funded Projects | | 328,153 | 284,556 | 328,153 | 284,556 |
| Queensland Health Projects | | 82,009 | 174,305 | 82,009 | 174,305 |
| Sales revenue | | 1,964,506 | 1,554,086 | 2,072,050 | 1,554,086 |
| Training course fees | | 1,028,523 | 820,597 | 1,028,523 | 820,597 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Revenue | | 5,780,926 | 5,078,203 | 5,913,835 | 5,128,693 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| (a) Interest revenue from: | | | | | |
| - other persons | | 75,797 | 86,745 | 75,797 | 86,745 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total interest revenue | | 75,797 | 86,745 | 75,797 | 86,745 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| (b) Distributions revenue from: | | | | | |
| - controlled entity: | | | | | |
| The Guild Properties (Queensland) | | | | | |
| Unit Trust | | - | - | 51,366 | 50,490 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total distribution revenue | | - | - | 51,366 | 50,490 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |

Note 4. PROFIT BEFORE INCOME TAX

| | Note | Consolidated Group | | Parent Entity | |
|---------------------|------|--------------------|--------|---------------|--------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| (a) Expenses: | | | | | |
| Finance costs: | | | | | |
| - external | | 30,017 | 35,898 | 30,017 | 35,898 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total finance costs | | 30,017 | 35,898 | 30,017 | 35,898 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

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

Note 4. PROFIT BEFORE INCOME TAX (cont'd)

| | Note | Consolidated Group | | Parent Entity | |
|-------------------------------------|------|--------------------|-----------|---------------|-----------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| Other expenses | | | | | |
| Administration fees | | 283,627 | 241,481 | 283,627 | 241,481 |
| Advertising and promotions expenses | | 36,728 | 68,610 | 36,728 | 68,610 |
| Bank and card charges | | 36,176 | 36,747 | 36,176 | 36,747 |
| Branch committee expenses | | 10,303 | 12,381 | 10,303 | 12,381 |
| Cleaning expenses | | 22,991 | 20,007 | 22,991 | 20,007 |
| Computer costs | | 82,344 | 52,565 | 82,344 | 52,565 |
| Conference and seminar expenses | | 30,764 | 22,572 | 30,764 | 22,572 |
| Consultancy expenses - other | | 115,756 | 137,298 | 115,756 | 137,298 |
| Contract Staff | | 121,961 | 54,984 | 121,961 | 54,984 |
| Dispatch expenses | | 57,870 | 62,203 | 57,870 | 62,203 |
| Donations | | 11,074 | 12,439 | 11,074 | 12,439 |
| Elected officials' remuneration | | - | 86,825 | - | 86,825 |
| Events Expenses | | | | | |
| - Catering & Dinner | | 339,072 | 293,630 | 339,072 | 293,630 |
| - Commissions Paid | | 40,762 | 38,333 | 40,762 | 38,333 |
| - Consultancy expenses | | 31,273 | 26,664 | 31,273 | 26,664 |
| - Display expenses | | 112,981 | 106,509 | 112,981 | 106,509 |
| - Printing & Stationery | | 49,306 | 42,729 | 49,306 | 42,729 |
| - Speaker Costs | | 19,100 | 23,442 | 19,100 | 23,442 |
| - Technical expenses | | 93,534 | 98,027 | 93,534 | 98,027 |
| Insurance expenses | | 55,141 | 49,124 | 49,485 | 43,240 |
| Legal costs | | 36,898 | 74,864 | 36,898 | 74,864 |
| Meals expenses | | 44,012 | 37,769 | 44,012 | 37,769 |
| Meeting expenses – AGM | | 7,750 | 7,665 | 7,750 | 7,665 |
| Motor Vehicle expenses | | 27,310 | 33,811 | 27,310 | 33,811 |
| National Secretariat dues expense | | 504,587 | 511,745 | 504,587 | 511,745 |
| National Secretariat Fighting Fund | | 435,897 | 427,280 | 435,897 | 427,280 |
| Printing and stationery - other | | 114,213 | 107,176 | 114,213 | 107,176 |
| Power and light | | 17,713 | 15,769 | 17,713 | 15,769 |
| Professional Fees inc Audit | | 28,912 | 28,663 | 26,562 | 27,063 |
| Purchases – Merchandise | | 46,709 | 42,041 | 46,709 | 42,041 |
| Queensland Health Project materials | | - | 73,143 | - | 73,143 |
| Rates | | 32,404 | 30,710 | - | - |
| Rent | | 37,500 | - | 130,846 | 93,346 |
| Repairs and maintenance | | 15,560 | 14,065 | 13,990 | 9,403 |
| Security expenses | | 7,993 | 6,118 | 7,993 | 6,118 |
| Sponsorship | | 52,617 | 27,172 | 52,617 | 27,172 |
| Staff Procurement | | 49,729 | 22,150 | 49,729 | 22,150 |
| Subscriptions | | 18,327 | 19,148 | 18,327 | 19,148 |
| Telephone & internet expenses | | 62,387 | 74,191 | 62,387 | 74,191 |
| Travelling and fares expenses | | 110,840 | 125,021 | 110,840 | 125,021 |
| Sundry expenses | | 257,822 | 135,680 | 257,822 | 135,680 |
| | | ----- | ----- | ----- | ----- |
| Total other expenses | | 3,459,943 | 3,300,751 | 3,511,309 | 3,351,241 |
| | | ----- | ----- | ----- | ----- |

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

Note 4. PROFIT BEFORE INCOME TAX (cont'd)

| | Note | Consolidated Group | | Parent Entity | |
|----------------------------------------------------------|------|--------------------|---------|---------------|---------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| Bad and doubtful debts: | | | | | |
| - trade receivables | | 615 | 9,351 | 615 | 9,351 |
| | | _____ | _____ | _____ | _____ |
| Total bad and doubtful debts | | 615 | 9,351 | 615 | 9,351 |
| | | _____ | _____ | _____ | _____ |
| Net loss on disposal of plant, property and equipment | | 8,495 | 19,690 | 8,495 | 19,690 |
| | | _____ | _____ | _____ | _____ |
| Defined contribution plan - superannuation expense | | 137,629 | 113,576 | 137,629 | 113,576 |
| | | _____ | _____ | _____ | _____ |

(b) Significant Revenue and Expenses:

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

| | | | | |
|------------------------------------------------------------------|---------|-------|---------|-------|
| - write off of obsolete building plans within sundry expenses | 133,741 | - | 133,741 | - |
| | _____ | _____ | _____ | _____ |

Note 5. INCOME TAX EXPENSE / (INCOME)

| | Note | Consolidated Group | | Parent Entity | |
|------------------------------------------------------------------------------------------------------|------|--------------------|--------|---------------|--------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| (a) The components of tax expense / (income) comprise: | | | | | |
| | | _____ | _____ | _____ | _____ |
| Current tax | | (24,463) | - | - | - |
| | | _____ | _____ | _____ | _____ |
| (b) The prima facie tax on loss before income tax is reconciled to the income tax as follows: | | | | | |
| Prima facie tax payable on profit from ordinary activities before income tax at 30% (2006 30%) | | 79,434 | 11,164 | 106,975 | 14,239 |
| Less tax effect of: | | | | | |
| - exempt income and expenses | | 103,897 | 11,164 | 106,975 | 14,239 |
| | | _____ | _____ | _____ | _____ |
| Income tax expense / (income) attributable to entity | | (24,463) | - | - | - |
| | | _____ | _____ | _____ | _____ |
| The applicable weighted average effective tax rates are as follows: | | -9% | - | - | - |

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

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

Note 5. INCOME TAX EXPENSE / (INCOME) (cont'd)

The negative shown in the weighted average effective consolidated tax rate for 2007 is as a result of including tax losses from newly acquired controlled entities.

Note 6. KEY MANAGEMENT PERSONNEL COMPENSATION

| | Short-term Benefits \$ | Post- employment Benefit \$ | Total \$ |
|--------------------|------------------------------|--------------------------------------|-------------|
| 2007 | | | |
| Total compensation | 262,982 | 26,916 | 289,898 |
| 2006 | | | |
| Total compensation | 273,515 | 19,586 | 293,101 |

Note 7. AUDITORS' REMUNERATION

| Note | Consolidated Group | | Parent Entity | |
|-------------------------------------------------------|--------------------|--------|---------------|--------|
| | 2007 | 2006 | 2007 | 2006 |
| | \$ | \$ | \$ | \$ |
| Remuneration of the auditor of the parent entity for: | | | | |
| - auditing or reviewing the financial report | 29,670 | 22,700 | 25,570 | 22,700 |
| - taxation services | 1,900 | 700 | 1,900 | 700 |

Note 8. CASH AND CASH EQUIVALENTS

| Note | Consolidated Group | | Parent Entity | |
|--------------------------|--------------------|---------|---------------|---------|
| | 2007 | 2006 | 2007 | 2006 |
| | \$ | \$ | \$ | \$ |
| Cash at bank and in hand | 1,005,411 | 975,362 | 1,005,360 | 975,362 |

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 and cash equivalents | 1,005,411 | 975,362 | 1,005,360 | 975,362 |
|---------------------------|-----------|---------|-----------|---------|

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

Note 9. TRADE AND OTHER RECEIVABLES

| | Note | Consolidated Group | | Parent Entity | |
|---------------------------------------------------|------|--------------------|------------------|------------------|------------------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| CURRENT | | | | | |
| Trade receivables | | 1,174,140 | 964,899 | 1,174,140 | 964,899 |
| Accrued revenue | | 111,146 | 112,931 | 85,146 | 112,931 |
| Sundry debtors | | 300 | 6,703 | 300 | 6,703 |
| Amounts Receivable from: | | | | | |
| - ultimate parent entity | | | | | |
| Pharmacy Guild of Australia | | 281,537 | 169,434 | 281,537 | 169,434 |
| - other related parties of ultimate parent entity | | | | | |
| Pharmacy Guild of Australia NSW Branch | | 8,335 | 9,795 | 8,335 | 9,795 |
| Pharmacy Guild of Australia TAS Branch | | 3,774 | - | 3,774 | - |
| Guild Insurance and Financial Services | | - | 54,103 | - | 54,103 |
| Pharmacy Guild of Australia SA Branch | | - | 132 | - | 132 |
| Provision for doubtful debts | | - | (9,307) | - | (9,307) |
| | | <u>1,579,232</u> | <u>1,308,690</u> | <u>1,553,232</u> | <u>1,308,690</u> |
| NON-CURRENT | | | | | |
| Amounts Receivable from: | | | | | |
| - controlled entity | | | | | |
| InnovationRX Pty Ltd | | - | - | 104,594 | - |
| | | <u>-</u> | <u>-</u> | <u>104,594</u> | <u>-</u> |

Note 10. OTHER ASSETS

| | Note | Consolidated Group | | Parent Entity | |
|----------------------------------|------|--------------------|----------------|----------------|----------------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| CURRENT | | | | | |
| Prepayments - expense | | 178,999 | 172,563 | 178,999 | 172,563 |
| Prepayments – construction costs | | 311,526 | 127,795 | 311,526 | 127,795 |
| | | <u>490,525</u> | <u>300,358</u> | <u>490,525</u> | <u>300,358</u> |

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

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

Note 10. OTHER ASSETS (cont'd)

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.

Note 11. FINANCIAL ASSETS

| | Note | Consolidated Group | | Parent Entity | |
|-------------------------------------------------------------------------------------|------|--------------------|------|---------------|-----------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| NON-CURRENT ASSETS | | | | | |
| Available-for-sale financial assets | - | - | - | 1,350,100 | 1,350,000 |
| Comprise | | — | — | — | — |
| Unlisted investments, at cost | | | | | |
| - shares in controlled entity InnovationRX Pty Ltd | - | - | - | 100 | - |
| - units in controlled unit trust The Guild Properties (Queensland) Unit Trust | - | - | - | 1,350,000 | 1,350,000 |
| | | — | — | — | — |
| Total available-for-sale financial assets | - | - | - | 1,350,100 | 1,350,000 |
| | | — | — | — | — |

Available-for-sale financial assets comprise of investments in the ordinary issued capital and unit shares of various entities. There are no fixed returns or fixed maturity date attached to these investments.

Note 12. CONTROLLED ENTITIES

(a) Controlled Entities Consolidated

| | Country of Incorporation | Percentage Owned (%) | |
|-----------------------------------------------------------------------------------|-----------------------------|----------------------|------|
| | | 2007 | 2006 |
| Parent Entity: | | | |
| The Pharmacy Guild of Australia (Queensland Branch) | n/a | - | - |
| Ultimate Parent Entity | | | |
| Pharmacy Guild of Australia | n/a | | |
| Controlled Entities of Parent Entity: | | | |
| InnovationRX Pty Ltd | Aust | 100 | - |
| The Guild Properties (Queensland) Unit Trust and its trustee Guildprop Pty Ltd | Aust | 100 | 100 |

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

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

Note 12. CONTROLLED ENTITIES (Cont'd)

(b) Acquisition of Controlled Entities

On 4 July 2006 the parent entity acquired 100% of InnovationRX Pty Ltd, with The Pharmacy Guild of Australia (Queensland Branch) entitled to all profits earned from 4 July 2006 for a purchase consideration of \$100.

Note 13. PROPERTY, PLANT AND EQUIPMENT

| | Consolidated Group | | Parent Entity | |
|-----------------------------------------------------------------------------------------------------------------------------|--------------------|------------------|---------------|---------------|
| | 2007 | 2006 | 2007 | 2006 |
| | \$ | \$ | \$ | \$ |
| LAND AND BUILDINGS | | | | |
| Freehold land at cost | 940,000 | 940,000 | - | - |
| Total Land | 940,000 | 940,000 | - | - |
| Buildings at cost | 622,357 | 575,718 | 212,357 | 165,718 |
| Less Accumulated depreciation | (200,357) | (173,888) | (149,148) | (132,929) |
| Total Buildings | 422,000 | 401,830 | 63,209 | 32,789 |
| Total Land and buildings | 1,362,000 | 1,341,830 | 63,209 | 32,789 |
| A bank loan of the parent entity is secured by registered first mortgage over the freehold property of controlled entities. | | | | |
| PLANT AND EQUIPMENT | | | | |
| Computer equipment and software | | | | |
| At cost | 524,614 | 324,491 | 524,614 | 324,491 |
| Accumulated depreciation | (287,047) | (202,841) | (287,067) | (202,841) |
| | 237,547 | 121,650 | 237,547 | 121,650 |
| Leased assets | | | | |
| At cost | - | 44,086 | - | 44,086 |
| Accumulated depreciation | - | (33,542) | - | (33,542) |
| | - | 10,544 | - | 10,544 |
| Motor vehicles | | | | |
| At cost | 182,603 | 163,556 | 182,603 | 163,556 |
| Accumulated depreciation | (53,212) | (17,326) | (53,212) | (17,326) |
| | 129,391 | 146,230 | 129,391 | 146,230 |

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

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

Note 13. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

| | Consolidated Group | | Parent Entity | |
|-------------------------------------|--------------------|------------------|----------------|----------------|
| | 2007 | 2006 | 2007 | 2006 |
| | \$ | \$ | \$ | \$ |
| Furniture and equipment | | | | |
| At cost | 363,548 | 324,977 | 363,548 | 324,977 |
| Accumulated depreciation | (231,441) | (187,658) | (231,441) | (187,658) |
| | <u>132,107</u> | <u>137,319</u> | <u>132,107</u> | <u>137,319</u> |
| Furniture and fittings | | | | |
| At revaluation | 2,821 | 2,821 | 2,821 | 2,821 |
| Accumulated depreciation | (2,821) | (2,821) | (2,821) | (2,821) |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Plant and Equipment | <u>499,045</u> | <u>415,743</u> | <u>499,045</u> | <u>415,743</u> |
| Total Property, Plant and Equipment | <u>1,861,045</u> | <u>1,757,573</u> | <u>562,254</u> | <u>448,532</u> |

(a) Movements in Carrying Amounts

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

| Consolidated Group | Property Land and Buildings | Computer Equipment and Software | Leased Assets | Motor Vehicles | Furniture and Equipment | Furniture and Fittings (Rev) | Total |
|-------------------------|-----------------------------|---------------------------------|---------------|----------------|-------------------------|------------------------------|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2005 | 1,360,186 | 139,147 | 27,161 | 133,917 | 106,213 | - | 1,766,624 |
| Additions | - | 69,832 | - | 141,383 | 65,158 | - | 276,373 |
| Disposals | - | (15,866) | (4,800) | (89,900) | (1,962) | - | (112,528) |
| Depreciation expense | (18,356) | (71,463) | (11,817) | (39,170) | (32,090) | - | (172,896) |
| Balance at 30 June 2006 | 1,341,830 | 121,650 | 10,544 | 146,230 | 137,319 | - | 1,757,573 |
| Additions | 46,639 | 206,079 | - | 19,047 | 37,632 | - | 309,397 |
| Transfers | - | - | (772) | - | 772 | - | - |
| Disposals | - | (472) | (6,683) | - | (8,023) | - | (15,178) |
| Depreciation expense | (26,469) | (89,689) | (3,089) | (35,886) | (35,614) | - | (190,747) |
| Balance at 30 June 2007 | 1,362,000 | 237,568 | - | 129,391 | 132,086 | - | 1,861,045 |

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

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

Note 14. INTANGIBLE ASSETS

| | Consolidated Group | | Parent Entity | |
|--------------------------------------------|--------------------|------------|---------------|------------|
| | 2007 \$ | 2006 \$ | 2007 \$ | 2006 \$ |
| Development costs in progress | 118,909 | 73,925 | 118,909 | 73,925 |
| Reconciliation of development costs | | | | |
| Balance at beginning of year | 73,925 | 30,262 | 73,925 | 30,262 |
| Cost of internal developments | 218,203 | 91,725 | 218,203 | 91,725 |
| Capitalised to plant and equipment | (173,219) | (48,062) | (173,219) | (48,062) |
| Closing balance at 30 June 2007 | 118,909 | 73,925 | 118,909 | 73,925 |

Costs of internally developed computer software are capitalised under plant and equipment only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Note 15. TRADE AND OTHER PAYABLES

| | Note | Consolidated Group | | Parent Entity | |
|---------------------------------------------------|------|--------------------|------------|---------------|------------|
| | | 2007 \$ | 2006 \$ | 2007 \$ | 2006 \$ |
| CURRENT | | | | | |
| Unsecured Liabilities | | | | | |
| Trade payables | | 181,700 | 74,569 | 181,700 | 74,569 |
| Sundry payables | | 228,566 | 235,865 | 228,566 | 235,865 |
| Accrued expenses | | 77,212 | 46,758 | 74,312 | 46,758 |
| Income in advance – member subscriptions | | 1,296,588 | 1,469,718 | 1,296,588 | 1,469,718 |
| Income in advance – other | | 625,720 | 209,931 | 625,720 | 209,931 |
| Amounts payable to: | | | | | |
| - ultimate parent entity | | | | | |
| Pharmacy Guild of Australia | | 1,366 | 256 | 1,366 | 256 |
| - other related parties of ultimate parent entity | | | | | |
| Pharmacy Guild of Australia WA Branch | | - | 23 | - | 23 |
| | | 2,411,152 | 2,037,120 | 2,408,252 | 2,037,120 |

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

Note 16. FINANCIAL LIABILITIES

| | Note | Consolidated Group | | Parent Entity | |
|--------------------------------------------------------------------------------|-------|--------------------|------------------|------------------|------------------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| CURRENT | | | | | |
| Unsecured Liabilities | | | | | |
| - Lease liability | 21 | - | 13,389 | - | 13,389 |
| Secured Liabilities | | | | | |
| - Bank Loans | 16(c) | 58,799 | 54,342 | 58,799 | 54,342 |
| | | <u>58,799</u> | <u>67,731</u> | <u>58,799</u> | <u>67,731</u> |
| NON-CURRENT | | | | | |
| Unsecured Liabilities | | | | | |
| - Lease liability | 21 | - | 1,013 | - | 1,013 |
| Secured Liabilities | | | | | |
| - Bank Loans | 16(c) | 296,288 | 355,514 | 296,288 | 355,514 |
| | | <u>296,288</u> | <u>356,527</u> | <u>296,288</u> | <u>356,527</u> |
| (a) Total current and non-current secured liabilities: | | | | | |
| Bank Loans | | <u>355,087</u> | <u>409,856</u> | <u>355,087</u> | <u>409,856</u> |
| (b) The carrying amounts of non-current assets pledged as security are: | | | | | |
| First registered mortgage | | | | | |
| - Freehold land and buildings | | <u>1,362,000</u> | <u>1,341,830</u> | <u>1,362,000</u> | <u>1,341,830</u> |

(c) The bank loan is secured by

- registered first mortgage over the freehold property situated at 132 Leichhardt Street Spring Hill Queensland 4004.
- letter of offer from The Pharmacy Guild of Australia

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

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

Note 17. TAX

| | Note | Consolidated Group | | Parent Entity | |
|-------------------------------------------------|------|--------------------|----------|---------------|----------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| (a) Liabilities | | | | | |
| NON-CURRENT | | | | | |
| Deferred Tax Assets | | | | | |
| Opening Balance | | - | - | - | - |
| Charged to income – other Tax operating loss | | 24,463 | - | - | - |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Balance at 30 June 2007 | | 24,463 | - | - | - |
| | | <hr/> | <hr/> | <hr/> | <hr/> |

Note 18. PROVISIONS

| | Note | Consolidated Group | | Parent Entity | |
|----------------------------------------|------|--------------------|---------|---------------|---------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| CURRENT | | | | | |
| Employee benefits – annual leave | | 125,306 | 101,955 | 125,306 | 101,955 |
| Employee benefits – long service leave | | 45,392 | 55,700 | 45,392 | 55,700 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 170,698 | 157,655 | 170,698 | 157,655 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| NON-CURRENT | | | | | |
| Employee benefits – long service leave | | 111,290 | 54,769 | 111,290 | 54,769 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 281,988 | 212,424 | 281,988 | 212,424 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |

(a) Movement

| | Long Service Leave \$ | Annual Leave \$ | Total \$ |
|-----------------------------------------------|--------------------------------|-----------------------|----------------|
| Consolidated Group & Parent Entity | | | |
| Opening balance at 1 July 2006 | 110,469 | 101,955 | 212,424 |
| Additional provisions | 67,049 | 148,735 | 215,784 |
| Amounts used | (20,836) | (125,384) | (146,220) |
| | <hr/> | <hr/> | <hr/> |
| Balance at 30 June 2007 | 156,682 | 125,306 | 281,988 |
| | <hr/> | <hr/> | <hr/> |

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

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

Note 19. RESERVES

Asset revaluation reserve

The asset revaluation reserve records revaluations of non-current assets. Under certain circumstances dividends can be declared from this reserve.

Note 20. SEGMENTAL REPORTING

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

Note 21. CAPITAL AND LEASING COMMITMENTS

| | Note | Consolidated Group | | Parent Entity | |
|-----------------------------------------|------|--------------------|--------|---------------|--------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| (a) Finance lease commitments | | | | | |
| Payable – minimum lease payments | | | | | |
| - not later than 12 months | | - | 13,721 | - | 13,721 |
| - between 12 months and five years | | - | 1,031 | - | 1,031 |
| | | _____ | _____ | _____ | _____ |
| Minimum lease payments | | - | 14,752 | - | 14,752 |
| Less future finance charges | | - | (350) | - | (350) |
| | | _____ | _____ | _____ | _____ |
| Present value of minimum lease payments | 16 | - | 14,402 | - | 14,402 |
| | | _____ | _____ | _____ | _____ |

All leases were paid out in 2007.

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007
All amounts shown have been rounded to the nearest dollar unless otherwise indicated.

Note 22. CASH FLOW INFORMATION

| | Note | Consolidated Group | | Parent Entity | |
|----------------------------------------------------------------------------------------|------|--------------------|-------------|---------------|-------------|
| | | 2007 | 2006 | 2007 | 2006 |
| | | \$ | \$ | \$ | \$ |
| (a) Reconciliation of Cash Flow from Operations with Profit after Income Tax | | | | | |
| Profit after income tax | | 289,252 | 37,212 | 346,332 | 37,212 |
| Non-cash flows in profit | | | | | |
| Depreciation and amortisation | | 190,747 | 172,896 | 190,747 | 172,896 |
| Loss on disposal of property, plant and equipment | | 8,495 | 19,690 | 8,495 | 19,690 |
| Changes in assets and liabilities, net of the effects of purchase of controlled entity | | | | | |
| Increase/(decrease) in trade debtors | | (439,091) | (163,097) | (546,585) | (163,097) |
| (Increase)/decrease in payables | | 353,950 | (15,388) | 378,413 | (15,388) |
| (Increase)/decrease in income taxes receivable | | - | - | - | - |
| Increase/(decrease) in provisions | | 43,564 | 57,301 | 69,564 | 57,301 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Cashflow from operations | | 446,917 | 108,614 | 446,966 | 108,614 |
| | | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

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

Note 23. FINANCIAL INSTRUMENTS

(a) Financial Risk Management

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

The group does not have any derivative instruments at 30 June 2007.

Financial risks

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

i) Interest rate risk

Interest rate risk is managed with fixed rate debt. At 30 June 2007 100% of group debt is fixed. For further details on interest rate risk refer to Note 23(b).

ii) Foreign currency risk

The group is not exposed to fluctuations in foreign currencies.

iii) Liquidity risk

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

iv) Credit risk

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

v) Price risk

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

(b) Interest Rate Risk

The consolidated group'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 classes of financial assets and financial liabilities, is as follows:

| Financial Assets: | Weighted Average effective interest rate | | Floating interest rate | | Within Year | |
|---------------------------|------------------------------------------|------------|------------------------|------------|-------------|------------|
| | 2007 % | 2006 % | 2007 \$ | 2006 \$ | 2007 \$ | 2006 \$ |
| Cash and cash equivalents | 6.1 | 5.54 | 1,005,411 | 975,362 | | |
| Receivables | | | | | | |
| Total Financial Assets | | | 1,005,411 | 975,362 | | |
| | 1 to 5 Years | | Non Interest Bearing | | Total | |
| | 2007 \$ | 2006 \$ | 2007 \$ | 2006 \$ | 2007 \$ | 2006 \$ |
| Cash and cash equivalents | | | | | 1,005,411 | 975,362 |
| Receivables | | | 1,579,232 | 1,308,690 | 1,579,232 | 1,308,690 |
| Total Financial Assets | | | 1,579,232 | 1,308,690 | 2,584,643 | 2,284,052 |

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

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

Note 23. FINANCIAL INSTRUMENTS (Cont'd)

| Financial Liabilities: | Weighted Average effective interest rate | | Floating interest rate | | Within Year | |
|--------------------------------------------------|------------------------------------------|------------|------------------------|------------|-------------|------------|
| | 2007 % | 2006 % | 2007 \$ | 2006 \$ | 2007 \$ | 2006 \$ |
| Bank loan secured | 7.85 | 7.85 | | | 58,799 | 54,342 |
| Trade and other payables ex income in advance | | | | | | |
| Lease liabilities | - | 7.95 | | | - | 13,389 |
| Total Financial Assets | | | | | 58,799 | 67,731 |
| | 1 to 5 Years | | Non Interest Bearing | | Total | |
| | 2007 \$ | 2006 \$ | 2007 \$ | 2006 \$ | 2007 \$ | 2006 \$ |
| Bank loan secured | 296,288 | 355,514 | | | 355,087 | 409,856 |
| Trade and other payables ex income in advance | | | 488,844 | 357,471 | 488,844 | 357,471 |
| Lease liabilities | - | 1,013 | | | - | 14,402 |
| Total Financial Assets | 296,288 | 356,527 | 488,844 | 357,471 | 843,931 | 781,729 |

(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.

Note 24. EVENTS OCCURRING AFTER BALANCE SHEET DATE

- Since the end of the financial year the group has begun negotiations with The Pharmacy Guild of Australia to transfer, at cost, all technologies developed under the apothecary network to InnovationRX Pty Ltd. Once transferred, the company will enter into arrangements with 3rd parties to use the technology in payment for licence fees. Current negotiations are underway within Australia and overseas. No agreements have yet been signed. It is anticipated that in 2008 will record a profit & cash flows will be generated to pay any monies owed to the parent entity.
- Since the end of the financial year the group has begun negotiations with The Pharmacy Guild of Australia to transfer, at cost, all technologies developed under the apothecary network to InnovationRX Pty Ltd. Once transferred, the company will enter into arrangements with 3rd parties to use the technology in payment for licence fees. Current negotiations are underway within Australia and overseas. No agreements have yet been signed. It is anticipated that in 2008 will record a profit & cash flows will be generated to pay any monies owed to the parent entity.
- Tenders have been received and are currently being reviewed with regards to the proposed redevelopment of the property situated at 132 Leichhardt Street Spring Hill Queensland 4118. Finance has been approved by Westpac although the final business finance agreement is subject to Branch Committee approval.

**THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007**

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

Note 25. 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 with related parties include reimbursements of expenses.

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

| | |
|--------------|-------------|
| M Bou-Samra | K Peachey |
| M Brown | K Sclavos |
| M Farrell | J Singleton |
| S Holzberger | R Tomarchio |
| T Logan | R Xynias |
| N Loukas | |

| | Consolidated Group | | Parent Entity | |
|------------------------------------------------------------------------|---------------------------|-------------|----------------------|-------------|
| | 2007 | 2006 | 2007 | 2006 |
| | \$ | \$ | \$ | \$ |
| Transactions with related parties: | | | | |
| (a) Ultimate Parent Company | | | | |
| Payment of membership subscriptions to The Pharmacy Guild of Australia | 940,484 | 939,025 | 940,484 | 939,025 |
| (b) Controlled Entities | | | | |
| Management fee paid by InnovationRX Pty Ltd to parent entity | - | - | 33,522 | - |
| (c) Companies associated with members of Branch Committee | | | | |
| Events management fees paid to a company controlled by Mr K Sclavos | 31,273 | 26,664 | 31,273 | 26,664 |
| Consultancy services fees paid to a company controlled by Ms K Peachey | 28,768 | 22,842 | 28,768 | 22,842 |

No amounts have been paid to committee members on retirement from office.

(d) Identification of Related Parties Ultimate Parent Entity

The parent entity is ultimately controlled by The Pharmacy Guild of Australia.

Note 26. 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) AND CONTROLLED ENTITIES
COMMITTEE OF MANAGEMENT STATEMENT**

On 21st September 2007 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 2007:

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 2007;
- (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: 26 September 2007

**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 2007.

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 2007 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

26th September 2007