



Australian Government
Australian Industrial Registry

Level 36, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0401

Mrs C Bradshaw
Branch Director
The Pharmacy Guild of Australia
South Australian Branch
451 Pulteney St
ADELAIDE
SA 5000

By email: guildsa@guildsa.asn.au

Dear Mrs Bradshaw,

**Re: The Pharmacy Guild of Australia - South Australian Branch
Financial reports for year ended 30 June 2004
Schedule 1B of the *Workplace Relations Act 1996* (the RAO Schedule)
FR2004/303**

Receipt is acknowledged of the financial reports of The Pharmacy Guild of Australia - South Australian Branch for the year ended 30 June 2004. The documents were lodged in the South Australian office of the Industrial Registry on 16 September 2004.

The documents have now been filed.

The following matter concerning the financial reporting requirements of the RAO Schedule may require your further attention:-

- **Disclosure of donations in Note 4 Expenses from ordinary activities**

Section 237(1) of the RAO Schedule requires an organisation to lodge in the Industrial Registry, within 90 days after the end of the financial year, a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.

Note 4 expenses from ordinary activities indicates a disclosure of "*Subscriptions and donations \$4,441*".

Would you please arrange for lodgement in the Industrial Registry of a s237(1) statement covering any donation exceeding \$1,000. Such statement should include particulars as required by s237(5) of the RAO Schedule.

The following matters are advised for assistance when preparing future financial reports, no further action is requested in respect of these:

- **President's Certificate - *unnamed and undated***

It is noted that the President's certificate is unnamed and undated.

All certificates should include the name of the signatory and be dated as a matter of course.

- **Auditor's Report - *not stated whether approved auditor***

The signatory to the auditor's report has not indicated whether he is an "*approved auditor*" within the meaning of Regulation 4 of the RAO Regulations. The Industrial Registry believes this should be evident to members in the published financial reports.

A copy of this letter has been forwarded to your auditor.

- **Operating report - *not signed by designated officer***

The operating report may be prepared by the committee of management or a designated officer (refer s254(3) of the RAO Schedule). An examination of the rules of the Branch indicates that Branch Director is not an "*officer*" within the definition set out in s6 of the RAO Schedule.

- *trustee of superannuation entity or exempt public sector superannuation scheme*

The operating report should also give details (including details of the position held) of any officer or member of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme (refer s254(2(d) of the RAO Schedule).

- **Note 4 Expenses from ordinary activities - *salaries***
Note 12 Provisions - *annual leave and long service leave*

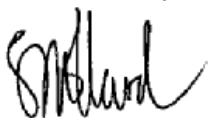
In Note 4, the item "Salaries - Admin \$190,931" should be disclosed as having been paid to either "holders of office" or "employees", refer reporting guidelines 11(g) and (h).

In Note 12, the items "Provision for annual leave - office holders \$17,606" and "Provision for long service leave \$21,580" should be disclosed as liabilities for either "holders of office" or "employees", refer reporting guidelines 14(c) and (d).

Would you please ensure that these separate disclosures are made in future financial reports of the organisation.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, please contact me on (03) 8661-7811 or email: shane.ellard@air.gov.au.

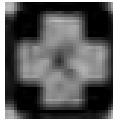
Yours sincerely,



Shane Ellard
Team Manager - RIA Team 4
Statutory Services Branch (Melbourne)

19 October 2004

cc: Mr Jamie Dreckow
Partner
Edwards Marshall
info@edwardsmarshall.com.au



The PHARMACY GUILD of AUSTRALIA

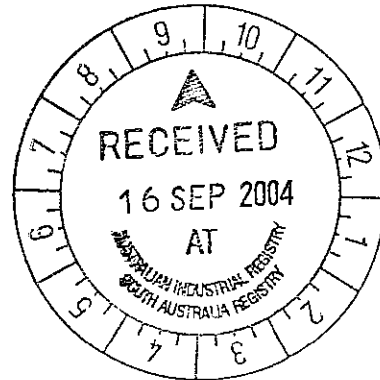
SOUTH AUSTRALIAN BRANCH

ABN 38 946 547 960

FR 2004/303

14th September, 2004.

Deputy Industrial Registrar,
Australian Industrial Registry,
South Australian Registry,
Riverside Centre,
North Terrace,
ADELAIDE, S.A. 5000



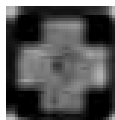
Dear Sir,

Under the Workplace Relations Act 1996 requirements, please find enclosed the financial documents of the South Australian Branch of The Pharmacy Guild of Australia for the year 2003/2004 and the Branch President's Certificate.

Yours faithfully,

C.M. BRADSHAW
Branch Director

Encls.



The PHARMACY GUILD of AUSTRALIA

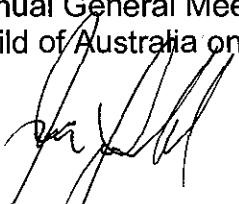
SOUTH AUSTRALIAN BRANCH

ABN 38 946 547 960

BRANCH PRESIDENT'S CERTIFICATE

I, _____, Branch President of the South Australian Branch of The Pharmacy Guild of Australia certify that:

1. The auditor's Report, the Accounts and Statements, and the Certificates of the Accounting Officer and of the Branch Committee in respect to the financial year commencing 1st July, 2003 and ending 30th June, 2004 were distributed to Members free of charge or available on the Pharmacy Guild Internet site as of 20th August, 2004.
2. The enclosed documents are copies of the Auditor's Report, the Accounts and Statements, the Certificates of the Accounting Officer and of the Branch Committee, prepared for the Branch in accordance with the Act in respect to the year ending 30th June, 2004 and are as presented to the Annual General Meeting of the South Australian Branch of The Pharmacy Guild of Australia on 13th September, 2004.


Branch President,
South Australian Branch
The Pharmacy Guild of Australia

Dated:

Financial Statements

THE PHARMACY GUILD OF AUSTRALIA (SA BRANCH) FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2004

Your Branch Committee present their report on the Pharmacy Guild of Australia (SA Branch) for the financial year ended 30 June 2004.

The names of the Branch Committee in office at any time during or since the end of the year and the period for which the position was held are:

I.P. Todd (Branch President – National Councillor)
P.D. Simmons (Vice President Finance – National Councillor)
P.J. Williams (Vice President – Alternate National Councillor)
T.C. Draysey (Vice President)
M.M. Broadbent
M.P. Fietz
B. Schultz
C.S. Spencer

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

The surplus of the Branch for the financial year amounted to \$78,127.

A review of the Branch's principal activities during the financial year and the results of those activities and significant changes in the nature of these activities found that:

1. The loan from SAPC for the purchase of Guild House was fully repaid during the year.
2. Guild training continued as the principal member service resulting in a net gain to the Branch of \$70,029.
3. Interest received from the Branch's investments continued to perform in line with expectations.

There has been no significant changes to the nature of the above activities during the year.

No significant changes in the Branch's financial affairs, other than those noted in the review of principal activities above, occurred during the financial year.

Members of the Pharmacy Guild of Australia (SA Branch) are entitled to resign their membership pursuant to Section 36 of the Constitution of the Pharmacy Guild of Australia by written notice addressed and delivered to the Branch Director.

The number of persons who were, at the end of the financial year to which the report relates, recorded in the register of members under Section 230 of the Registration and Accountability of Organisations (RAO) Schedule and which are taken to be members of the Branch under section 244 of the RAO Schedule, was 297.

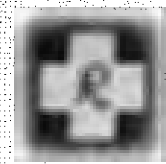
The number of persons who were, at the end of the financial year to which the report relates, employees of the Branch, where the number of employees includes both full – time employees and part time employees measured on a full time equivalent basis was 8.

Signed in accordance with a resolution of the Branch Committee:



Branch Director
Mrs C Bradshaw

Dated this 18th day of August 2004



**STATEMENT OF FINANCIAL PERFORMANCE FOR THE
YEAR ENDED 30 JUNE 2004**

	Note	2004 \$	2003 \$
Revenue from ordinary activities	3	1,404,930	1,393,694
Expenses from ordinary activities	4	1,326,803	1,203,254
Net surplus from ordinary activities	14	\$78,127	\$190,440
Total changes in equity of the Guild		\$78,127	\$190,440

**STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2004**

	Note	2004 \$	2003 \$
CURRENT ASSETS			
Cash	6	172,918	183,333
Receivables	7	127,872	125,106
Investments	8	300,187	365,173
Other	9	28,751	23,853
TOTAL CURRENT ASSETS		629,728	697,465
NON-CURRENT ASSETS			
Investments	8	503,278	503,278
Property, plant and equipment	10	385,641	402,962
TOTAL NON-CURRENT ASSETS		888,919	906,240
TOTAL ASSETS		1,518,647	1,603,705
CURRENT LIABILITIES			
Payables	11	295,618	367,201
Provisions	12	39,186	30,788
TOTAL CURRENT LIABILITIES		334,804	397,989
NON CURRENT LIABILITIES			
Interest bearing liabilities	-	-	100,000
TOTAL NON CURRENT LIABILITIES		-	100,000
TOTAL LIABILITIES		334,804	497,989
NET ASSETS		1,183,843	1,105,716
EQUITY			
Reserves	13	107,547	83,833
Retained surplus	14	1,076,296	1,021,883
TOTAL EQUITY		1,183,843	1,105,716

**STATEMENT OF CASH FLOWS FOR THE
YEAR ENDED 30 JUNE 2004**

	Note	2004 \$	2003 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Guild Insurance Ltd Commission		153,989	141,466
National Services Division Commission		-	23,527
Training Income		211,454	253,273
NTCPA		113,392	58,303
Receipts from Members		587,446	625,106
Receipts for administration		44,000	39,500
Interest received		71,240	72,664
Other receipts		98,075	114,816
Sales to members		68,551	43,142
Quality care income		77,888	101,614
DMMR/HMR receipts		52,250	51,730
National Council dues		(364,950)	(364,553)
Payments for administration		(1,041,270)	(771,298)
GST Paid (net)		(15,279)	(62,945)
Interest paid		(2,333)	(9,600)
Net cash provided by operating activities	18(b)	54,453	316,745
CASH FLOWS FROM INVESTING ACTIVITIES			
(Payments) for plant and equipment		(40,854)	(119,162)
(Payments) for/receipts from investments		64,986	50,000
Proceeds from sale of property, plant and equipment		11,000	14,000
Net cash provided by/ (used in) investing activities		35,132	(55,162)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		(100,000)	(330,000)
Net cash provided by/ (used in) financing activities		(100,000)	(330,000)
Net increase/(decrease) in cash held		(10,415)	(68,417)
Cash at the beginning of the financial year		183,333	251,750
Cash at the end of the financial year	18(a)	\$172,918	\$183,333

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2004**

**NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996. The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (CONT')

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - (CONT')

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

(a) **INCOME TAX**

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

(b) **PROPERTY, PLANT AND EQUIPMENT**

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

The carrying amount of property, plant and equipment is reviewed annually by the Branch Committee to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

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

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

Class of Fixed Asset	Depreciation Rate
Office equipment and furniture	10% - 33 $\frac{1}{3}$ %
Motor vehicles	15%

(c) **INVESTMENTS**

Current and Non-current investments are measured on the costs basis.

The carrying amount of investments is reviewed annually by the branch committee to ensure that it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed against the market value. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

(d) **EMPLOYEE ENTITLEMENTS**

Provision is made for the Guild's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Guild to superannuation funds on behalf of employees and are charged as expenses when incurred.

(e) **CASH**

For the purpose of the statement of cash flows, cash includes cash on hand, at banks and on deposit. Cash on deposit earns interest at cash management rates.

(f) **ACCRUED EXPENSES**

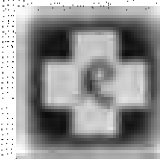
Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Pharmacy Guild of Australia (SA Branch). Trade accounts payable are normally settled within 60 days.

(g) **TRADE AND OTHER DEBTORS**

Trade and other debtors are normally settled within 60 days and are carried at amounts due. The collectibility of debts is assessed at balance date and specific provision is made for any doubtful accounts.

(h) **REVENUE**

Subscriptions received are initially recognised as liabilities and brought to account as revenue in the period to which the subscription relates.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (CONT')

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - (CONT')

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

Training and Quality Care income are brought to account as revenue in the period in which the services are provided.

All revenue is brought to account net of the amount of goods and services tax (GST).

(i) COMPARATIVES

Where necessary and as required by legislation, comparative figures have been adjusted to conform with the presentation of the 2004 financial statements.

(j) ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

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

The Branch's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. We will seek to keep stakeholders informed as to the impact of these new standards as they are finalised.

The Branch Committee is of the opinion that the key differences in the Branch's accounting policies which will arise from the adoption of IFRS are:

Non-current Investments

Under the pending AASB 139: Financial Instruments: Recognition and Measurement, financial instruments that are classified as available for sale instruments must be carried at fair value. Unrealised gains or losses may be recognised either in income or directly in equity. Held to maturity assets and loans or receivables are to be measured at amortised cost. Current accounting policy is to measure non-current investments at cost, with an annual review by the Branch Committee to ensure that the carrying amounts are not in excess of the recoverable value of the instruments.

NOTE 2 INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

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

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

NOTE 3 REVENUE FROM ORDINARY ACTIVITIES

	2004	2003
	\$	\$
Operating Activities		
Members subscriptions	542,751	563,003
Nominal members subscription	2,572	2,572
Clearing house subscription	6,210	7,730
Administration fees -		
SA Pharmacists Co-operative Ltd	40,000	39,500
Commission	199,390	189,213
NTCPA	292,552	329,893
Quality care income	70,807	92,376
Needle exchange programme	44,124	2,000
Family care licence fee	3,000	3,000
Sundry income	63,549	9,685
DMMR/HMR income	47,500	47,027
Rent	-	17,454
HR Member Services	14,450	7,767
	<u>1,326,905</u>	<u>1,311,220</u>
Non-Operating Activities		
Interest received from other persons	67,025	68,474
Proceeds on disposal of property, plant and equipment	11,000	14,000
	<u>78,025</u>	<u>82,474</u>
	<u>1,404,930</u>	<u>1,393,694</u>

NOTE 4 EXPENSES FROM ORDINARY ACTIVITIES

	2004	2003
	\$	\$
Remuneration of auditor		
- audit or review service	4,000	4,000
- other services	500	1,371
Total remuneration	4,500	5,371
Bank fees	3,935	2,633
Branch committee allowances	44,200	49,948
Committee expenses	1,319	3,487
Cleaning	4,245	3,267
Clearing house	4,947	6,222
Depreciation of property, plant and equipment	44,600	40,072
DMMR/HMR expenses	53,219	14,440
Entertainment	1,648	2,264
Fringe benefits tax	8,979	7,407
HR Member Services	32,543	19,409
Insurance	33,827	26,404
Industrial relations	2,421	3,434
Interest paid	2,333	9,600
Legal expenses	7,769	-
Motor vehicles	3,501	2,187
National Council dues	355,305	361,317
Needle exchange programme	7,573	-

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (CONT')

NOTE 4 EXPENSES FROM ORDINARY ACTIVITIES (CONT')

	2004	2003
	\$	\$
Office and general	7,789	12,501
Outgoings – Guild	13,284	9,798
NTCPA	222,523	233,321
Postage and freight	3,622	4,521
Power and light	6,950	5,055
Printing and stationery	31,193	23,495
Provision for annual leave	7,352	5,081
Provision for long service leave	1,045	7,285
Repairs and maintenance	27,087	31,210
Salaries – Admin	190,931	168,994
Salaries – Special Projects	43,798	-
Staff training	2,492	164
Subscriptions and donations	4,441	3,737
Superannuation	63,004	51,252
Sundry expenses	11,380	7,398
Telephone	16,566	17,793
Quality care expenses	42,906	53,860
Written down value of property, plant and equipment sold	<u>13,576</u>	<u>10,329</u>
	<u>1,326,803</u>	<u>1,203,254</u>

NOTE 5 REVENUE AND NET GAINS

	2004	2003
	\$	\$
Net (loss) / gain on disposal of plant and equipment	<u>(2,576)</u>	<u>3,671</u>
	<u>(2,576)</u>	<u>3,671</u>

NOTE 6 CASH

	2004	2003
	\$	\$
Cash on hand	200	200
Cash at bank	<u>172,718</u>	<u>183,133</u>
	<u>\$172,918</u>	<u>\$183,333</u>

NOTE 7 RECEIVABLES

	2004	2003
	\$	\$
Trade debtors	40,301	27,268

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

2004	Office equipment and furniture	Motor vehicles	Land	Total
	\$	\$	\$	\$
Balance at the beginning of the year	108,542	64,796	229,624	402,962
Additions	40,855	-	-	40,855
Disposals	-	(13,576)	-	(13,576)
Depreciation expense	<u>(32,502)</u>	<u>(12,098)</u>	-	<u>(44,600)</u>
Carrying amount at the end of the year	<u>116,895</u>	<u>39,122</u>	<u>229,624</u>	<u>385,641</u>
2003	Office equipment and furniture	Motor vehicles	Land	Total
	\$	\$	\$	\$
Balance at the beginning of the year	66,825	37,752	229,624	334,201
Additions	72,449	46,713	-	119,162
Disposals	-	(10,329)	-	(10,329)
Depreciation expense	<u>(30,732)</u>	<u>(9,340)</u>	-	<u>(40,072)</u>
Carrying amount at the end of the year	<u>108,542</u>	<u>64,796</u>	<u>229,624</u>	<u>402,962</u>

NOTE 7 RECEIVABLES (CONT')

	2004	2003
	\$	\$
Provisions for doubtful debts	<u>(800)</u>	<u>(800)</u>
	<u>39,501</u>	<u>26,468</u>
Other debtors	44,113	74,920
GST paid	25,260	23,718
Pharmacy Guild of Australia	<u>18,998</u>	-
	<u>\$127,872</u>	<u>\$125,106</u>

NOTE 8 INVESTMENTS

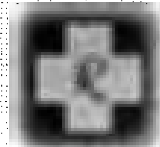
	2004	2003
	\$	\$
Current		
Investments: other than public investments – at cost	<u>300,187</u>	<u>365,173</u>
Non-Current		
Investments: other than public investments – at cost	<u>503,278</u>	<u>503,278</u>
	<u>\$803,465</u>	<u>\$868,451</u>
Market value of investments: other than public investments.	<u>803,465</u>	<u>868,451</u>

NOTE 9 OTHER ASSETS

	2004	2003
	\$	\$
Prepayments	<u>28,751</u>	<u>23,853</u>

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

	2004	2003
	\$	\$
Land – at cost	229,624	229,624
Office equipment and furniture – at cost	258,186	226,100
Less accumulated depreciation	<u>(141,291)</u>	<u>(117,558)</u>
	<u>116,895</u>	<u>108,542</u>
Motor vehicles – at cost	46,713	80,652
Less accumulated depreciation	<u>(7,591)</u>	<u>(15,856)</u>
	<u>39,122</u>	<u>64,796</u>
	<u>385,641</u>	<u>402,962</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (CONT)

NOTE 11 PAYABLES

	2004	2003
	\$	\$
Current		
Trade creditors and accruals	67,734	143,680
Subscriptions received in advance	192,431	204,840
GST received	20,367	18,681
Legal costs payable	2,814	-
Pharmacy Guild of Australia – Queensland branch	235	-
Pharmacy Guild of Australia – National Office	12,037	-
	<u>\$295,618</u>	<u>\$367,201</u>

NOTE 12 PROVISIONS

	2004	2003
	\$	\$
Provision for annual leave – office holders	17,606	10,254
Provision for long service leave	<u>21,580</u>	<u>20,534</u>
Aggregate employee entitlement liability	<u>\$39,186</u>	<u>\$30,788</u>
Number of employees at year end	8	12

NOTE 13 RESERVES

	2004	2003
	\$	\$
Parity Fund	2,253	2,253
Community Practice Fund	628	628
GuildScript	47,210	80,952
DMMR reserve	22,905	-
DASC reserve	<u>34,551</u>	-
	<u>\$107,547</u>	<u>\$83,833</u>

(a) Parity Fund

The Parity Fund was established from contributions by Members to investigate the effects of the Income Tax Assessment Act upon Guild Members.

	2004	2003
	\$	\$
Opening balance	<u>2,253</u>	<u>2,253</u>
Closing balance	<u>\$2,253</u>	<u>\$2,253</u>
Represented by:		
Cash at bank and investments	<u>\$2,253</u>	<u>\$2,253</u>

(b) Community Practice Fund

The Community Practice Fund was established in consultation with various industry representatives. This fund is designed to establish a community practice unit at the University of South Australia to provide information on the community needs with respect to pharmacy requirements.

	2004	2003
	\$	\$
Opening balance	<u>628</u>	<u>628</u>
Closing balance	<u>\$628</u>	<u>\$628</u>
Represented by:		
Cash at bank and investments	<u>\$628</u>	<u>\$628</u>

NOTE 13 RESERVES (CONT)

(c) GuildScript Fund

The GuildScript Fund is used to promote the use of GuildScript products.

	2004	2003
	\$	\$
Opening balance	80,952	43,952
Transfer from / (to) retained surplus	(5,118)	37,000
Transfer to DMMR reserve	<u>(28,624)</u>	-
	<u>\$47,210</u>	<u>\$80,952</u>
Represented by:		
Cash at bank and investments	<u>\$47,210</u>	<u>\$80,952</u>

(d) DMMR Reserve

The DMMR reserve is used to fund limited State Medication Management Review Facilitation Services

	2004	2003
	\$	\$
Opening balance	-	-
Transfer from Guildscript fund	28,624	-
Transfer to Retained Surplus	<u>(5,719)</u>	-
Closing balance	<u>\$22,905</u>	-
Represented by:		
Cash at bank and investments	<u>\$22,905</u>	-

(e) DASC – needle exchange reserve

The DASC needle exchange reserve is used for disposal of used syringes and further education

	2004	2003
	\$	\$
Opening balance -	-	-
Transfer from Retained Surplus	<u>34,551</u>	-
Closing balance	<u>\$34,551</u>	-
Represented by:		
Cash at bank and investments	<u>\$34,551</u>	-

NOTE 14 RETAINED SURPLUS

	2004	2003
	\$	\$
Retained surplus at the beginning of the financial year	1,021,883	868,443
Net surplus	78,127	190,440
Transferred (to) / from GuildScript Fund	5,118	(37,000)
Transfer from DMMR reserve	5,719	-
Transfer to DASC needle exchange reserve	<u>(34,551)</u>	-
Net transfer to retained surplus	<u>54,413</u>	<u>153,440</u>
Retained surplus at the end of the financial year	<u>1,076,296</u>	<u>1,021,883</u>

NOTE 15 RENTAL COMMITMENTS

The Branch has the following property rental commitment due not later than one year

	2004	2003
	\$ -	\$ -

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (CONT)

NOTE 16 RELATED PARTIES

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

M Broadbent	M Fietz
T Draysey	B Schultz
C Spencer	P Williams
P Simmons	I Todd

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

c) The aggregate of Branch Committee Members' and Branch Director's remuneration is as follows:

Committee Members' and Branch Directors' remuneration

	2004	2003
	\$	\$
Gross remuneration	144,168	157,699
Reimbursed by National Secretariat	(750)	(3,152)
Total remuneration	<u>\$143,418</u>	<u>\$154,547</u>
Remuneration - employees (other than holders of offices)	\$155,930	\$91,444

The aggregate amount of employee benefits payable to office holders at the end of the year was \$9,134 (2003 \$9,145)

The aggregate amount of employee benefits payable to Employees (other than holders of offices) \$30,052 (2003 \$21,643)

d) The aggregate amount paid during the year to a Superannuation fund by The Pharmacy Guild of Australia (SA Branch) in connection with the retirement of any Branch Committee Member or Branch Director and not included as remuneration in note 16 (c) was \$22,991 (2003 \$20,760).

e) Branch Committee Members may utilise the clearing house and members services accounts on the same terms and conditions as other Guild Members.

f) Amounts receivable for commissions from related parties - current.

	2004	2003
	\$	\$
National Services Division	-	\$5,400
Guild Insurance Ltd	\$8,000	\$7,000

The above commissions are calculated at rates determined by the National Services Division and the Guild Insurance Ltd respectively.

g) The aggregate of commission income received or receivable from related entities:

NOTE 16 RELATED PARTIES (CONT)

	2004	2003
	\$	\$
National Services Division	-	\$21,388
Guild Insurance Ltd	\$139,081	\$128,605

NOTE 17 SEGMENT REPORTING

The Pharmacy Guild of Australia (SA Branch) operates wholly within the pharmaceutical industry in South Australia as an employer organisation.

NOTE 18 CASH FLOW INFORMATION

	2004	2003
	\$	\$
(a) Reconciliation of cash		
Cash on hand	200	200
Cash at bank	<u>172,718</u>	<u>183,133</u>
	<u>\$172,918</u>	<u>\$183,333</u>
(b) Reconciliation of net surplus from ordinary activities to net cash provided by operating activities		
Surplus from ordinary activities	78,127	190,440
Non-cash flows in net surplus from ordinary activities:		
Depreciation	44,600	40,072
Net (surplus)/deficit on disposal of plant and equipment	2,576	(3,671)
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(2,766)	51,065
(Increase)/decrease in prepayments	(4,898)	(9,922)
Increase/(decrease) in payables	(71,584)	36,395
Increase/(decrease) in provisions	<u>8,398</u>	<u>12,366</u>
Net cash provided by operating activities	<u>\$54,453</u>	<u>\$316,745</u>

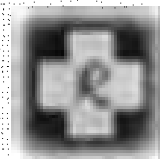
(c) At balance date, the branch had a loan outstanding of \$Nil (2003 \$100,000). The loan does not have a redraw facility and repayments can be made at any time.

(d) There were no non-cash financing or investing activities during the period.

NOTE 19 FINANCIAL INSTRUMENTS DISCLOSURE

a) Interest Rate Risk

The Pharmacy Guild of Australia (SA Branch) exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rates on those financial assets and financial liabilities is as follows:



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (CONT)

NOTE 19 FINANCIAL INSTRUMENTS DISCLOSURE (CONT)

Fixed Interest Maturing In

2004 Financial Assets	Floating interest rate \$	1 year or less \$	1 to 5 years \$	Non interest bearing \$	Total \$
Cash	172,718	-	-	200	172,918
Investments	-	300,000	-	503,465	803,465
Trade and other debtors	-	-	-	127,872	127,872
	<u>\$172,718</u>	<u>\$300,000</u>	<u>\$ -</u>	<u>\$631,537</u>	<u>\$1,104,255</u>
Weighted average interest rate	5.2%	5.4%	0%		
Financial Liabilities					
Trade creditors and accruals	-	-	-	103,187	103,187
Subscriptions received in advance	-	-	-	192,431	192,431
Interest bearing liabilities	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$295,618</u>	<u>\$295,618</u>
Weighted average interest rate	0%	0%	0%		

Fixed Interest Maturing In

2003 Financial Assets	Floating interest rate \$	1 year or less \$	1 to 5 years \$	Non interest bearing \$	Total \$
Cash	183,133	-	-	200	183,333
Investments	-	365,000	-	503,451	868,451
Trade and other debtors	-	-	-	125,106	125,106
	<u>\$183,133</u>	<u>\$365,000</u>	<u>\$ -</u>	<u>\$628,757</u>	<u>\$1,176,890</u>
Weighted average interest rate	4.5%	5.16%	0%		
Financial Liabilities					
Trade creditors and accruals	-	-	-	162,361	162,361
Subscriptions received in advance	-	-	-	204,840	204,840
Interest bearing liabilities	-	-	100,000	-	100,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$100,000</u>	<u>\$367,201</u>	<u>\$467,201</u>
Weighted average interest rate	0%	0%	8%		

b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

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

(c) Net Fair Values

Methods and assumptions used in determining net fair value.

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the Branch intends to hold these assets to maturity.

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

NOTE 20 BRANCH DETAILS

The principal place of business of the branch is:
The Pharmacy Guild of Australia (SA Branch), 451 Pulteney Street, ADELAIDE SA 5000

Financial Statements

BRANCH COMMITTEE'S STATEMENT

We, Ian Phillip Todd, and Paul David Simmons being the Branch President and Vice President (Finance) of The Pharmacy Guild of Australia (SA Branch), do declare on behalf of the Branch Committee and in accordance with a resolution passed by the Branch Committee on 9th August 2004, that in the opinion of the Branch Committee:

1. The financial statements and notes comply with the Australian Accounting Standards;
2. The financial statements and notes comply with the reporting guidelines of the Industrial Registrar
3. The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year to which they relate;
4. There are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
5. During the year ended 30 June 2004 and since the end of that year;
 - i. Meetings of the Branch Committee were held in accordance with the rules of the Pharmacy Guild of Australia including the rules of the Branch; and
 - ii. The financial affairs of the Branch have been managed in accordance with the rules of the Pharmacy Guild of Australia including the rules of the Branch; and
 - iii. The financial records of the Branch have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - iv. The financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other Branches of the Pharmacy Guild of Australia; and
 - v. The information sought in any request of a member of the Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - vi. There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

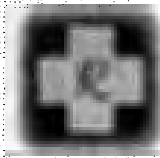
Signed this 18th day of August 2004.



I P Todd



P D Simmons



Edwards Marshall

THE PHARMACY GUILD OF AUSTRALIA (SA BRANCH)

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

SCOPE

The financial report and Branch Committee's responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the Branch Committee's statement of the Guild ("Pharmacy Guild of Australia (SA Branch)"), for the year ended 30 June 2004.

The Branch Committee of the Guild are responsible for the preparation and fair presentation of the financial report in accordance with the Workplace Relations Act, 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the Guild. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

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

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

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

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

INDEPENDENCE

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

AUDIT OPINION

In our opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Workplace Relations Act, 1996 the financial position of the Pharmacy Guild of Australia (SA Branch) as at 30 June 2004, and its financial performance and its cash flows for the year then ended.

We have obtained all of the information and explanations required from the Guild.

Edwards Marshall

Edwards Marshall
Chartered Accountants

J T Dreckow

Jamie Dreckow
(Partner)

Adelaide
South Australia

Dated 18 August 2004

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