FAIR WORK COMMISSION

4 November 2016

Ms Robyn Ede
Branch Director
Pharmacy Guild of Australia-Queensland Branch

By email: robyn.ede@qldguild.org.au

cc. stan.lysiuk@qldguild.org.au

Dear Ms Ede

Re: Lodgement of Financial Statements and Accounts – Pharmacy Guild of Australia, Queensland Branch - for year ended 30 June 2016 (FR2016/282)

I refer to the financial report for the Queensland Branch of the Pharmacy Guild of Australia. The report was lodged with the Fair Work Commission on 17 October 2016. I also acknowledge receipt today of Mr Stan Lysiuk's email correspondence, following discussion about the application and presentation of AASB 13 Fair Value measurement disclosure, as appropriate, in future reports.

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

Please note that the financial report for the year ending 30 June 2017 may be subject to an advanced compliance review.

Reporting Requirements

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

Should you require further information on the financial reporting requirements of the Act, I may be contacted by email at
stephen.kellett@fwc.gov.au

Yours sincerely

Stephen Kellett

Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

80 William Street
East Sydney NSW 2011
Telephone: (02) 8374 6666
Email: orgs@fwc.gov.au

The Pharmacy Guild of Australia (Queensland Branch) and its controlled entities

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

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 30 June 2016

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 for the Pharmacy Guild of Australia Queensland Branch for the period ended 30 June 2016 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and

- that the full report was provided to members of the reporting unit on 19th of September 2016; and

- that the full report was presented to a general meeting of members of the reporting unit on 11th October 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009.*

Signature of prescribed designated officer: TJ Logan

Name of prescribed designated officer: Timothy John Logan

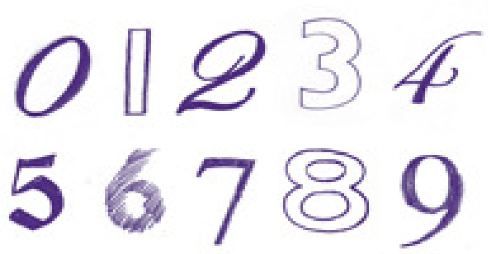
Title of prescribed designated officer: Branch President

Dated: 11 OCTOBER 2016

The Pharmacy Guild of Australia (Queensland Branch) and controlled entities

ABN 87 076 197 623

Financial Report
For the year ended 30 June 2016



THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
OPERATING REPORT
for the year ended 30 June 2016

The committee presents its report on The Pharmacy Guild of Australia (Queensland Branch) for the financial year ended 30 June 2016.

(a) Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

(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 changes in financial affairs

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) Right of members to resign

Under Section 174 of the Fair Work (Registered Organisations) Act 2009 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;

(d) Officers & members who are superannuation fund trustee(s):

(i) Tim Logan is a trustee of the Guild Trustee Services Pty Limited trading as Guild Super

(ii) To the best of the reporting unit's knowledge no other officer or member is a trustee of a superannuation fund

(e) Number of members:

As at 30 June 2016, to which this report relates, the number of members of the organisation was 724 including Honorary Life Members.

(f) Number of employees:

As at 30 June 2016, the total number of employees employed by the reporting entity was 41.

(g) Names of Committee of Management members and period positions held during the financial year:

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	(Full year)	K Sclavos	(Full year)
T Logan	(Full year)	R Xynias	(Full year)
T Twomey	(Full year)	C Owen	(Full year)

Branch Committee

M Calanna	(Full year)	L Malouf	(Full year)
M Farrell	(Full year)	C Owen	(Full year)
G Fotinos	(Full year)	K Sclavos	(Full year)
D Holmes	(Full year)	A Seeto	(Full year)
P Jaffar	(Full year)	T Twomey	(Full year)
T Logan	(Full year)	R Xynias	(Full year)

(h) Prescribed and other Information:

(i) 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).

Signature of designated officer:..

Name and title of designated officer: Timothy John Logan - Branch President

Dated: 5 September 2016

GrantThornton

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Auditor's Independence Declaration
To the Branch Committee Members of Pharmacy Guild of Australia (Queensland Branch)

As lead auditor for the audit of Pharmacy Guild of Australia (Queensland Branch) and controlled entities for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

S G Hancox
Partner - Audit & Assurance

Brisbane, 5 September 2016

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2016

	Notes	Consolidated Entity		Parent Entity	
		2016	2015	**2016**	2015
		$	$	**$**	$
Revenue	3	**9,469,794**	9,659,727	**9,469,794**	9,659,727
Employee benefit expenses	4b	**(3,546,134)**	(3,229,266)	**(3,546,134)**	(3,229,266)
Depreciation and amortisation	4c	**(135,433)**	(112,936)	**(135,433)**	(112,936)
Impairment (expense) / reversal	4d	**(316,231)**	10,000	**232,021**	609,349
Finance costs	4a	**-**	-	**-**	-
Other expenses	4a	**(4,673,215)**	(4,812,894)	**(5,221,467)**	(5,412,243)
Profit from continuing operations		**798,781**	1,514,631	**798,781**	1,514,631
Total profit before income tax		**798,781**	1,514,631	**798,781**	1,514,631
Income tax expense	5	**-**	-	**-**	-
Profit after income tax		**798,781**	1,514,631	**798,781**	1,514,631
Other comprehensive income		**-**	-	**-**	-
Total comprehensive income for the year		**798,781**	1,514,631	**798,781**	1,514,631

The above statement should be read in conjunction with the notes.

Statement of Financial Position

as at 30 June 2016

	Notes	Consolidated Entity		Parent Entity	
		2016	2015	**2016**	2015
		$	$	**$**	$
Assets					
Current					
Cash and cash equivalents	8	**4,756,818**	3,122,976	**4,756,818**	3,122,976
Trade and other receivables	9	**1,778,105**	1,112,940	**2,171,652**	1,364,730
Other current assets	10	**589,126**	380,420	**589,126**	380,420
Total Current Assets		**7,124,049**	4,616,336	**7,517,596**	4,868,126
Non-Current					
Other financial assets	11	**-**	-	**5,582,614**	5,324,362
Property, plant and equipment	13	**4,230,588**	4,556,141	**390,588**	426,141
Intangible assets	14	**128,541**	112,384	**128,541**	112,384
Total Non-Current Assets		**4,359,129**	4,668,525	**6,101,743**	5,862,887
Total Assets		**11,483,178**	9,284,861	**13,619,339**	10,731,013
Liabilities					
Current					
Trade and other payables	15	**4,255,328**	2,825,593	**6,391,489**	4,271,745
Short-term provisions	16	**362,597**	402,613	**362,597**	402,613
Total Current Liabilities		**4,617,925**	3,228,206	**6,754,086**	4,674,358
Non-Current					
Long-term provisions	16	**70,597**	60,780	**70,597**	60,780
Total Non-Current Liabilities		**70,597**	60,780	**70,597**	60,780
Total Liabilities		**4,688,522**	3,288,986	**6,824,683**	4,735,138
Net Assets		**6,794,656**	5,995,875	**6,794,656**	5,995,875
Equity					
Reserves	17	**-**	-	**-**	-
Retained earnings		**6,794,656**	5,995,875	**6,794,656**	5,995,875
Total Equity		**6,794,656**	5,995,875	**6,794,656**	5,995,875

The above statement should be read in conjunction with the notes.

Statement of Changes in Equity

for the year ended 30 June 2016

	Notes	Retained Earnings $	Asset Revaluation Reserve $	Total $
Consolidated entity				
Balance at 1 July 2014		4,481,244	-	**4,481,244**
Transfer reserves		-	-	**-**
Total comprehensive income		1,514,631	-	**1,514,631**
Balance at 30 June 2015		5,995,875	-	**5,995,875**
Balance at 1 July 2015		5,995,875	-	**5,995,875**
Transfer reserves		-	-	**-**
Total comprehensive income		798,781	-	**798,781**
Balance at 30 June 2016		6,794,656	-	**6,794,656**
Parent entity				
Balance at 1 July 2014		4,481,244	-	**4,481,244**
Transfer reserves		-	-	**-**
Total comprehensive income		1,514,631	-	**1,514,631**
Balance at 30 June 2015		5,995,875	-	**5,995,875**
Balance at 1 July 2015		5,995,875	-	**5,995,875**
Transfer reserves		-	-	**-**
Total comprehensive income		798,781	-	**798,781**
Balance at 30 June 2016		6,794,656	-	**6,794,656**

The above statement should be read in conjunction with the notes.

Statement of Cash Flows

for the year ended 30 June 2016

	Notes	Consolidated Entity		Parent Entity	
		2016	2015	**2016**	2015
		$	$	**$**	$
Cash Flow from Operating Activities					
Receipts from members and customers		**10,183,932**	9,318,407	**9,979,667**	9,189,700
Receipts from other reporting units/controlled entity(s)		**884,539**	888,249	**884,539**	888,249
Payments to suppliers and employees		**(8,669,425)**	(7,177,456)	**(8,465,160)**	(7,048,749)
Payments to other reporting units/controlled entity(s)		**(718,382)**	(1,385,742)	**(718,382)**	(1,385,742)
Interest received		**89,724**	64,840	**89,724**	64,840
Finance costs		**-**	-	**-**	-
Distributions received		**-**	-	**-**	-
Cash flows from discontinued operations		**-**	-	**-**	-
Net cash provided by (used in) operating activities	20a	**1,770,388**	1,708,298	**1,770,388**	1,708,298
Cash Flow from Investing Activities					
Proceeds from sale of property, plant and equipment		**17,536**	13,545	**17,536**	13,545
Purchase of available-for-sale investments		**-**	-	**(26,231)**	-
Payment for property, plant and equipment		**(117,515)**	(153,670)	**(91,284)**	(153,670)
Payment for intangible assets		**(36,567)**	(112,384)	**(36,567)**	(112,384)
Net cash provided by (used in) investing activities		**(136,546)**	(252,509)	**(136,546)**	(252,509)
Cash Flow from Financing Activities					
Payments to related parties		**-**	-	**-**	-
Repayment of borrowings		**-**	-	**-**	-
Net cash provided by (used in) financing activities		**-**	-	**-**	-
Net increase/(decrease) in cash held		**1,633,842**	1,455,789	**1,633,842**	1,455,789
Cash at beginning of year	8	**3,122,976**	1,667,187	**3,122,976**	1,667,187
Cash at end of year	8	**4,756,818**	3,122,976	**4,756,818**	3,122,976

The above statement should be read in conjunction with the notes.

Statement of Recovery of Wages Activity

for the year ended 30 June 2016

	Notes	Consolidated Entity		Parent Entity	
		2016	2015	**2016**	2015
		$	$	**$**	$
Cash assets in respect of recovered money at beginning of year					
Amounts recovered from employers in respect of wages etc.		**-**	-	**-**	-
Interest received on recovered money		**-**	-	**-**	-
Total receipts		**-**	-	**-**	-
Payments					
Deductions of amounts due in respect of membership for:					
12 months or less		**-**	-	**-**	-
Greater than 12 months		**-**	-	**-**	-
Deductions of donations or other contributions to accounts or funds		**-**	-	**-**	-
Deductions of fees or reimbursement of expenses		**-**	-	**-**	-
Payments to workers in respect of recovered money		**-**	-	**-**	-
Total payments		**-**	-	**-**	-
Cash asset's in respect of recovered money at end of year					
Number of workers to which the monies recovered relates		**-**	-	**-**	-
Aggregate payables to workers attributable to recovered monies but not yet distributed					
Payable balance		**-**	-	**-**	-
Number of workers the payable relates to		**-**	-	**-**	-

Notes to the Financial Statements

for the year ended 30 June 2016

This financial report includes the consolidated financial statements and notes of The Pharmacy Guild of Australia (Queensland Branch) and controlled entities ('Consolidated Group' or 'Group'), and the separate financial statements and notes of The Pharmacy Guild of Australia (Queensland Branch) as an individual parent entity ('Parent Entity'). The Pharmacy Guild of Australia (Queensland Branch) is an organisation registered under the Fair Work (Registered Organisations) Act 2009. The nature of the operations and the principal activities of the Guild are described in the Operating Report.

1. Statement of significant accounting policies

Basis of preparation

Reporting Basis and Conventions
The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Act 2009.

The Pharmacy Guild of Australia (Queensland Branch) is a not-for-profit entity incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the 'preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are presented in Australian dollars.

This financial report was authorised for issue in accordance with a resolution passed by the Branch Committee on 5 September 2016. The Branch Committee have the power to amend and reissue the financial report.

Accounting policies

a. Principles of consolidation

A controlled entity is any entity over which The Pharmacy Guild of Australia (Queensland Branch) has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 13 to the financial statements.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended.

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

Notes to the Financial Statements
for the year ended 30 June 2016

1. Statement of significant accounting policies (continued)

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

The income tax expense for the year comprises current income tax expense and deferred tax expense.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

c. Property, plant and equipment

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

Depreciation

The depreciable amount of all fixed assets, including buildings, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. The depreciation rates used for each class of assets are:

Notes to the Financial Statements
for the year ended 30 June 2016

1. Statement of significant accounting policies (continued)

c. Property, plant and equipment (continued)

Class of Fixed Asset	*Depreciation Rate*
Buildings	2.5%
Plant and Equipment	5.0 - 100.0%

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

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

d. Financial instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the consolidated entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either purchase or sell the asset (i.e. Trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs where the instrument is classified 'at fair value through profit and loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated, using the *effective interest method;* and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transactions costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Notes to the Financial Statements
for the year ended 30 June 2016

1. Statement of significant accounting policies (continued)

d. Financial instruments (continued)

(ii) Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the consolidated entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

e. Impairment of assets

At each reporting date, the consolidated 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 statement of profit or loss and other comprehensive income.

f. Intangibles

Acquired intangible assets
Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 1e. The following useful lives are applied:

Class of Intangible	*Useful Lives*
Software	4 years

Amortisation is included within depreciation and amortisation. Subsequent expenditures on the maintenance of computer software are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

g. Employee benefits

Provision is made for the consolidated entity'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. Employee benefits payable later than one year have been measured at the present value of the estimated future cashflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Notes to the Financial Statements

for the year ended 30 June 2016

1. Statement of significant accounting policies (continued)

h. Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

i. Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

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

j. Finance costs

All finance costs are recognised in the statement or profit or loss and other comprehensive income in the period in which they are incurred.

k. Capitation fees

Capitation fees and levies recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

l. 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 statement of financial position are shown inclusive of GST.

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

Notes to the Financial Statements
for the year ended 30 June 2016

1. Statement of significant accounting policies (continued)

m. Grants

Government and other grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. It is the policy of the entity to treat grant monies as unexpended grants in the balance sheet where the entity is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

n. Comparatives

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

o. 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 consolidated entity.

Impairment
In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units, based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Independent valuations are obtained periodically for the purpose of determining whether there are any indicators of impairment as required under AASB136 *Impairment of Assets* . When valuations are significantly different to the carrying amount of land and buildings, impairment or a reversal of impairment is taken up as required through profit or loss or in equity

Useful lives of depreciable assets
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Long Service Leave
The liability for Long Service Leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

p. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group. Management anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group’s financial statements is provided below.

Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's financial statements.

Notes to the Financial Statements
for the year ended 30 June 2016

1. Statement of significant accounting policies (continued)

p. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group (continued)

AASB 9: Financial Instruments (including AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014))
Effective date for entity: 1 July 2018
AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are:
(a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; and (2) the characteristics of the contractual cash flows.
(b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.
(c) Introduces a 'fair value through other comprehensive income' measurement category for particular simple debt instruments.
(d) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.
(e) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:
- The change attributable to changes in credit risk are presented in other comprehensive income (OCI); and
- The remaining change is presented in profit or loss.

If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.
Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9:
- Classification and measurement of financial liabilities; and
- Derecognition requirements for financial assets and liabilities.

AASB 9 requirements regarding hedge accounting represent a substantial overhaul of hedge accounting that enable entities to better reflect their risk management activities in the financial statements. Furthermore, AASB 9 introduces a new impairment model based on expected credit losses. This model makes use of more forward-looking information and applies to all financial instruments that are subject to impairment accounting.
Impact: No significant impact expected

AASB 1057: Application of Australian Accounting Standards
Effective date for entity: 1 July 2016
In May 2015, the AASB decided to revise Australian Accounting Standards that incorporate IFRSs to minimise Australian-specific wording even further. The AASB noted that IFRSs do not contain application paragraphs that identify the entities and financial reports to which the Standards (and Interpretations) apply. As a result, the AASB decided to move the application paragraphs previously contained in each Australian Accounting Standard (or Interpretation), unchanged, into a new Standard AASB 1057 Application of Australian Accounting Standards.
Impact: No significant impact expected

Notes to the Financial Statements
for the year ended 30 June 2016

1. Statement of significant accounting policies (continued)

p. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group (continued)

AASB 15: Revenue from Contracts with Customers (including AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 and AASB 2015-8 Amendments to Australian Accounting Standards - Effective Date of AASB 15)
Effective date for entity: 1 July 2018
AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations:
- establishes a new revenue recognition model
- changes the basis for deciding whether revenue is to be recognised over time or at a point in time
- provides new and more detailed guidance on specific topics (e.g., multiple element arrangements, variable pricing, rights of return, warranties and licensing)
- expands and improves disclosures about revenue

In May 2015, the AASB issued ED 260 Income of Not-for-Profit Entities, proposing to replace the income recognition requirements of AASB 1004 Contributions and provide guidance to assist not-for-profit entities to apply the principles of AASB 15. The ED is open for comment until 14 August 2015 and the AASB is currently in the process of redeliberating its proposals with the aim of releasing the final amendments in late 2016.
Impact: No significant impact expected

AASB 16: Leases
Effective date for entity: 1 July 2019
AASB 16:
- replaces AASB 117 Leases and some lease-related Interpretations
- requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases
- provides new guidance on the application of the definition of lease and on sale and lease back accounting
- largely retains the existing lessor accounting requirements in AASB 117
- requires new and different disclosures about leases

Impact: No significant impact expected. The material property lease between the parent entity and The Guild Properties (Queensland) Unit Trust (which is part of the consolidated group) is on a periodic basis, and therefore will not be brought on to the statement of financial position.

AASB 2014-4: Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation
Effective date for entity: 1 July 2016
The amendments to AASB 116 prohibit the use of a revenue-based depreciation method for property, plant and equipment. Additionally, the amendments provide guidance in the application of the diminishing balance method for property, plant and equipment.
The amendments to AASB 138 present a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate. This rebuttable presumption can be overcome (i.e. a revenue-based amortisation method might be appropriate) only in two (2) limited circumstances:
(1) The intangible asset is expressed as a measure of revenue, for example when the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold (for instance, the right to operate a toll road could be based on a fixed total amount of revenue to be generated from cumulative tolls charged); or
(2) When it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.
Impact: No significant impact expected

Notes to the Financial Statements
for the year ended 30 June 2016

1. Statement of significant accounting policies (continued)

p. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group (continued)

AASB 2015-1: Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle
Effective date for entity: 1 July 2016
These amendments arise from the issuance of Annual Improvements to IFRSs 2012-2014 Cycle in September 2014 by the IASB. Among other improvements, the amendments clarify that when an entity reclassifies an asset (or disposal group) directly from being held for sale to being held for distribution (or vice-versa), the accounting guidance in paragraphs 27-29 of AASB 5 Non-current Assets Held for Sale and Discontinued Operations does not apply. The amendments also state that when an entity determines that the asset (or disposal group) is no longer available for immediate distribution or that the distribution is no longer highly probable, it should cease held-for-distribution accounting and apply the guidance in paragraphs 27-29 of AASB 5.
Impact: No significant impact expected

AASB 2015-2: Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101
Effective date for entity: 1 July 2016
The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project.
The amendments:
- clarify the materiality requirements in AASB 101, including an emphasis on the potentially detrimental effect of obscuring useful information with immaterial information
- clarify that AASB 101's specified line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position can be disaggregated
- add requirements for how an entity should present subtotals in the statement(s) of profit and loss and other comprehensive income and the statement of financial position
- clarify that entities have flexibility as to the order in which they present the notes, but also emphasise that understandability and comparability should be considered by an entity when deciding that order
- remove potentially unhelpful guidance in AASB 101 for identifying a significant accounting policy

Impact: No significant impact expected

AASB 2016-2: Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107
Effective date for entity: 1 July 2017
AASB 2016-2 amends AASB 107 Statement of Cash Flows to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.
Impact: No significant impact expected

IFRS 15: Clarifications to IFRS 15 Revenue from Contracts with Customers
The amendments clarify the application of IFRS 15 in three (3) specific areas to reduce the extent of diversity in practice that might otherwise result from differing views on how to implement the requirements of the new standard. They will help entities:
(1) Identify performance obligations (by clarifying how to apply the concept of 'distinct');
(2) Determine whether an entity is a principal or an agent in a transaction (by clarifying how to apply the control principle);
(3) Determine whether a licence transfers to a customer at a point in time or over time (by clarifying when an entity's activities significantly affect the intellectual property to which the customer has rights)
The amendments also create two (2) additional practical expedients available for use when implementing IFRS 15:
(1) For contracts that have been modified before the beginning of the earliest period presented, the amendments allow entities to use hindsight when identifying the performance obligations, determining the transaction price, and allocating the transaction price to the satisfied and unsatisfied performance obligations.
(2) Entities applying the full retrospective method are permitted to ignore contracts already complete at the beginning of the earliest period presented.
The AASB is expected to publish the equivalent Australian amendments in quarter 2 of 2016.
Impact: No significant impact expected

Notes to the Financial Statements

for the year ended 30 June 2016

1. Statement of significant accounting policies (continued)

q. New and revised Standards that are effective for annual periods beginning on or after 1 July 2015

No accounting standard has been adopted earlier than the application date stated in the standard.

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

AASB 2013-9: Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments (Part B: Materiality)
Part B of AASB 2013-9 deletes references to AASB 103 in various Australian Accounting Standards (including Interpretations).
Impact: No significant impact

AASB 2014-1: Amendments to Australian Accounting Standards (Part E: Financial Instruments)
Part E of AASB 2014-1 makes amendments to Australian Accounting Standards to reflect the AASB's decision to defer the mandatory application date of AASB 9 Financial Instruments to annual reporting periods beginning on or after 1 January 2018. Part E also makes amendments to numerous Australian Accounting Standards as a consequence of the introduction of Chapter 6 Hedge Accounting into AASB 9 and to amend reduced disclosure requirements for AASB 7 Financial Instruments: Disclosures and AASB 101 Presentation of Financial Statements.
Impact: No significant impact

AASB 2014-8: Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) - Application of AASB 9 (December 2009) and AASB 9 (December 2010)
AASB 2014-8 limits the application of the existing versions of AASB 9 (AASB 9 [December 2009] and AASB 9 [December 2010]) from 1 February 2015.
Impact: No significant impact

AASB 2015-3: Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality
The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.
Impact: No significant impact

2. Information to be provided to Members or Registrar

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272 of Fair Work (Registered Organisations) Act 2009 which read as follows:

(1) "A Member of a reporting unit, or a General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(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)."

Notes to the Financial Statements
for the year ended 30 June 2016

3. Revenue

		Consolidated Entity		Parent Entity	
		2016	2015	**2016**	2015
		$	$	**$**	$
Member subscriptions		**1,268,708**	1,717,636	**1,268,708**	1,717,636
Capitation fees	3a	**-**	-	**-**	-
Levies	3b	**-**	-	**-**	-
Donations	3c	**-**	-	**-**	-
Commissions received		**375,963**	423,361	**375,963**	423,361
Distributions received		**-**	-	**-**	-
Event and conference income		**4,733,332**	4,498,326	**4,733,332**	4,498,326
Interest received		**89,724**	64,840	**89,724**	64,840
Other grant income		**371,248**	348,708	**371,248**	348,708
National Secretariat Fighting Fund		**276,969**	380,192	**276,969**	380,192
National Secretariat project funding		**863,051**	777,974	**863,051**	777,974
Queensland Health project funding		**175,385**	182,910	**175,385**	182,910
Sales revenue		**438,377**	412,829	**438,377**	412,829
Training course fees		**877,037**	852,951	**877,037**	852,951
Total revenue		**9,469,794**	9,659,727	**9,469,794**	9,659,727
Distributions revenue from:					
- controlled entity:					
The Guild Properties (Queensland) Unit Trust		**-**	-	**-**	-
Total distribution revenue		**-**	-	**-**	-
Interest revenue from:					
- external parties		**89,724**	64,840	**89,724**	64,840
- controlled entity		**-**	-	**-**	-
		89,724	64,840	**89,724**	64,840

a. Capitation fees

No capitation fees were charged or received from any other branches or reporting units.

b. Levies

No levies were charged or received in the reporting period.

c. Donations

No donations were received in the period.

4. Profit for the Year

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
Total comprehensive income has been determined after:				
a. Expenses				
Finance costs:				
- external interest	**-**	-	**-**	-

Notes to the Financial Statements
for the year ended 30 June 2016

4. Profit for the Year (continued)

		Consolidated Entity		Parent Entity	
		2016	2015	**2016**	2015
		$	$	**$**	$
Other expenses:					
Advertising and promotions expenses		**68,162**	71,497	**68,162**	71,497
Bank and card charges		**54,653**	55,425	**54,653**	55,425
Branch committee expenses		**20,980**	19,778	**20,980**	19,778
Cleaning expenses		**55,064**	46,131	**55,064**	46,131
Computer costs		**56,858**	59,644	**56,858**	59,644
Conference and seminar attendance expenses		**37,395**	31,962	**37,395**	31,962
Consultancy expenses - other		**48,325**	37,065	**48,325**	37,065
Contract staff		**5,300**	(1,364)	**5,300**	(1,364)
Dispatch expenses		**53,812**	52,731	**53,812**	52,731
Donations	(ii)	**5,926**	11,786	**5,926**	11,786
Events expenses:					
- Catering and dinner		**1,133,463**	1,116,484	**1,133,463**	1,116,484
- Commissions paid		**44,594**	48,355	**44,594**	48,355
- Consultancy expenses		**62,496**	52,959	**62,496**	52,959
- Display and venue expenses		**718,065**	490,133	**718,065**	490,133
- Printing and stationery		**81,978**	70,263	**81,978**	70,263
- Speaker costs		**148,720**	127,071	**148,720**	127,071
- Technical expenses		**269,647**	247,101	**269,647**	247,101
Insurance expenses		**92,799**	67,000	**84,273**	60,810
Litigation		**-**	-	**-**	-
Other legal matters		**18,478**	16,000	**18,478**	16,000
Meals expenses		**43,541**	57,920	**43,541**	57,920
Motor vehicle expenses		**33,668**	35,942	**33,668**	35,942
Capitation fees		**423,113**	855,350	**423,113**	855,350
Capitation fees - Fighting Fund		**276,969**	380,192	**276,969**	380,192
Net loss / (gain) on disposal of fixed assets		**(5,722)**	7,991	**(5,722)**	7,991
Pilot project costs write off		**-**	31,218	**-**	31,218
Printing and stationery - other		**89,581**	93,071	**89,581**	93,071
Power and light		**46,750**	44,048	**46,750**	44,048
Professional fees, including audit		**42,431**	39,525	**38,381**	37,825
Purchases - merchandise		**19,448**	21,496	**19,448**	21,496
Queensland Health Project bin contractor		**62,738**	55,369	**62,738**	55,369
Rates		**41,945**	30,698	**-**	-
Rent		**-**	-	**625,095**	665,220
Repairs and maintenance		**23,002**	17,222	**23,002**	17,222
Security expenses		**26,592**	20,922	**26,592**	20,922
Sponsorship		**31,500**	15,545	**31,500**	15,545
Staff procurement		**6,324**	995	**6,324**	995
Subscriptions		**24,965**	22,484	**24,965**	22,484
Telephone and internet expenses		**69,293**	68,706	**69,293**	68,706
Travelling and fares expenses		**206,270**	214,545	**206,270**	214,545
Penalties		**-**	-	**-**	-
Consideration to employers for payroll deductions	(i)	**-**	-	**-**	-
Affiliation fees	(i)	**-**	-	**-**	-
Compulsory Levies	(i)	**-**	-	**-**	-
Penalties - via RO Act or RO Regulations	(i)	**-**	-	**-**	-
Grants	(i)	**-**	-	**-**	-
Sundry expenses		**234,092**	179,634	**211,770**	152,351
Total other expenses		**4,673,215**	4,812,894	**5,221,467**	5,412,243

i) No activities occurred in the reporting period

ii) Donations

Total $1,000 or less	**3,976**	1,768	**3,976**	1,768
Total exceeding $1,000	**1,950**	10,000	**1,950**	10,000
Total donations	**5,926**	11,768	**5,926**	11,768

Notes to the Financial Statements

for the year ended 30 June 2016

4. Profit for the Year (continued)

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
Bad and doubtful debts:				
- trade receivables	**-**	(2,312)	**-**	(2,312)
Net loss / (gain) on disposal of:				
- property, plant and equipment	**(5,722)**	7,991	**(5,722)**	7,991
Defined contribution plan:				
- superannuation expense	**304,043**	284,693	**304,043**	284,693

b. Employee benefits expense

	Consolidated Entity 2016 $	Consolidated Entity 2015 $	Parent Entity 2016 $	Parent Entity 2015 $
Amounts paid to Office Holders				
- wages and salaries	**277,635**	283,661	**277,635**	283,661
- superannuation	**46,240**	47,281	**46,240**	47,281
- leave and other entitlements	**43,103**	34,569	**43,103**	34,569
- separation and redundancies	**-**	-	**-**	-
- payroll tax	**17,804**	18,183	**17,804**	18,183
- other employee expenses	**7,847**	17,281	**7,847**	17,281
	392,629	400,975	**392,629**	400,975
Amounts paid to all other employees				
- wages and salaries	**2,414,003**	2,186,568	**2,414,003**	2,186,568
- superannuation	**257,803**	237,412	**257,803**	237,412
- leave and other entitlements	**248,408**	252,830	**248,408**	252,830
- separation and redundancies	**62,057**	5,792	**62,057**	5,792
- payroll tax	**146,242**	130,047	**146,242**	130,047
- other employee expenses	**24,992**	15,642	**24,992**	15,642
	3,153,505	2,828,291	**3,153,505**	2,828,291
Total employee benefits expense	**3,546,134**	3,229,266	**3,546,134**	3,229,266

No capitation or affiliation fees or allowances have been paid to committee members/office holders in respect of their attendances as representatives of the Pharmacy Guild of Australia (Queensland Branch).

c. Depreciation and amortisation expense

	Consolidated Entity 2016 $	Consolidated Entity 2015 $	Parent Entity 2016 $	Parent Entity 2015 $
Depreciation expense	**135,433**	112,936	**135,433**	112,936
	135,433	112,936	**135,433**	112,936

d. Impairment expense

	Consolidated Entity 2016 $	Consolidated Entity 2015 $	Parent Entity 2016 $	Parent Entity 2015 $
Impairment expense / (reversal)	**316,231**	(10,000)	**(232,021)**	(609,349)
	316,231	(10,000)	**(232,021)**	(609,349)

i) In a prior year an impairment was recognised at the consolidated level in relation to the land and buildings held. The Branch Committee obtained an independent valuation in the period which indicated that the fair value of the land and buildings was materially different to the carrying value of these assets in the financial statements.

The independent review obtained in the current year revealed that the buildings had decreased in value by $316,231. This has recorded as an impairment expense in the current year through profit and loss.

ii) The Parent entity holds units in The Guild Properties (Queensland) Unit Trust which holds the land and buildings recorded in the consolidated financial statements. The impairment recorded in relation to the land and buildings in a prior year resulted in an impairment to the units in the trust.

The impairment against the units in the trust has been partly reversed in the current period within profit and loss to the extent of the current year profit made by the trust.

Notes to the Financial Statements
for the year ended 30 June 2016

5. Income tax expense

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
a. The components of tax expense comprise:				
Current tax	**-**	-	**-**	-
Deferred tax	**-**	-	**-**	-
Under / (Over) provision in prior year	**-**	-	**-**	-
Losses not brought to accounts	**-**	-	**-**	-
	-	-	**-**	-
b. The prima facie tax on profit before income tax is reconciled to the income tax expenses as follows:				
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2015: 30%)	**239,634**	454,389	**239,634**	454,389
Add:				
Tax effect of:				
- non-deductible expenses	**-**	-	**-**	-
Less:				
Tax effect of:				
- exempt income and expenses	**239,634**	454,389	**239,634**	454,389
- over / (under) provision in prior year	**-**	-	**-**	-
- losses not brought to account	**-**	-	**-**	-
Income tax expense attributable to entity	**-**	-	**-**	-
The applicable weighted average effective tax rates are as follows:	**0.00%**	0.00%	**0.00%**	0.00%

Notes to the Financial Statements

for the year ended 30 June 2016

6. Key management personnel compensation

Remuneration paid to key management personnel includes salary, contributions to members' superannuation and other benefits paid to them and on their behalf.

The key management personnel compensation included within employee benefits expense is as follows:

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
Short-term employee benefits	**328,585**	335,512	**328,585**	335,512
Post-employment benefits	**46,240**	47,281	**46,240**	47,281
	374,825	382,793	**374,825**	382,793

7. Auditors' remuneration

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
Remuneration of auditor of the parent entity for:				
- auditing of the financial report and grant acquittals	**35,800**	33,500	**34,000**	33,500
- preparation of the financial report	**4,100**	4,000	**4,100**	4,000
- taxation services	**3,500**	3,200	**3,500**	3,200
	43,400	40,700	**41,600**	40,700

8. Cash and cash equivalents

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
Cash at bank and on hand	**4,756,818**	3,122,976	**4,756,818**	3,122,976
	4,756,818	3,122,976	**4,756,818**	3,122,976

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:

Cash at bank	8a	**2,856,818**	2,722,976	**2,856,818**	2,722,976
Short term investments		**1,900,000**	400,000	**1,900,000**	400,000
Total cash and cash equivalents	21d	**4,756,818**	3,122,976	**4,756,818**	3,122,976

a. Bank guarantee

A guarantee of $400,000 is held by the National Australia Bank in relation to part of the short term investments noted above. As at 30 June 2016 the amount of the unused facility is nil (2015: nil). The bank guarantee is in favour of the Australian Skills Quality Authority to provide surety regarding prepaid student fees. No call on this guarantee is anticipated.

Notes to the Financial Statements
for the year ended 30 June 2016

9. Trade and other receivables

	Notes	Consolidated Entity		Parent Entity	
		2016	2015	**2016**	2015
		$	$	**$**	$
Current					
Trade receivables		**1,564,970**	983,063	**1,564,970**	983,063
		1,564,970	983,063	**1,564,970**	983,063
Accrued revenue		**57,482**	121,884	**57,482**	121,884
Sundry debtors		**3,170**	200	**3,170**	200
Amounts receivable from related parties:					
- Other reporting unit					
Pharmacy Guild of Australia		**6,717**	7,793	**6,717**	7,793
Gold Cross Products and Services Pty Ltd		**64,878**	-	**64,878**	-
Other Branches - NSW		**631**	-	**631**	-
Guild Insurance		**34,657**	-	**34,657**	-
Guild Trustee Services Pty Ltd		**10,200**	-	**10,200**	-
FRED IT Group		**35,400**	-	**35,400**	-
- Controlled entities					
The Guild Properties (Queensland) Unit Trust		**-**	-	**393,547**	251,790
Less provision for doubtful debts		**-**	-	**-**	-
		213,135	129,877	**606,682**	381,667
		1,778,105	1,112,940	**2,171,652**	1,364,730

a. Provision for impairment of receivables

Current trade receivables are non-interest bearing loans and generally on 30 days from end of month terms. A provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. There are financial assets which are past due but not considered to be impaired. In the 2016 financial year there has been no impairment write downs in relation to receivables (2015: nil).

Notes to the Financial Statements

for the year ended 30 June 2016

9. Trade and other receivables (continued)

Credit risk

The group has no significant concentration of credit risk with respect to any single counter party or group. The main source of credit risk to the group is considered to be the class of assets described as “trade and other receivables”.

The following table details the group’s trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as ‘past due’ when the debt has not been settled, within the terms and conditions agreed between the group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the group.

The balances of receivables that remain within the initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Notes	Consolidated Entity		Parent Entity	
		2016	2015	**2016**	2015
		$	$	**$**	$
Trade receivables					
Within initial trade terms		**1,560,478**	93,755	**1,560,478**	93,755
Past due receivables (but not impaired):					
Overdue 1 - 29 days		**23,515**	793,646	**23,515**	793,646
Overdue 30 - 59 days		**11,921**	57,424	**11,921**	57,424
Overdue > 60 days		**30,856**	38,238	**30,856**	38,238
Gross amount		**1,626,770**	983,063	**1,626,770**	983,063
Other receivables					
Within initial trade terms		**42,076**	129,877	**55,667**	137,581
Past due receivables (but not impaired):					
Overdue 1 - 29 days		**4,491**	-	**16,491**	862
Overdue 30 - 59 days		**20,802**	-	**20,802**	17,589
Overdue > 60 days		**-**	-	**367,956**	225,635
		67,369	129,877	**460,916**	381,667

Neither the group nor parent entity holds financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

b. Financial assets classified as loans and receivables

	Notes	Consolidated Entity 2016	Consolidated Entity 2015	Parent Entity 2016	Parent Entity 2015
Trade and other receivables					
Total current		**1,778,105**	1,112,940	**2,171,652**	1,364,730
Total non-current		**-**	-	**-**	-
Financial assets	22	**1,778,105**	1,112,940	**2,171,652**	1,364,730

Notes to the Financial Statements
for the year ended 30 June 2016

10. Other assets

	Note	Consolidated Entity 2016 $	Consolidated Entity 2015 $	Parent Entity 2016 $	Parent Entity 2015 $
Current					
Prepayments - expense		**589,126**	380,420	**589,126**	380,420
		589,126	380,420	**589,126**	380,420

11. Other financial assets

	Note	Consolidated Entity 2016 $	Consolidated Entity 2015 $	Parent Entity 2016 $	Parent Entity 2015 $
Non-Current					
Available-for-sale financial assets					
Available for sale financial assets comprise:					
Unlisted investments, at cost					
- units in controlled unit trust					
The Guild Properties (Queensland) Unit Trust		**-**	-	**5,582,614**	5,324,362
	21	**-**	-	**5,582,614**	5,324,362

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. No intention to dispose of any unlisted available-for-sale financial assets existed at 30 June 2016 (2015: nil)

12. Controlled entities

	Country of Incorporation	Percentage Owned (%) 2016	Percentage Owned (%) 2015
Parent Entity:			
The Pharmacy Guild of Australia (Queensland Branch)	Australia	**-**	-
Other Reporting Unit:			
The Pharmacy Guild of Australia	Australia	**-**	-
Subsidiaries of Parent Entity:			
The Guild Properties (Queensland) Unit Trust and its trustee Guildprop Pty Ltd	Australia	**100%**	100%

All subsidiaries are 100% owned. Management has considered the constitutions of the subsidiary entities and there is no indication that control does not rest with the Guild.

In relation to the Consolidated Group:
- the Group's ability to continue as a going concern is not reliant on financial support of another reporting unit(s),
- there is no agreement to provide financial support to ensure another reporting unit(s) has the ability to continue as a going concern,
- the Group has not acquired an asset or a liability during the financial year as a result of
  a) an amalgamation under Part 2 of Chapter 3 of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
  b) a restructure of the branches of the organisation; or
  c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
  d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1).

Notes to the Financial Statements
for the year ended 30 June 2016

13. Property, plant and equipment

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
Non-Current				
Freehold land - at cost	**940,000**	940,000	**-**	-
Buildings - at cost	**5,366,169**	5,339,938	**-**	-
less: Accumulated depreciation	**(971,101)**	(971,101)	**-**	-
less: Provision for impairment	**(1,495,068)**	(1,178,837)	**-**	-
	2,900,000	3,190,000	**-**	**-**
Total land and buildings	**3,840,000**	4,130,000	**-**	-
Plant and equipment - at cost	**1,030,425**	1,001,810	**1,030,425**	1,001,810
less: Accumulated depreciation	**(639,837)**	(575,669)	**(639,837)**	(575,669)
	390,588	426,141	**390,588**	426,141
Total property, plant and equipment	**4,230,588**	4,556,141	**390,588**	426,141

Provision for impairment represents the difference in the carrying value of land and buildings and the independent valuation performed by Herron Todd White in the current financial year (as at 30 June 2016), using the capitalisation approach for valuation.

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

Consolidated entity: **30 June 2016**	**Freehold Land**	**Buildings**	**Plant and Equipment**	**Total**
Balance at the beginning of the year	940,000	3,190,000	426,141	**4,556,141**
Additions	-	26,231	91,284	**117,515**
Transfers	-	-	-	**-**
Disposals	-	-	(11,814)	**(11,814)**
Impairment (expense) / reversal	-	(316,231)	-	**(316,231)**
Depreciation expense	-	-	(115,023)	**(115,023)**
Carrying amount at the end of the year	**940,000**	**2,900,000**	**390,588**	**4,230,588**

30 June 2015	**Freehold Land**	**Buildings**	**Plant and Equipment**	**Total**
Balance at the beginning of the year	940,000	3,180,000	406,988	**4,526,988**
Additions	-	-	153,669	**153,669**
Transfers	-	-	-	**-**
Disposals	-	-	(21,582)	**(21,582)**
Impairment (expense) / reversal	-	10,000	-	**10,000**
Depreciation expense	-	-	(112,934)	**(112,934)**
Carrying amount at the end of the year	**940,000**	**3,190,000**	**426,141**	**4,556,141**

Notes to the Financial Statements
for the year ended 30 June 2016

14. Intangible assets

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
Non-Current				
Work in progress	**-**	112,384	**-**	112,384
Acquired software, at cost	**148,951**	-	**148,951**	-
less: Accumulated amortisation	**(20,410)**	-	**(20,410)**	-
Total intangible assets	**128,541**	112,384	**128,541**	112,384

Movements in carrying amounts of intangible assets	Acquired Software		Work in Progress	
	2016	2015	**2016**	2015
	$	$	**$**	$
Balance at the beginning of year	**-**	-	**112,384**	-
Additions during the period	**-**	-	**36,567**	112,384
Transfers	**148,951**	-	**(148,951)**	-
Disposal of intangible assets	**-**	-	**-**	-
Amortisation expense	**(20,410)**	-	**-**	-
Closing carrying value at 30 June	**128,541**	-	**-**	112,384

Amortisation on acquired software intangible assets is included in the depreciation and amortisation expense recorded in the statement of profit or loss and other comprehensive income. The remaining useful life of the acquired software is 3 years 4 months.

15. Payables

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
Current				
Unsecured liabilities				
Trade payables	**197,765**	203,623	**197,765**	203,623
Sundry payables	**308,912**	156,833	**295,784**	141,201
Accrued expenses	**84,074**	132,046	**82,274**	130,346
Income in advance - member subscriptions	**2,191,566**	1,606,198	**2,191,566**	1,606,198
Income in advance - unexpended funds/grant	**157,257**	159,116	**157,257**	159,116
Income in advance - other	**1,291,030**	567,529	**1,291,030**	567,529
Consideration to employers for payroll deductions	**-**	-	**-**	-
Legal costs	**-**	-	**-**	-
Amounts owing to:				
- Other reporting unit				
Pharmacy Guild of Australia	**24,724**	248	**24,724**	248
- Controlled entities				
The Guild Properties (Queensland) Unit Trust	**-**	-	**2,151,089**	1,463,484
	4,255,328	2,825,593	**6,391,489**	4,271,745

a. Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables - all current	**4,255,328**	2,825,593	**6,391,489**	4,271,745
Financial liabilities as trade and other payables	**4,255,328**	2,825,593	**6,391,489**	4,271,745

Notes to the Financial Statements
for the year ended 30 June 2016

16. Provisions

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
Office Holders				
Annual leave	**4,728**	10,381	**4,728**	10,381
Long service leave	**70,560**	74,400	**70,560**	74,400
Separations and redundancies	**-**	-	**-**	-
Other	**-**	-	**-**	-
Subtotal office holders	**75,288**	84,781	**75,288**	84,781
Employees other than office holders				
Annual leave	**160,164**	184,668	**160,164**	184,668
Long service leave	**197,742**	193,944	**197,742**	193,944
Separations and redundancies	**-**	-	**-**	-
Other	**-**	-	**-**	-
Subtotal employees other than office holders	**357,906**	378,612	**357,906**	378,612
Total employee provisions	**433,194**	463,393	**433,194**	463,393
Current	**362,597**	402,613	**362,597**	402,613
Non-current	**70,597**	60,780	**70,597**	60,780
Total employee provisions	**433,194**	463,393	**433,194**	463,393

Provision for employee benefits

A provision has been recognised for employee entitlements relating to annual and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

17. Reserves

Asset revaluation reserve

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

18. Segmental reporting

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

19. Capital commitments

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
Capital expenditure commitments contracted for:				
Software and building under construction	**-**	2,084	**-**	2,084
Payable:				
Within 12 months	**-**	2,084	**-**	2,084
Greater than 12 months and less than five years	**-**	-	**-**	-
Longer than 5 years	**-**	-	**-**	-
	-	2,084	**-**	2,084

Notes to the Financial Statements
for the year ended 30 June 2016

20. Cash flow information

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
a. Reconciliation of cash flow from operating activities with profit after income tax				
Profit after income tax	**798,781**	1,514,631	**798,781**	1,514,631
Non-cash flows in profit:				
- Depreciation and amortisation expense	**135,433**	112,936	**135,433**	112,936
- Impairment expense / (reversal)	**316,231**	(10,000)	**(232,021)**	(609,349)
- (Profit) / loss on disposal of property, plant and equipment and intangibles	**(5,722)**	8,037	**(5,722)**	8,037
Change in assets and liabilities:				
- (Increase)/decrease in trade and other receivables	**(873,871)**	1,453,396	**(1,015,628)**	1,319,907
- Increase/(decrease) in trade and other payables	**1,429,735**	(1,437,008)	**2,119,744**	(704,170)
- Increase/(decrease) in provisions	**(30,199)**	66,306	**(30,199)**	66,306
Cash flows from operations	**1,770,388**	1,708,298	**1,770,388**	1,708,298

21. Financial risk management

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

The totals for each category of financial instruments, measured in accordance with AASB 139 as described in the accounting policies to these financial statements, are as follows:

		Consolidated Entity		Parent Entity	
		2016	2015	**2016**	2015
		$	$	**$**	$
Financial Assets					
Cash and cash equivalents	8	**4,756,818**	3,122,976	**4,756,818**	3,122,976
Loans and receivables	9	**1,778,105**	1,112,940	**2,171,652**	1,364,730
Available for sale financial assets	11	**-**	-	**5,582,614**	5,324,362
		6,534,923	4,235,916	**12,511,084**	9,812,068
Financial Liabilities					
Financial liabilities at amortised cost:					
Trade and other payables	15	**4,255,328**	2,825,593	**6,391,489**	4,271,745
		4,255,328	2,825,593	**6,391,489**	4,271,745

21. Financial risk management (continued)

Financial risk management policies

The committee's overall risk management strategy seeks to assist the group in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the committee of management on a regular basis. These include the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for group operations. The group does not have any derivative instruments at 30 June 2016 (2015: nil).

The finance committee, consisting of senior executives of the group, meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The finance committee's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The finance committee operates under policies that are approved and reviewed by the committee of management. Risk management policies are approved and reviewed by the committee of management on a regular basis. These include credit risk policies and future cash flow requirements.

Specific financial risk exposures and management

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

a. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows.

As at 30 June 2016, the group is exposed to changes in market interest rates through cash at bank held at variable interest rates. Borrowings are at fixed interest rates. For further details on interest rate risk refer to Note 21b.

b. Liquidity risk

Liquidity risk arises from the possibility that the group might encounter difficulty in settling its debts or otherwise meeting its obligations relating to financial liabilities. The group manages this risk by monitoring forecast cash flows, maintaining a reputable credit profile, managing credit risk related to financial assets, and only investing surplus cash with major financial institutions.

The tables below reflect the undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

Notes to the Financial Statements
for the year ended 30 June 2016

21. Financial risk management (continued)

Consolidated entity

2016	**Within 1 Year**	**1 - 5 Years**	**Over 5 years**	**Total**
Financial liabilities due for payment				
Trade and other payables	4,255,328	-	-	4,255,328
Bank bills and loans	-	-	-	-
Total expected outflows	4,255,328	-	-	4,255,328
Financial assets – cash flows realisable				
Cash and cash equivalents	4,756,818	-	-	4,756,818
Trade and other receivables	1,778,105	-	-	1,778,105
Other investments	-	-	-	-
Total anticipated inflows	6,534,923	-	-	6,534,923
Net (outflow) / inflow on financial instruments	2,279,595	-	-	2,279,595

2015	**Within 1 Year**	**1 - 5 Years**	**Over 5 years**	**Total**
Financial liabilities due for payment				
Trade and other payables	2,825,593	-	-	2,825,593
Bank bills and loans	-	-	-	-
Total expected outflows	2,825,593	-	-	2,825,593
Financial assets – cash flows realisable				
Cash and cash equivalents	3,122,976	-	-	3,122,976
Trade and other receivables	1,112,940	-	-	1,112,940
Other investments	-	-	-	-
Total anticipated inflows	4,235,916	-	-	4,235,916
Net (outflow) / inflow on financial instruments	1,410,323	-	-	1,410,323

Parent entity

2016	**Within 1 Year**	**1 - 5 Years**	**Over 5 years**	**Total**
Financial liabilities due for payment				
Trade and other payables	6,391,489	-	-	6,391,489
Bank bills and loans	-	-	-	-
Total expected outflows	6,391,489	-	-	6,391,489
Financial assets – cash flows realisable				
Cash and cash equivalents	4,756,818	-	-	4,756,818
Trade and other receivables	2,171,652	-	-	2,171,652
Other investments	-	-	-	-
Total anticipated inflows	6,928,470	-	-	6,928,470
Net (outflow) / inflow on financial instruments	536,981	-	-	536,981

2015	**Within 1 Year**	**1 - 5 Years**	**Over 5 years**	**Total**
Financial liabilities due for payment				
Trade and other payables	4,271,745	-	-	4,271,745
Bank bills and loans	-	-	-	-
Total expected outflows	4,271,745	-	-	4,271,745
Financial assets – cash flows realisable				
Cash and cash equivalents	3,122,976	-	-	3,122,976
Trade and other receivables	1,364,730	-	-	1,364,730
Other investments	-	-	-	-
Total anticipated inflows	4,487,706	-	-	4,487,706
Net (outflow) / inflow on financial instruments	215,961	-	-	215,961

Notes to the Financial Statements
for the year ended 30 June 2016

21. Financial risk management (continued)

c. Foreign exchange risk

The group is not exposed to fluctuations in foreign currency.

d. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the group.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. It includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 30 days from the date of invoice.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Branch Committee has otherwise cleared as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is the equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet. There are no material amounts of collateral held as security at 30 June 2016 (2015: nil).

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 9.

The 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. The trade receivables balances at 30 June 2016 and 30 June 2015 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved committee of management policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's (S&P) rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on S&P counterparty credit ratings.

		Consolidated Entity		**Parent Entity**	
		2016	2015	**2016**	2015
		$	$	**$**	$
Cash and cash equivalents					
- AA rated	8	**4,756,818**	3,122,976	**4,756,818**	3,122,976

e. Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

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

Notes to the Financial Statements
for the year ended 30 June 2016

21. Financial risk management (continued)

Net fair values

The entity has no listed investments. 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.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Fair value of the Group's main property assets is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the Branch Committee at each reporting date.

Further information about the valuation of the land is set out below.

The appraisal was carried out using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the land in question, including plot size, location, encumbrances and current use.

The significant unobservable input is the adjustment for factors specific to the land in question. The extent and direction of this adjustment depends on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this input is a subjective judgement, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

Sensitivity analysis

The following table illustrates sensitivities to the group's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Consolidated Entity		Parent Entity	
	Profit $	Equity $	Profit $	Equity $
Year-ended 30 June 2016				
+ / - 2% in interest rates	+/- 44,673	+/- 44,673	+/- 44,675	+/- 44,675
Year-ended 30 June 2015				
+ / - 2% in interest rates	+/- 42,215	+/- 42,215	+/- 42,215	+/- 42,215

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

22. Events after reporting date

As of the date of the signing of this report the director's were not aware of any events which materially affect the numbers presented in this financial report.

23. 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 and Branch Executive during the financial year:

Branch Executive

M Farrell (full year)	K Sclavos (full year)
T Logan (full year)	R Xynias (full year)
T Twomey (full year)	C Owen (full year)

Branch Committee

M Calanna (full year)	T Logan (full year)
M Farrell (full year)	L Malouf (full year)
G Fotinos (full year)	K Sclavos (full year)
D Holmes (full year)	A Seeto (full year)
P Jaffar (full year)	R Xynias (full year)
T Twomey (full year)	C Owen (full year)

Notes to the Financial Statements
for the year ended 30 June 2016

23. Related party transactions (continued)

	Consolidated Entity		Parent Entity	
	2016	2015	**2016**	2015
	$	$	**$**	$
a. Other reporting units				
Payments made to Pharmacy Guild of Australia for Membership subscriptions and other costs	**742,858**	1,383,233	**742,858**	1,383,233
Payments received from Pharmacy Guild of Australia for grants and funded projects and other income	**885,157**	806,067	**885,157**	806,067
Amounts receivable from Pharmacy Guild of Australia	**6,717**	2,465	**6,717**	2,465
Amounts payable to Pharmacy Guild of Australia	**24,724**	248	**24,724**	248
Other branches - NSW				
Amounts Received	**3,634**	-	**3,634**	-
Amounts Receivable	**631**	-	**631**	-
b. Controlled Entities				
Rent paid by parent entity to Guild Properties Trust	**-**	-	**625,095**	665,220
Distribution received by parent entity from Guild Properties Trust	**-**	-	**-**	-
Capital contribution made by parent entity to Guild Properties Trust	**26,231**	-	**26,231**	-
Amounts receivable by parent entity from Guild Properties Trust	**-**	-	**393,547**	251,790
Amounts payable by parent entity to Guild Properties Trust	**-**	-	**2,151,089**	1,463,484
c. Companies associated with members of the Branch Committee				
Event management fees paid to a company controlled by Mr K Sclavos reported as event expenses - consultancy	**52,938**	55,458	**52,938**	55,458
d. Other related parties				
Guild Group				
Amounts Received	**396,129**	412,939	**396,129**	412,939
Amounts Receivable	**44,857**	36,107	**44,857**	36,107
Amounts Paid	**39,773**	43,818	**39,773**	43,818
Gold Cross Products and Services Pty Ltd				
Amounts Received	**120,589**	155,611	**120,589**	155,611
Amounts Receivable	**64,878**	21,173	**64,878**	21,173
Guild Links				
Amounts Received	**37,324**	28,937	**37,324**	28,937
FredIT				
Amounts Received	**74,289**	27,273	**74,289**	27,273
Amounts Receivable	**35,400**	32,955	**35,400**	32,955

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

Notes to the Financial Statements
for the year ended 30 June 2016

24. Leasing commitments

The parent entity leases the premises in which they operate from The Guild Properties (Queensland) Unit Trust which forms part of the consolidated group. The Branch Committee has agreed that an ongoing rental payment of $625,095 per annum is paid for the use of the premises (2015: $665,200 per annum). This is payable annually in the books of the Parent Entity, however eliminated in the Consolidated Entity due to The Unit Trust being part of the Consolidated Group.

25. Entity details

The registered office and principal place of business of the entity is:
The Pharmacy Guild of Australia (Queensland Branch)
132 Leichhardt Street
SPRING HILL QLD 4004

Committee of Management Statement

On 5th September 2016 the Committee of Management of The Pharmacy Guild of Australia (Queensland Branch) (the "reporting unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2016:

The Committee of Management declares that in its opinion:

(a) the financial statements and notes comply with the Australian Accounting Standards;
(b) the financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Commission;
(c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
(d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
(e) during the financial year to which the GPFR relates and since the end of that year:
  (i) meetings of the committee of management were held in accordance with the rules of the organisation; and
  (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
  (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  (v) where information has been sought in any request by a member of the reporting unit or General Manager of Fair Work Commission duly made under section 272 of the RO Act has been provided to the member or General Manager of Fair Work Commission; and
  (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
(f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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

For Committee of Management: TIMOTHY JOHN LOGAN
Title of Office Held: BRANCH PRESIDENT

BRISBANE

Dated this 5th day of September 2016

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King George Central
145 Ann Street
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Independent Auditor's Report
To the Members of Pharmacy Guild of Australia (Queensland Branch)

We have audited the accompanying financial report of Pharmacy Guild of Australia (Queensland Branch) (the "Guild"), which comprises the statement of financial position as at 30 June 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Committee of Management of the consolidated entity comprising the Guild and the entities it controlled at the year's end or from time to time during the financial year .

Responsibility of the Committee of Management for the financial report

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

Auditor's responsibility

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

Grant Thornton

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Guild's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Guild's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Auditor's Opinion

In our opinion, the financial report of Pharmacy Guild of Australia (Queensland Branch)

i presents fairly, in all material respects, the Guild's and consolidated entity's financial position as at 30 June 2016 and of their performance and cash flows for the year then ended ; and

ii complies with Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

iii management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

S G Hancox
Partner - Audit & Assurance

Brisbane, 5 September 2016

Approved auditor and member of the Chartered Accountants Australia and New Zealand, membership number 88276