Australian Government
Registered Organisations Commission

1 November 2017

Ms Robyn Ede
Branch Director, Queensland Branch
The Pharmacy Guild of Australia

Sent via email

Dear Ms Ede

Re: – The Pharmacy Guild of Australia, Queensland Branch - financial report for year ending 30 June 2017 (FR2017/228)

I refer to the financial report of the Queensland Branch of The Pharmacy Guild of Australia. The documents were lodged with the Registered Organisations Commission on 17 October 2017. Supplementary advice in relation to the financial report was received today.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether 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.

You are not required to take any further action in respect of the report lodged. Please note the financial report for the year ending 30 June 2018 may be subject to an advanced compliance review.

Reporting Requirements

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via this link.

Please note that new Reporting Guidelines will apply to organisations and branches with financial years commencing on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the subscription service.

Yours faithfully

Stephen Kellett
Financial Reporting
Registered Organisations Commission

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 2017

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 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 18th of September 2017; and
- that the full report was presented to a general meeting of members of the reporting unit on 10th October 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:..

Name of prescribed designated officer: Timothy Logan

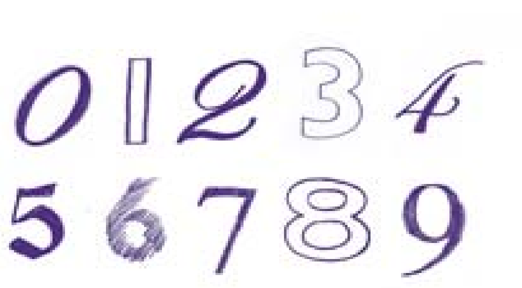
Title of prescribed designated officer: Branch President

Dated: 10th October 2017

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

ABN 87 076 197 623

Financial Report
For the year ended 30 June 2017



THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
OPERATING REPORT
for the year ended 30 June 2017

The committee presents its report on The Pharmacy Guild of Australia (Queensland Branch) for the financial year ended 30 June 2017.

(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 2017, to which this report relates, the number of members of the organisation was 747 including Honorary Life Members.

(f) Number of employees:

As at 30 June 2017, the total number of employees employed by the reporting entity was 43.

(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	(to 10/4/17)
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)

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
OPERATING REPORT
for the year ended 30 June 2017

(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: 13 September 2017

Level 18
King George Central
145 Ann Street
Brisbane QLD 4000
Correspondence to:
GPO Box 1008
Brisbane QLD 4001

T + 61 7 3222 0200
F + 61 7 3222 0444
E info.qld@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration to the Directors of Pharmacy Guild of Australia (Queensland Branch)

As lead auditor for the audit of Pharmacy Guild of Australia (Queensland Branch) for the year ended 30 June 2017, 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

Simon Hancox
Partner - Audit & Assurance

Brisbane, 13 September 2017

Statement of Comprehensive Income
for the year ended 30 June 2017

	Notes	Consolidated Entity 2017 $	Consolidated Entity 2016 $	Parent Entity 2017 $	Parent Entity 2016 $
Revenue	3	**11,167,581**	9,469,794	**11,752,044**	9,469,794
Employee benefit expenses	4b	**(3,661,600)**	(3,546,134)	**(3,661,600)**	(3,546,134)
Depreciation and amortisation	4c	**(155,691)**	(135,433)	**(155,691)**	(135,433)
Impairment (expense) / reversal	4d	**304,638**	(316,231)	**267,744**	232,021
Finance costs	4a	**-**	-	**-**	-
Other expenses	4a	**(6,099,872)**	(4,673,215)	**(6,647,441)**	(5,221,467)
Profit from continuing operations		**1,555,056**	798,781	**1,555,056**	798,781
Total profit before income tax		**1,555,056**	798,781	**1,555,056**	798,781
Income tax expense	5	**-**	-	**-**	-
Profit after income tax		**1,555,056**	798,781	**1,555,056**	798,781
Other comprehensive income		**-**	-	**-**	-
Total comprehensive income for the year		**1,555,056**	798,781	**1,555,056**	798,781

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

Statement of Financial Position

as at 30 June 2017

	Notes	Consolidated Entity 2017 $	Consolidated Entity 2016 $	Parent Entity 2017 $	Parent Entity 2016 $
Assets					
Current					
Cash and cash equivalents	8	**5,951,525**	4,756,818	**5,951,525**	4,756,818
Trade and other receivables	9	**2,086,702**	1,778,105	**3,185,410**	2,171,652
Other current assets	10	**904,082**	589,126	**904,082**	589,126
Total Current Assets		**8,942,309**	7,124,049	**10,041,017**	7,517,596
Non-Current					
Other financial assets	11	**-**	-	**5,865,720**	5,582,614
Property, plant and equipment	13	**4,584,042**	4,230,588	**424,042**	390,588
Intangible assets	14	**91,303**	128,541	**91,303**	128,541
Total Non-Current Assets		**4,675,345**	4,359,129	**6,381,065**	6,101,743
Total Assets		**13,617,654**	11,483,178	**16,422,082**	13,619,339
Liabilities					
Current					
Trade and other payables	15	**4,780,558**	4,255,328	**7,584,986**	6,391,489
Short-term employee provisions	16	**406,351**	362,597	**406,351**	362,597
Total Current Liabilities		**5,186,909**	4,617,925	**7,991,337**	6,754,086
Non-Current					
Long-term employee provisions	16	**81,033**	70,597	**81,033**	70,597
Total Non-Current Liabilities		**81,033**	70,597	**81,033**	70,597
Total Liabilities		**5,267,942**	4,688,522	**8,072,370**	6,824,683
Net Assets		**8,349,712**	6,794,656	**8,349,712**	6,794,656
Equity					
Retained earnings		**8,349,712**	6,794,656	**8,349,712**	6,794,656
Total Equity		**8,349,712**	6,794,656	**8,349,712**	6,794,656

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

Statement of Changes in Equity

for the year ended 30 June 2017

	Notes	Retained Earnings $	Total $
Consolidated entity			
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
Balance at 1 July 2016		**6,794,656**	**6,794,656**
Transfer reserves		**-**	**-**
Total comprehensive income		**1,555,056**	**1,555,056**
Balance at 30 June 2017		**8,349,712**	**8,349,712**
Parent entity			
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
Balance at 1 July 2016		**6,794,656**	**6,794,656**
Transfer reserves		**-**	**-**
Total comprehensive income		**1,555,056**	**1,555,056**
Balance at 30 June 2017		**8,349,712**	**8,349,712**

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

Statement of Recovery of Wages Activity

for the year ended 30 June 2017

	Notes	Consolidated Entity		Parent Entity	
		2017	2016	**2017**	2016
		$	$	**$**	$
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		**-**	-	**-**	-

Statement of Cash Flows

for the year ended 30 June 2017

	Notes	Consolidated Entity 2017 $	Consolidated Entity 2016 $	Parent Entity 2017 $	Parent Entity 2016 $
Cash Flow from Operating Activities					
Receipts from members and customers		**11,571,430**	10,183,932	**11,389,918**	9,979,667
Receipts from other reporting units/controlled entity(s)		**772,582**	884,539	**772,582**	884,539
Payments to suppliers and employees		**(10,463,531)**	(8,669,425)	**(10,282,019)**	(8,465,160)
Payments to other reporting units/controlled entity(s)		**(640,038)**	(718,382)	**(640,038)**	(718,382)
Interest received		**98,194**	89,724	**98,194**	89,724
Finance costs		**-**	-	**-**	-
Distributions received		**-**	-	**-**	-
Cash flows from discontinued operations		**-**	-	**-**	-
Income tax paid		**-**	-	**-**	-
Net cash provided by (used in) operating activities	20a	**1,338,637**	1,770,388	**1,338,637**	1,770,388
Cash Flow from Investing Activities					
Proceeds from sale of property, plant and equipment		**33,752**	17,536	**33,752**	17,536
Purchase of available-for-sale investments		**-**	-	**(15,362)**	(26,231)
Payment for property, plant and equipment		**(177,683)**	(117,515)	**(162,321)**	(91,284)
Payment for intangible assets		**-**	(36,567)	**-**	(36,567)
Net cash provided by (used in) investing activities		**(143,930)**	(136,546)	**(143,930)**	(136,546)
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		**1,194,707**	1,633,842	**1,194,707**	1,633,842
Cash at beginning of year	8	**4,756,818**	3,122,976	**4,756,818**	3,122,976
Cash at end of year	8	**5,951,525**	4,756,818	**5,951,525**	4,756,818

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

Notes to the Financial Statements
for the year ended 30 June 2017

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 13 September 2017. 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 12 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 2017

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 50-1 of the Income Tax Assessment Act 1997 however still has obligations for Fringe Benefit Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:
- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

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

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

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 less, where applicable, any accumulated depreciation and impairment losses.

Notes to the Financial Statements
for the year ended 30 June 2017

1. Statement of significant accounting policies (continued)

c. Property, plant and equipment (continued)
Depreciation

The depreciable amount of all fixed assets, excluding buildings and 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:

Class of Fixed Asset	**2017**	2016
Buildings	**0.00%**	0.00%
Plant and Equipment	**5.0 - 100.0%**	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.

Notes to the Financial Statements
for the year ended 30 June 2017

1. Statement of significant accounting policies (continued)

d. Financial instruments (continued)
(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.

(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	**2017**	2016
Software	**4 years**	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.

1. Statement of significant accounting policies (continued)

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.

h. Cash and cash equivalents

Cash is recognised at its nominal amount. 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 on an accrual basis 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.

Notes to the Financial Statements
for the year ended 30 June 2017

1. Statement of significant accounting policies (continued)

k. Capitation fees and levies

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.

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.

Notes to the Financial Statements
for the year ended 30 June 2017

1. Statement of significant accounting policies (continued)

o. Critical accounting estimates and judgements (continued)

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.

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.

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)

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 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

AASB 15: Revenue from Contracts with Customers (including AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15, AASB 2015-8 Amendments to Australian Accounting Standards - Effective Date of AASB 15 and AASB 2016-7 Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities)
Effective date for entity: 1 July 2019
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

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.

Notes to the Financial Statements
for the year ended 30 June 2017

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 2016-3: Amendments to Australian Accounting Standards - Clarifications to AASB 15
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.
Impact: No significant impact expected

AASB 1058: Income of Not-for-Profit Entities
AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NPF) entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These standards supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.
Under AASB 1058, the timing of income recognition depends on whether a NFP transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset received by an entity.
Impact: No significant impact expected

AASB 2016-4: Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities.
This standard amends AASB 136 Impairment of Assets to :
(a) Remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities; and
(b) Clarify that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that:
(i) AASB 136 does not apply to such assets that are regularly revalued to fair value under the revaluation model in AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets; and
(ii) AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138.
Impact: No significant impact expected

AASB 2016-8: Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities
AASB 2016-8 inserts Australian requirements and authoritative implementation guidance for not-for-profit (NFP) entities into AASB 9 Financial Instruments (2014) and AASB 15 Revenue from Contracts with Customers. This guidance will assist not-for-profit entities in applying those Standards.
Impact: No significant impact expected

Notes to the Financial Statements
for the year ended 30 June 2017

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 2017-1: Amendments to Australian Accounting Standards - Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments
This Standards amends:
(1) AASB 1 First-time Adoption of Australian Accounting Standards to delete some short-term exemptions for first-time adopters that were available only for reporting periods that have passed and to add exemptions arising from AASB Interpretation 22 Currency Transactions and Advance Consideration;
(2) AASB 128 Investments in Associates and Joint Ventures to clarify that:
- a venture capital organisation, or a mutual fund, unit trust and similar entities may elect, at initial recognition, to measure investments in an associate or joint venture at fair value through profit or loss separately for each associate or joint venture
- an entity that is not an investment entity may elect to retain the fair value measurement applied by its associates and join ventures that are investment entities when applying the equity method. This choice is available separately for each investment entity associate or joint venture; and
(3) AASB 140 Investment Property to reflect the principle that an entity transfers a property to, or from, investment property when, and only when , there is a change in use of the property supported by evidence that a change in use has occurred.
Impact: No significant impact expected

AASB 2017-2: Amendments to Australian Accounting Standards - Further Annual Improvements 2014-2016 Cycle
This Standard clarifies the scope of AASB 12 Disclosure of Interest in Other Entities by specifying that the disclosure requirements apply to an entity's interest in other entities that are classified as held for sale, held for distribution to owners in their capacity as owners or discontinued operations in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations.
Impact: No significant impact expected

q. New and revised Standards that are effective for annual periods beginning on or after 1 July 2016

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 2014-4: Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation
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
Impact: No significant impact

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

1. Statement of significant accounting policies (continued)

q. New and revised Standards that are effective for annual periods beginning on or after 1 July 2016 (continued)

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 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

AASB 2015-9: Amendments to Australian Accounting Standards - Scope and Application Paragraphs
This Standard inserts scope paragraphs into AASB 8 and AASB 133 in place of application paragraph text in AASB 1057. This is to correct inadvertent removal of these paragraph during editorial changes made in August 2015. There is no change to the requirements or the applicability of AASB 8 and AASB 133.
Impact: No significant impact expected

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) to (3) of section 272, which reads as follows:

(1) "A Member of a reporting unit, or the Commissioner, 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 2017

3. Revenue

		Consolidated Entity		Parent Entity	
		2017	2016	**2017**	2016
		$	$	**$**	$
Membership subscriptions		**1,709,343**	1,268,708	**1,709,343**	1,268,708
Membership subscriptions - Fighting Fund		**376,993**	276,969	**376,993**	276,969
Capitation fees	3a	**-**	-	**-**	-
Levies	3b	**-**	-	**-**	-
Donations	3c	**-**	-	**-**	-
Commissions received		**412,316**	375,963	**412,316**	375,963
Distributions received		**-**	-	**584,463**	-
Event and conference income		**5,626,241**	4,733,332	**5,626,241**	4,733,332
Interest received		**98,194**	89,724	**98,194**	89,724
Other grant income		**155,386**	371,248	**155,386**	371,248
National Secretariat project funding		**1,088,857**	863,051	**1,088,857**	863,051
Queensland Health project funding		**302,482**	175,385	**302,482**	175,385
Sales revenue		**205,054**	438,377	**205,054**	438,377
Training course fees		**1,192,715**	877,037	**1,192,715**	877,037
Total revenue		**11,167,581**	**9,469,794**	**11,752,044**	9,469,794
Distributions revenue from:					
- controlled entity:					
The Guild Properties (Queensland) Unit Trust		**-**	-	**584,463**	-
Total distribution revenue		**-**	-	**584,463**	-
Interest revenue from:					
- external parties		**98,194**	89,724	**98,194**	89,724
- controlled entity		**-**	-	**-**	-
		98,194	89,724	**98,194**	89,724

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	
	2017	2016	**2017**	2016
	$	$	**$**	$
Total comprehensive income has been determined after:				
a. Expenses				
Finance costs:				
- external interest	**-**	-	**-**	-

Notes to the Financial Statements

for the year ended 30 June 2017

4. Profit for the Year (continued)

		Consolidated Entity		Parent Entity	
		2017	2016	**2017**	2016
		$	$	**$**	$
Other expenses:					
Advertising and promotions expenses		**126,377**	68,162	**126,377**	68,162
Bank and card charges		**61,621**	54,653	**61,621**	54,653
Branch committee expenses		**20,676**	20,980	**20,676**	20,980
Cleaning expenses		**57,819**	55,064	**57,819**	55,064
Computer costs		**103,924**	56,858	**103,924**	56,858
Conference and seminar attendance expenses		**9,697**	37,395	**9,697**	37,395
Consultancy expenses - other		**69,608**	48,324	**69,608**	48,324
Contract staff		**4,155**	5,300	**4,155**	5,300
Dispatch expenses		**72,732**	53,812	**72,732**	53,812
Donations	(ii)	**21,920**	5,926	**21,920**	5,926
Events expenses:					
- Catering and dinner		**1,364,059**	1,133,463	**1,364,059**	1,133,463
- Commissions paid		**97,114**	44,594	**97,114**	44,594
- Consultancy expenses		**83,793**	62,496	**83,793**	62,496
- Display and venue expenses		**891,160**	718,065	**891,160**	718,065
- Printing and stationery		**104,882**	81,979	**104,882**	81,979
- Speaker costs		**228,768**	148,720	**228,768**	148,720
- Technical expenses		**353,505**	269,647	**353,505**	269,647
Insurance expenses		**87,744**	92,799	**84,037**	84,273
Litigation		**-**	-	**-**	-
Other legal matters		**34,493**	18,478	**34,493**	18,478
Meals expenses		**36,716**	43,541	**36,716**	43,541
Motor vehicle expenses		**33,956**	33,668	**33,956**	33,668
Capitation fees		**854,579**	423,113	**854,579**	423,113
Capitation fees - Fighting Fund		**376,993**	276,969	**376,993**	276,969
Net loss / (gain) on disposal of fixed assets		**(23,339)**	(5,722)	**(23,339)**	(5,722)
Printing and stationery - other		**92,349**	89,581	**92,349**	89,581
Power and light		**48,281**	46,750	**48,281**	46,750
Professional fees, including audit		**38,804**	42,431	**34,654**	38,381
Purchases - merchandise		**20,248**	19,448	**20,248**	19,448
Queensland Health Project bin contractor		**93,277**	62,738	**93,277**	62,738
Rates		**27,568**	41,945	**-**	-
Rent		**-**	-	**608,075**	625,095
Repairs and maintenance		**26,020**	23,002	**26,020**	23,002
Security expenses		**34,469**	26,592	**33,930**	26,592
Sponsorship		**31,508**	31,500	**31,508**	31,500
Staff procurement		**2,411**	6,324	**2,411**	6,324
Subscriptions		**27,745**	24,965	**27,745**	24,965
Telephone and internet expenses		**52,949**	69,293	**52,949**	69,293
Travelling and fares expenses		**272,821**	206,270	**272,821**	206,270
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		**258,470**	234,092	**233,928**	211,770
Total other expenses		**6,099,872**	4,673,215	**6,647,441**	5,221,467
					-

i) No activities occurred in the reporting period

ii) Donations				
Total $1,000 or less	**600**	3,975	**600**	3,976
Total exceeding $1,000	**21,320**	1,950	**21,320**	1,950
Total donations	**21,920**	5,925	**21,920**	5,926

Notes to the Financial Statements

for the year ended 30 June 2017

4. Profit for the Year (continued)

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
Bad and doubtful debts:				
- trade receivables	**-**	-	**-**	-
Net loss / (gain) on disposal of:				
- property, plant and equipment	**(23,339)**	(5,722)	**(23,339)**	(5,722)
Defined contribution plan:				
- superannuation expense	**306,688**	304,043	**306,688**	304,043

b. Employee benefits expense

	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Amounts paid to Office Holders				
- wages and salaries	**113,961**	111,736	**113,961**	111,736
- superannuation	**10,826**	11,662	**10,826**	11,662
- leave and other entitlements	**11,799**	11,016	**11,799**	11,016
- separation and redundancies	**-**	-	**-**	-
- payroll tax	**6,488**	6,385	**6,488**	6,385
- other employee expenses	**-**	-	**-**	-
	143,074	140,799	**143,074**	140,799
Amounts paid to all other employees				
- wages and salaries	**2,717,533**	2,579,902	**2,717,533**	2,579,902
- superannuation	**295,861**	292,381	**295,861**	292,381
- leave and other entitlements	**307,649**	280,495	**307,649**	280,495
- separation and redundancies	**2,462**	62,057	**2,462**	62,057
- payroll tax	**157,861**	157,661	**157,861**	157,661
- other employee expenses	**37,160**	32,839	**37,160**	32,839
	3,518,526	3,405,335	**3,518,526**	3,405,335
Total employee benefits expense	**3,661,600**	3,546,134	**3,661,600**	3,546,134

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 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Depreciation expense	**118,453**	115,023	**118,453**	115,023
Amortisation expense	**37,238**	20,410	**37,238**	20,410
	155,691	135,433	**155,691**	135,433

d. Impairment expense

	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Impairment expense / (reversal)	**(304,638)**	**316,231**	**(267,744)**	(232,021)
	(304,638)	316,231	**(267,744)**	(232,021)

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 revalued that the buildings had Increased in value by $304,638 This has recorded as an impairment reversal 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 2017

5. Income tax expense

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
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%)	**466,517**	239,634	**466,517**	239,634
Add:				
Tax effect of:				
- non-deductible expenses	**-**	-	**-**	-
Less:				
Tax effect of:				
- exempt income and expenses	**466,517**	239,634	**466,517**	239,634
- 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%

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	
	2017	2016	**2017**	2016
	$	$	**$**	$
Short-term employee benefits	**327,431**	328,585	**327,431**	328,585
Post-employment benefits	**40,538**	46,240	**40,538**	46,240
Other long-term benefits	**7,560**	-	**7,560**	-
	375,529	374,825	**375,529**	374,825

7. Auditors' remuneration

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
Remuneration of auditor of the parent entity for:				
- auditing of the financial report and grant acquittals	**30,700**	35,800	**28,850**	34,000
- preparation of the financial report	**4,500**	4,100	**4,500**	4,100
- taxation services	**3,600**	3,500	**1,300**	3,500
	38,800	43,400	**34,650**	41,600

Notes to the Financial Statements

for the year ended 30 June 2017

8. Cash and cash equivalents

		Consolidated Entity		Parent Entity	
		2017	2016	**2017**	2016
		$	$	**$**	$
Cash at bank and on hand		**5,951,525**	4,756,818	**5,951,525**	4,756,818
		5,951,525	4,756,818	**5,951,525**	4,756,818

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	**4,051,525**	2,856,818	**4,051,525**	2,856,818
Short term investments		**1,900,000**	1,900,000	**1,900,000**	1,900,000
Total cash and cash equivalents	21d	**5,951,525**	4,756,818	**5,951,525**	4,756,818

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 2017 the amount of the unused facility is nil (2016: 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.

9. Trade and other receivables

	Notes	Consolidated Entity		Parent Entity	
		2017	2016	**2017**	2016
		$	$	**$**	$
Current					
Trade receivables		**1,402,251**	1,564,970	**1,402,251**	1,564,970
		1,402,251	1,564,970	**1,402,251**	1,564,970
Accrued revenue		**171,395**	57,482	**171,395**	57,482
Sundry debtors		**-**	3,170	**-**	3,170
Amounts receivable from related parties:					
- Other reporting unit					
Pharmacy Guild of Australia		**510,418**	6,717	**510,418**	6,717
Gold Cross Products and Services Pty Ltd		**900**	64,878	**900**	64,878
Other Branches - NSW		**1,738**	631	**1,738**	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		**-**	-	**1,098,708**	393,547
Less provision for doubtful debts		**-**	-	**-**	-
		684,451	213,135	**1,783,159**	606,682
		2,086,702	1,778,105	**3,185,410**	2,171,652

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 2017 financial year there has been no impairment write downs in relation to receivables (2016: Nil).

Notes to the Financial Statements

for the year ended 30 June 2017

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	
		2017	2016	**2017**	2016
		$	$	**$**	$
Trade receivables					
Within initial trade terms		**1,344,735**	1,498,678	**1,344,735**	1,498,678
Past due receivables (but not impaired):					
Overdue 1 - 29 days		**9,129**	23,515	**9,129**	23,515
Overdue 30 - 59 days		**5,281**	11,921	**5,281**	11,921
Overdue > 60 days		**43,106**	30,856	**43,106**	30,856
Gross amount		**1,402,251**	1,564,970	**1,402,251**	1,564,970
Other receivables					
Within initial trade terms		**684,001**	175,842	**1,278,328**	201,433
Past due receivables (but not impaired):					
Overdue 1 - 29 days		**-**	16,491	**7,019**	16,491
Overdue 30 - 59 days		**450**	20,802	**16,586**	20,802
Overdue > 60 days		**-**	-	**481,226**	367,956
		684,451	213,135	**1,783,159**	606,682

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 2017 $	Consolidated Entity 2016 $	Parent Entity 2017 $	Parent Entity 2016 $
Trade and other receivables					
Total current		**2,086,702**	1,778,105	**3,185,410**	2,171,652
Total non-current		**-**	-	**-**	-
Financial assets	20	**2,086,702**	1,778,105	**3,185,410**	2,171,652

10. Other assets

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
Current				
Prepayments - expense	**904,082**	589,126	**904,082**	589,126
	904,082	589,126	**904,082**	589,126

Notes to the Financial Statements
for the year ended 30 June 2017

11. Other financial assets

	Note	Consolidated Entity 2017 $	Consolidated Entity 2016 $	Parent Entity 2017 $	Parent Entity 2016 $
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		**-**	-	**5,865,720**	5,582,614
	20	**-**	-	**5,865,720**	5,582,614

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 2017 (2016: nil)

12. Controlled entities

	Country of Incorporation	Percentage Owned (%) 2017	Percentage Owned (%) 2016
Parent Entity:			
The Pharmacy Guild of Australia (Queensland Branch)	Australia	**-**	-
Other Reporting Unit:			
The Pharmacy Guild of Australia	Australia	**-**	-
Gold Cross Products and Services Pty Ltd	Australia	**-**	-
Other Branches	Australia	**-**	-
Guild Insurance	Australia	**-**	-
Guild Trustee Service Pty Ltd	Australia	**-**	-
Fred IT Group	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 Fair Work (Registered Organisation) Act 2009 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 Fair Work (Registered Organisation) Act 2009 of an alternative reporting structure for the organisation; or
  d) a revocation by the General Manager under subsection 249(1) of the Fair Work (Registered Organisation) Act 2009 of a certificate issued to an organisation under subsection 245(1).

Notes to the Financial Statements
for the year ended 30 June 2017

13. Property, plant and equipment

	Consolidated Entity 2017 $	Consolidated Entity 2016 $	Parent Entity 2017 $	Parent Entity 2016 $
Non-Current				
Freehold land - at cost	**940,000**	940,000	**-**	-
Buildings - at cost	**5,381,531**	5,366,169	**-**	-
less: Accumulated depreciation	**(971,101)**	(971,101)	**-**	-
less: Provision for impairment	**(1,190,430)**	(1,495,068)	**-**	-
	3,220,000	2,900,000	**-**	-
Buildings under construction - at cost	**-**	-	**-**	-
Total land and buildings	**4,160,000**	3,840,000	**-**	-
Plant and equipment - at cost	**1,107,206**	1,030,425	**1,107,206**	1,030,425
less: Accumulated depreciation	**(683,164)**	(639,837)	**(683,164)**	(639,837)
	424,042	390,588	**424,042**	390,588
Total property, plant and equipment	**4,584,042**	4,230,588	**424,042**	390,588

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 2017), 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 2017	**Freehold Land**	**Buildings**	**Plant and Equipment**	**Total**
Balance at the beginning of the year	940,000	2,900,000	390,588	**4,230,588**
Additions	-	15,362	162,321	**177,683**
Transfers	-	-	-	**-**
Disposals	-	-	(10,414)	**(10,414)**
Impairment (expense) / reversal	-	304,638	-	**304,638**
Depreciation expense	-	-	(118,453)	**(118,453)**
Carrying amount at the end of the year	**940,000**	**3,220,000**	**424,042**	**4,584,042**

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**

Notes to the Financial Statements
for the year ended 30 June 2017

14. Intangible assets

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
Non-Current				
Work in progress	**-**	-	**-**	-
Acquired software, at cost	**148,951**	148,951	**148,951**	148,951
less: Accumulated amortisation	**(57,648)**	(20,410)	**(57,648)**	(20,410)
Total intangible assets	**91,303**	128,541	**91,303**	128,541

Movements in carrying amounts of intangible assets

	2017	2016	**2017**	2016
	$	$	**$**	$
Balance at the beginning of year	**128,541**	-	**128,541**	-
Additions during the period	**-**	-	**-**	-
Transfers	**-**	148,951	**-**	148,951
Disposal of intangible assets	**-**	-	**-**	-
Amortisation expense	**(37,238)**	(20,410)	**(37,238)**	(20,410)
Closing carrying value at 30 June	**91,303**	128,541	**91,303**	128,541

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 2 years 4 months.

15. Payables

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
Current				
Unsecured liabilities				
Trade payables	**300,202**	197,765	**300,202**	197,765
Sundry payables	**300,797**	308,912	**287,104**	295,784
Accrued expenses	**61,161**	84,074	**32,840**	82,274
Income in advance - member subscriptions	**2,232,500**	2,191,566	**2,232,500**	2,191,566
Income in advance - unexpended funds/grant	**563,990**	157,257	**563,990**	157,257
Income in advance - other	**1,319,580**	1,291,030	**1,319,580**	1,291,030
Consideration to employers for payroll deductions	**-**	-	**-**	-
Legal costs	**-**	-	**-**	-
Amounts owing to:				
- Other reporting unit				
Pharmacy Guild of Australia	**2,328**	24,724	**28,799**	24,724
Pharmacy Guild of Australia - NSW	**-**	-	**-**	-
- Controlled entities				
The Guild Properties (Queensland) Unit Trust	**-**	-	**2,819,971**	2,151,089
	4,780,558	4,255,328	**7,584,986**	6,391,489

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

Trade and other payables - all current		**4,780,558**	4,255,328	**7,584,986**	6,391,489
Financial liabilities as trade and other payables	20	**4,780,558**	4,255,328	**7,584,986**	6,391,489

Notes to the Financial Statements

for the year ended 30 June 2017

16. Employee Provisions

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
Office Holders				
Annual leave	**7,922**	(2,191)	**7,922**	(2,191)
Long service leave	**26,448**	24,762	**26,448**	24,762
Separations and redundancies	**-**	-	**-**	-
Other	**-**	-	**-**	-
Subtotal office holders	**34,370**	22,571	**34,370**	22,571
Employees other than office holders				
Annual leave	**172,635**	167,083	**172,635**	167,083
Long service leave	**280,379**	243,540	**280,379**	243,540
Separations and redundancies	**-**	-	**-**	-
Other	**-**	-	**-**	-
Subtotal employees other than office holders	**453,014**	410,623	**453,014**	410,623
Total employee provisions	**487,384**	433,194	**487,384**	433,194
Current	**406,351**	362,597	**406,351**	362,597
Non-current	**81,033**	70,597	**81,033**	70,597
Total employee provisions	**487,384**	433,194	**487,384**	433,194

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. Segmental reporting

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

18. Capital commitments

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
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 2017

19. Cash flow information

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
a. Reconciliation of cash flow from operating activities with profit after income tax				
Profit after income tax	**1,555,056**	798,781	**1,555,056**	798,781
Non-cash flows in profit:				
- Depreciation and amortisation expense	**155,691**	135,433	**155,691**	135,433
- Impairment expense / (reversal)	**(304,638)**	316,231	**(267,744)**	(232,021)
- (Profit) / loss on disposal of property, plant and equipment and intangibles	**(23,339)**	(5,722)	**(23,339)**	(5,722)
Change in assets and liabilities:				
- (Increase)/decrease in trade and other receivables	**(623,553)**	(873,871)	**(1,328,714)**	(1,015,628)
- Increase/(decrease) in trade and other payables	**525,230**	1,429,735	**1,193,497**	2,119,744
- Increase/(decrease) in provisions	**54,190**	(30,199)	**54,190**	(30,199)
Cash flows from operations	**1,338,637**	1,770,388	**1,338,637**	1,770,388

20. 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	
		2017	2016	**2017**	2016
		$	$	**$**	$
Financial Assets					
Cash and cash equivalents	8	**5,951,525**	4,756,818	**5,951,525**	4,756,818
Loans and receivables	9	**2,086,702**	1,778,105	**3,185,410**	2,171,652
Available for sale financial assets	11	**-**	-	**5,865,720**	5,582,614
		8,038,227	6,534,923	**15,002,655**	12,511,084
Financial Liabilities					
Financial liabilities at amortised cost:					
Trade and other payables	15	**4,780,558**	4,255,328	**7,584,986**	6,391,489
		4,780,558	4,255,328	**7,584,986**	6,391,489

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 2017(2016: 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.

Notes to the Financial Statements
for the year ended 30 June 2017

20. Financial risk management (continued)

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 2017, 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 20b.

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.

Consolidated entity

2017	Within 1 Year	1 - 5 Years	Over 5 years	Total
Financial liabilities due for payment				
Trade and other payables	4,780,558	-	-	4,780,558
Bank bills and loans	-	-	-	-
Total expected outflows	4,780,558	-	-	4,780,558
Financial assets – cash flows realisable				
Cash and cash equivalents	5,951,525	-	-	5,951,525
Trade and other receivables	2,086,702	-	-	2,086,702
Other investments	-	-	-	-
Total anticipated inflows	8,038,227	-	-	8,038,227
Net (outflow) / inflow on financial instruments	3,257,669	-	-	3,257,669

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

20. Financial risk management (continued)

Parent entity

2017	**Within 1 Year**	**1 - 5 Years**	**Over 5 years**	**Total**
Financial liabilities due for payment				
Trade and other payables	7,584,986	-	-	7,584,986
Bank bills and loans	-	-	-	-
Total expected outflows	7,584,986	-	-	7,584,986
Financial assets – cash flows realisable				
Cash and cash equivalents	5,951,525	-	-	5,951,525
Trade and other receivables	3,185,410	-	-	3,185,410
Other investments	-	-	-	-
Total anticipated inflows	9,136,935	-	-	9,136,935
Net (outflow) / inflow on financial instruments	1,551,949	-	-	1,551,949

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

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 2017 (2016: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 2017 and 30 June 2016 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

Notes to the Financial Statements

for the year ended 30 June 2017

20. Financial risk management (continued)

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	
		2017	2016	**2017**	2016
		$	$	**$**	$
Cash and cash equivalents					
- AA rated	8	**5,951,525**	4,756,818	**5,951,525**	4,756,818

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.

Fair value measurement

Management and the Branch Committee of the Group assessed that cash, trade and other receivables and trade and other payables approximate their carrying amounts largely due to the short term maturities of these instruments.

The following table contains the carrying amounts and related fair values for the Group's financial assets and liabilities.

Consolidated Entity	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
	2017	**2017**	2016	2016
	$	**$**	$	$
Financial assets				
Cash and cash equivalents	**5,951,525**	**5,951,525**	4,756,818	4,756,818
Trade and other receivables	**2,086,702**	**2,086,702**	1,778,105	1,778,105
Total financial assets	**8,038,227**	**8,038,227**	6,534,923	6,534,923
Financial liabilities				
Trade and other payables	**4,780,558**	**4,780,558**	4,255,328	4,255,328
Total financial liabilities	**4,780,558**	**4,780,558**	4,255,328	4,255,328

Parent Entity	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
	2017	**2017**	2016	2016
	$	**$**	$	$
Financial assets				
Cash and cash equivalents	**5,951,525**	**5,951,525**	4,756,818	4,756,818
Trade and other receivables	**3,185,410**	**3,185,410**	2,171,652	2,171,652
Total financial assets	**9,136,935**	**9,136,935**	6,928,470	6,928,470
Financial liabilities				
Trade and other payables	**7,584,986**	**7,584,986**	6,391,489	6,391,489
Total financial liabilities	**7,584,986**	**7,584,986**	6,391,489	6,391,489

The available-for-sale financial assets being the units in the wholly-owned trust are not measured at fair value as they do not have a quoted price in an active market and the fair value cannot be reliably measured. On this basis, the investment is measured at cost.

Notes to the Financial Statements
for the year ended 30 June 2017

20. Financial risk management (continued)

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 2017				
+ / - 1% in interest rates	+/- 29,826	+/- 29,826	+/- 29,826	+/- 29,826
Year-ended 30 June 2016				
+ / - 2% in interest rates	+/- 44,673	+/- 44,673	+/- 44,675	+/- 44,675

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

21. Events after reporting date

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

22. Related party transactions

The entitiy's related parties are its controlled entities (see note 12) and Branch Committee Members. 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)
T Logan (full year)
T Twomey (full year)
K Sclavos (full year)
R Xynias (full year)
C Owen (full year)

Branch Committee

M Calanna (full year)
M Farrell (full year)
G Fotinos (full year)
D Holmes (full year)
P Jaffar (full year)
T Twomey (full year)
T Logan (full year)
L Malouf (to 10/04/2017)
K Sclavos (full year)
A Seeto (full year)
R Xynias (full year)
C Owen (full year)

Notes to the Financial Statements
for the year ended 30 June 2017

22. Related party transactions (continued)

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
a. Other reporting units				
Payments made to Pharmacy Guild of Australia for Membership subscriptions and other costs	**1,312,995**	767,571	**1,312,995**	767,571
Payments received from Pharmacy Guild of Australia for grants and funded projects and other income	**1,222,413**	948,735	**1,222,413**	948,735
Amounts receivable from Pharmacy Guild of Australia	**510,418**	6,717	510,418	6,717
Amounts payable to Pharmacy Guild of Australia	**2,328**	24,724	**28,799**	24,724
Other branches				
Amounts Received	**28,270**	15,941	**28,270**	15,941
Amounts Paid	**117,120**	39,999	**117,120**	39,999
Amounts Receivable	**1,738**	631	**1,738**	631
b. Controlled Entities				
Rent paid by parent entity to Guild Properties Trust	**-**	-	**608,075**	625,095
Distribution received by parent entity from Guild Properties Trust	**-**	-	**584,463**	-
Capital contribution made by parent entity to Guild Properties Trust	**15,362**	26,231	**15,362**	26,231
Amounts receivable by parent entity from Guild Properties Trust	**-**	-	**1,098,708**	393,547
Amounts payable by parent entity to Guild Properties Trust	**-**	-	**2,819,971**	2,151,089
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	**122,983**	52,938	**122,983**	52,938
Amounts received from a company controlled by Mr K Sclavos	**5,827**	5,220	**5,827**	5,220
Remuneration paid to Mrs A Seeto for part-time employment	**14,610**	-	**14,610**	-

Notes to the Financial Statements
for the year ended 30 June 2017

22. Related party transactions (continued)

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
d. Other related parties				
Guild Group				
Amounts Received	**416,247**	396,129	**416,247**	396,129
Amounts Receivable	**-**	44,857	**-**	44,857
Amounts Paid	**45,783**	39,773	**45,783**	39,773
Gold Cross Products and Services Pty Ltd				
Amounts Received	**197,393**	169,581	**197,393**	169,581
Amounts Receivable	**900**	64,878	**900**	64,878
Guild Links				
Amounts Received	**69,723**	37,324	**69,723**	37,324
FredIT				
Amounts Received	**70,300**	74,289	**70,300**	74,289
Amounts Receivable	**-**	35,400	**-**	35,400
Guild Superannuation Service				
Amounts Received	**24,000**	-	**24,000**	-
Meridian Lawyers Ltd				
Amounts Received	**8,000**	-	**8,000**	-

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

23. 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 $608,075 per annum is paid for the use of the premises (2016: $625,095 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.

	Consolidated Entity		Parent Entity	
	2017	2016	**2017**	2016
	$	$	**$**	$
Operating lease commitments	**-**	-	**-**	-
Finance lease commitments	**-**	-	**-**	-

24. 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 13th September 2017 the Branch Committee 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 2017:

The Branch Committee 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 any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
(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 Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; 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.

Signature of designated office:..
Name and title of designated officer: TIMOTHY JOHN LOGAN, BRANCH PRESIDENT

Dated this 13th day of September 2017

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Level 18
King George Central
145 Ann Street
Brisbane QLD 4000
Correspondence to:
GPO Box 1008
Brisbane QLD 4001

T + 61 7 3222 0200
F + 61 7 3222 0444
E info.qld@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report to the Members of The Pharmacy Guild of Australia (Queensland Branch)

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of The Pharmacy Guild of Australia (Queensland Branch) (the Guild), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2017, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement 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.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Guild as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

a the Australian Accounting Standards; and

b any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an approved auditor, a member of the Chartered Accountants Australia and New Zealand, membership number 88276 and hold a current Public Practice Certificate.

Other Matter

The Committee of Management Statement reflects that The Pharmacy Guild of Australia (Queensland Branch) has not undertaken any recovery of wages activity during the reporting period ended 30 June 2017. As such, no opinion is provided in relation to recovery of wages activity.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

S G HANCOX
Partner - Audit & Assurance

Brisbane, 13 September 2017

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/91