



Australian Government
Australian Industrial Registry

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Mr Ian Todd
President
The Pharmacy Guild of Australia, South Australian Branch

email: guildsa@guildsa.asn.au

Dear Mr Todd

Re: Financial Reports for The Pharmacy Guild of Australia, South Australian Branch for year ended 30 June 2006, 2007 and 2008 – FR2006/440, FR2007/426 & FR2008/357

I acknowledge receipt of the revised financial reports for The Pharmacy Guild of Australia, South Australian Branch for the years ended 30 June 2006 and 2007 in response to correspondence of the Registry dated 28 May 2008 and the financial report for the year ended 30 June 2008. The reports were lodged with the Registry on 25 September 2008.

In correspondence dated 28 May 2008 it was indicated, that the reports should be redistributed to Members and represented to a general meeting of members. The reports were presented to a general meeting of members on 22 September 2008 as requested along with the 2008 financial report. The financial reports have now been filed.

Ordinarily we would advise you of matters that you should take into account in preparation of financial reports. However, as the 2007 and 2008 reports have already been completed this would seem redundant. Nonetheless I have noted the following matters I have identified where the documentation does not fully comply with the requirements of Schedule 1 contained in the 2008 report. Could you ensure that these matters are addressed in future reports.

Operating Report

Right of members to resign

Subsection 254(2)(c) requires the operating report to “give details” of the right of members to resign from the reporting unit under section 174 of the RAO Schedule. This requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. It would appear in this case that rule 36 of the organisation’s Rules is applicable.

I note that the information provided does not meet either of the above requirements. Future financial reports should provide the required information.

Schedule 1

Reference to Schedule 1B of the Act, should properly refer to Schedule 1.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

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

Kevin Donnellan

Statutory Services Branch
7 October 2008



Designated Officer's Certificate

I, Ian Todd, being the Branch President of the Pharmacy Guild of Australia (SA Branch) certify:

- That the documents lodged herewith are copies of the full report (financial year 2008), referred to in s268 of the RAO schedule; and
- That the full report was provided to members of the Branch on Monday the 1st September 2008; and
- That the full report was presented to the Annual General Meeting of members of the Pharmacy Guild of Australia (SA Branch) on Monday the 22nd September 2008; in accordance with Section 266 of the RAO Schedule

Ian Todd
Branch President
Pharmacy Guild of Australia (SA Branch)

22nd September 2008



FINANCIAL REPORT

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2008

Your Branch Committee present their report on the Pharmacy Guild of Australia (SA Branch) for the financial year ended 30 June 2008.

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:

Name

I.P. Todd (Branch President – National Councillor)
B. R. Schultz (Vice President – National Councillor)
P.D. Simmons (Vice President Finance)
T.C. Draysey (Vice President – Alternate National Councillor)
P. J. Drury
P. N. Hocking
S. McGregor
Z. Seman

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 \$203,689.

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 branch 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.

No officer or member of the Branch is a trustee or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

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 283 members, as well as 8 nominal members.

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 16.

Signed in accordance with a resolution of the Branch Committee:

Branch President _____

Mr I.P. Todd

Dated this 1st day of September 2008

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
Revenue	3	2,188,253	1,708,182
Employee benefits expense		(570,888)	(432,136)
Depreciation expense		(62,612)	(64,935)
Finance Costs		(80,100)	(65,792)
National Council Dues		(304,956)	(371,393)
NT CPA and Pharmacy Training expenses		(118,467)	(258,690)
DMMR/HMR expenses		(87,912)	(69,426)
DASC expenses		(43,000)	-
Fast Track Program expenses		(52,933)	-
Womens Congress expenses		(175,162)	-
Pharmacy Community Forum expenses		(32,772)	-
Quality Care expenses		(119,625)	(27,949)
Branch Committee Allowances		(4,366)	(55,310)
Branch Director expenses		(14,892)	-
Insurance		(28,983)	(35,186)
HR Member Services		(51,525)	(42,634)
Repairs & Maintenance expense		(29,516)	(35,516)
Telephone expense		(7,617)	(16,361)
Other expenses	4	(199,238)	(169,518)
		<hr/>	<hr/>
Profit from operations		\$203,689	\$63,336
		<hr/>	<hr/>



BALANCE SHEET AS AT 30 JUNE 2008

	Note	2008 \$	2007 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	112,980	107,119
Trade and other Receivables	6	179,252	244,801
Financial Assets	7	20,022	72,690
Land held for sale		-	-
Other current assets	8	15,885	26,886
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		328,139	451,496
		<hr/>	<hr/>
NON-CURRENT ASSETS			
Property, plant and equipment	9	2,141,102	2,082,312
Investment property	10	988,569	1,002,097
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		3,129,671	3,084,409
		<hr/>	<hr/>
TOTAL ASSETS		3,457,810	3,535,905
		<hr/>	<hr/>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	280,050	502,942
Short-term provisions	12	34,938	17,596
Financial Liabilities	13	100,000	-
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		414,988	520,538
		<hr/>	<hr/>
NON CURRENT LIABILITIES			
Financial Liabilities	13	980,800	1,038,235
		<hr/>	<hr/>
TOTAL NON CURRENT LIABILITIES		980,800	1,038,235
		<hr/>	<hr/>
TOTAL LIABILITIES		1,395,788	1,558,773
		<hr/>	<hr/>
NET ASSETS		\$2,062,022	\$1,977,132
		<hr/>	<hr/>
EQUITY			
Reserves	14	-	174,417
Retained earnings		2,062,022	1,802,715
		<hr/>	<hr/>
TOTAL EQUITY		\$2,062,022	\$1,977,132
		<hr/>	<hr/>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2008

	Retained Earnings \$	Parity Fund \$	Community Practice Fund \$	Guildscript \$	DMMR Reserve \$	DASC Reserve \$	Total \$
Balance at 1 July 2006	1,754,306	2,253	628	43,008	18,597	95,004	1,913,796
Profit attributable members	63,336	-	-	-	-	-	63,336
Transfers - to and from reserves / funds	(14,927)	-	-	(11,179)	34,139	(8,033)	-
Balance at 30 June 2007	\$1,802,715	\$2,253	\$628	\$31,829	\$52,736	\$86,971	\$1,977,132
Profit attributable members	203,689	-	-	-	-	-	203,689
Transfers - to and from Reserves	55,618	(2,253)	(628)	-	(52,737)	-	-
Transfers from Reserves to Liabilities	-	-	-	(31,829)	-	(86,971)	(118,800)
Balance at 30 June 2008	\$2,062,022	-	-	-	-	-	\$2,062,022



CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Guild Insurance Ltd Commission		269,707	264,414
NTCPA and pharmacy training income		548,011	420,115
Receipts from Members		596,930	619,452
Receipts for administration		30,000	45,000
Interest received		10,071	11,769
Other receipts		223,741	209,790
Quality care income		119,506	33,609
DMMR/HMR receipt		88,262	78,565
Pharmacy Community Forum Income		32,772	-
-Fast Track Program Income		58,404	-
HR member services		60,000	48,285
Womens Congress		179,056	-
Needle Exchange		34,536	14,756
National Council dues		(304,956)	(371,393)
Payments for administration		(1,850,247)	(1,071,832)
Interest paid		(27,432)	(63,102)
Net cash provided by operating activities	18(b)	68,361	239,428
CASH FLOWS FROM INVESTING ACTIVITIES			
(Payments) for plant and equipment		(125,974)	(33,992)
(Payments) for/receipts from investments		-	-
Proceeds from sale of property, plant and equipment		20,909	-
Net cash provided by / (used in) investing activities		(105,065)	(33,992)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		(57,435)	(261,765)
Proceeds from borrowings		100,000	-
Net cash provided by/(used in) financing activities		42,565	(261,765)
Net increase/(decrease) in cash held		5,861	(56,329)
Cash at the beginning of the financial year		107,119	163,448
Cash at the end of the financial year	18(a)	\$112,980	\$107,119

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

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 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.

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.

(i) Investment Property

The land and buildings owned by the branch on Greenhill Road, Dulwich has been disclosed as an investment property to the extent that it is available for occupation by external tenants.

The Branch has applied the cost model in determining the value of the property.

(ii) Other Property, Plant and equipment

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 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%
Buildings	2 $\frac{1}{2}$



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(c) FINANCIAL INSTRUMENTS

(i) Recognition

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

(ii) Available-for-sale financial assets

Available-for-sale financial assets have been measured at cost. The directors are of the opinion that the fair value of available-for-sale financial assets does not materially differ from their cost.

(iii) Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debit less principal payments and amortisation.

(iv) Impairment

At each reporting date, the Guild reviews the carrying value of its assets to determine whether there is any indication that those assets have been impaired. In the case of available for-sale financial assets, a prolonged decline in the value of the asset is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

In respect of other assets, if such an indication exists, the recoverable amount of the asset, being the asset's fair value, less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Guild estimates the recoverable amount of the cash-generating-unit to which the asset belongs.

(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 have been measured at 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 cash outflows to be made for those benefits.

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

(e) CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(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.

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 2008 financial statements.

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)."



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 3 REVENUE FROM ORDINARY ACTIVITIES

	2008	2007
	\$	\$
Operating Activities		
Members subscriptions	528,842	578,937
Nominal members subscription	2,908	2,942
Clearing house subscription	5,525	7,850
Administration fees - SA Pharmacists Co-operative Ltd	30,000	45,000
Commission	269,706	264,414
NTCPA and pharmacy training income	548,011	420,115
Quality care income	119,506	33,609
Needle exchange programme	34,536	14,756
Sundry income	156,419	117,428
DMMR/HMR income	88,262	78,565
Pharmacy Community Forum income	32,772	-
HR Member Services	60,000	48,285
Profit on sale of equipment	2,808	-
Fast Track Program	58,404	-
Womens Congress	179,056	-
Rental income	61,797	84,512
	<hr/>	<hr/>
	2,178,182	1,696,413
	<hr/>	<hr/>
Non-Operating Activities		
Interest received from other persons	10,071	11,769
	<hr/>	<hr/>
	\$2,188,253	\$1,708,182
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 4 OTHER EXPENSES FROM ORDINARY ACTIVITIES

	2008 \$	2007 \$
Remuneration of auditor		
- audit or review service	5,900	5,500
- other services	2,720	1,550
	<hr/>	<hr/>
Total remuneration	8,620	7,050
Committee expenses	10,909	3,041
Cleaning	8,179	6,364
Clearing house	3,642	3,258
Entertainment	19,358	4,260
Legal expenses	10,344	2,350
Member services	-	7,320
Motor vehicles	1,668	4,922
Needle exchange programme	-	-
Office and general	13,504	9,324
Outgoings – Guild	31,441	42,807
Payroll services	-	-
Postage and freight	4,158	5,180
Power and light	12,144	6,132
Printing and stationery	8,943	16,319
Recruitment services	-	3,593
Subscriptions	10,816	7,363
Sundry expenses	55,512	40,235
	<hr/>	<hr/>
	\$199,238	\$169,518
	<hr/>	<hr/>

NOTE 5 CASH AND CASH EQUIVALENTS

	2008 \$	2007 \$
Cash on hand	200	200
Cash at bank	112,780	106,919
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	\$112,980	\$107,119
	<hr/>	<hr/>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 6 TRADE AND OTHER RECEIVABLES

	2008 \$	2007 \$
CURRENT		
Trade debtors	145,953	180,227
Provisions for impairment	(800)	(800)
	<hr/>	<hr/>
	145,153	179,427
	<hr/>	<hr/>
Other debtors	-	-
GST paid	34,099	65,374
Pharmacy Guild of Australia	-	-
Pharmacy Guild of Australia – NSW Branch	-	-
	<hr/>	<hr/>
	\$179,252	\$244,801
	<hr/>	<hr/>

NOTE 7 FINANCIAL ASSETS

	2008 \$	2007 \$
CURRENT		
Available-for-Sale financial assets other than public investments – at cost	20,022	72,690
	<hr/>	<hr/>
	20,022	\$72,690
	<hr/>	<hr/>
Market value of Available-for-Sale financial assets: other than public investments.	\$20,022	\$72,690
	<hr/>	<hr/>

NOTE 8 OTHER CURRENT ASSETS

	2008 \$	2007 \$
CURRENT		
Prepayments	15,885	26,886
	<hr/>	<hr/>
	\$15,885	\$26,886
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 9 PROPERTY, PLANT AND EQUIPMENT

	2008 \$	2007 \$
NON CURRENT		
Land	844,570	844,570
Building	1,220,609	1,220,609
Less accumulated depreciation	(66,086)	(34,601)
	<u>1,154,523</u>	<u>1,186,008</u>
Office equipment and furniture – at cost	80,330	140,357
Less accumulated depreciation	(50,382)	(126,723)
	<u>29,948</u>	<u>13,634</u>
Motor vehicles – at cost	75,033	71,327
Less accumulated depreciation	(14,140)	(33,227)
	<u>60,893</u>	<u>38,100</u>
Work In Progress – Building renovations	51,168	-
	<u>51,168</u>	<u>-</u>
Total Property Plant and Equipment	<u>\$2,141,102</u>	<u>\$2,082,312</u>

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

2008	Land \$	Buildings \$	Office equipment and furniture \$	Motor vehicles \$	WIP	Total \$
Balance at the beginning of the year	844,570	1,186,008	13,634	38,100	-	2,082,312
Additions	-	-	25,807	50,419	51,168	76,226
Disposals	-	-	-	(18,101)	-	(18,101)
Depreciation expense	-	(31,485)	(8,251)	(9,525)	-	(49,261)
	<u>\$844,570</u>	<u>\$1,154,523</u>	<u>\$31,190</u>	<u>\$60,893</u>	<u>\$51,168</u>	<u>\$2,141,102</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 9 PROPERTY, PLANT AND EQUIPMENT (CONT)

2007	Land \$	Buildings \$	Office equipment and furniture \$	Motor vehicles \$	Total \$
Balance at the beginning of the year	844,570	1,185,640	19,379	48,799	2,098,388
Additions			720	-	35,689
Disposals	-	-	-	-	-
Depreciation expense	-	(34,601)	(6,465)	(10,699)	(51,765)
Carrying amount at the end of the year	\$844,570	\$1,186,008	\$13,634	\$38,100	\$2,082,312

NOTE 10 INVESTMENT PROPERTY

	2008 \$	2007 \$
Land - at cost	422,285	422,285
Building – at cost	594,679	594,679
Less accumulated depreciation	(28,395)	(14,867)
	566,284	579,812
	\$988,569	\$1,002,097

NOTE 11 TRADE AND OTHER PAYABLES

	2008 \$	2007 \$
CURRENT	34,248	-
Income in Advance		
Trade creditors and accruals	157,502	232,048
Subscriptions received in advance	-	201,036
GST received	40,490	18,203
Employee benefits – annual leave – employees	47,810	51,655
- annual leave – office holders	-	-
	\$280,050	\$502,942

NOTE 12 SHORT-TERM PROVISIONS

	2008 \$	2007 \$
Provision for long service leave - employees	34,938	17,596
Provision for long service leave – holders of office	-	-
Aggregate employee entitlement liability	\$34,938	\$17,596
Number of employees at year end	16	16

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 12 SHORT-TERM PROVISIONS (CONT)	2008	2007
	\$	\$
Movement in provisions		
Opening Balance 1 July 2007 – provision for long service leave	17,956	16,357
Additional provision raised during the year	16,982	1,599
	<hr/>	<hr/>
Balance at 30 June 2008	\$34,938	\$17,956
	<hr/>	<hr/>
Number of employees at year end	16	16
NOTE 13 FINANCIAL LIABILITIES	2008	2007
	\$	\$
CURRENT		
Loan from National Secretariat	100,000	-
	<hr/>	<hr/>
	100,000	-
	<hr/>	<hr/>
NON CURRENT		
Loan from SAPC	800,000	800,000
Loan from Guild Insurance	180,800	238,235
	<hr/>	<hr/>
	980,800	1,038,235
	<hr/>	<hr/>
Total Financial Liabilities	\$1,080,800	\$1,038,235
	<hr/>	<hr/>
NOTE 14 RESERVES	2008	2007
	\$	\$
Parity Fund	-	2,253
Community Practice Fund	-	628
GuildScript	-	31,829
DMMR reserve	-	52,736
DASC reserve	-	86,971
	<hr/>	<hr/>
	\$-	\$174,417
	<hr/>	<hr/>

During the 2008 year \$55,617 of reserves were transferred to retained earnings and \$118,800 was transferred to trade creditors and accruals.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 15 CAPITAL AND LEASING COMMITMENTS

At reporting date, the Branch has no commitments for capital or leasing expenditure.

NOTE 16 RELATED PARTIES

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

T Draysey	P Simmons
P J Drury	I Todd
P N Hocking	B R Schultz
S McGregor	Z Seman

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:

	2008 \$	2007 \$
Committee Members' and Branch Directors' remuneration		
- Gross remuneration	146,262	182,755
- Reimbursed by National Secretariat	-	-
	<hr/>	<hr/>
Total remuneration	146,262	182,755
	<hr/>	<hr/>
<i>Remuneration – employees including Branch Director (other than holders of office)</i>	781,186	506,458
	<hr/>	<hr/>
The aggregate amount of employee benefits payable to the Branch Director at the end of the year was	8,695	-
	<hr/>	<hr/>
<i>The aggregate amount of employee benefits payable to Employees (other than the Branch Director and Branch Committee Members')</i>	80,438	69,611
	<hr/>	<hr/>

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 15 (c) was Nil (2007 Nil).

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 16 RELATED PARTIES (CONT)

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

	2008	2007
	\$	\$
National Services Division	-	-
Guild Insurance Ltd	\$19,033	-

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:

	2008	2007
	\$	\$
National Services Division	-	-
Guild Insurance Ltd	\$154,651	\$142,999



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

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

	2008 \$	2006 \$
(a) Reconciliation of cash		
Cash on hand	200	200
Cash at bank	112,780	106,919
	<hr/>	<hr/>
	\$112,980	\$107,119
	<hr/>	<hr/>
(b) Reconciliation of profit from operations to net cash provided by operating activities:		
Profit from operations	203,689	63,336
Non-cash flows in profit from operations:		
Depreciation	62,612	64,935
Net (surplus)/deficit on disposal of plant and equipment	(2,808)	-
Transfer from Reserves to Payables	(118,800)	-
Changes in assets and liabilities:		
(Increase)/decrease in receivables	65,549	(37,573)
(Increase)/decrease in financial assets	52,668	(2,690)
(Increase)/decrease in prepayments	11,001	8,281
Increase/(decrease) in payables	(222,892)	141,900
Increase/(decrease) in provisions	17,342	1,239
	<hr/>	<hr/>
Net cash provided by operating activities	\$68,361	\$239,428
	<hr/>	<hr/>

(c) At balance date, the branch had a loan outstanding of \$1,080,000 (2007 \$1,038,235). 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

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:

2008	<u>Fixed Interest Maturing In</u>					Total
	Floating interest rate	1 year or less	1 to 5 years	Over 5 years	Non interest bearing	
Financial Assets	\$	\$	\$	\$	\$	\$
Cash	112,780	-	-	-	200	112,980
Investments	-	20,022	-	-	-	20,022
Trade and other debtors	-	-	-	-	179,252	179,252
	<u>\$112,780</u>	<u>\$20,022</u>	<u>\$-</u>	<u>\$-</u>	<u>\$179,452</u>	<u>\$312,254</u>
Weighted average interest rate	7.2%	7.2%	0%	N/A	N/A	
Financial Liabilities						
Trade creditors and accruals	-	-	-	-	280,050	280,050
Subscriptions received in advance	-	-	-	-	-	-
Interest bearing liabilities	-	-	100,000	980,800	-	1,080,800
	<u>\$-</u>	<u>\$-</u>	<u>\$100,000</u>	<u>\$980,000</u>	<u>\$280,050</u>	<u>\$1,360,850</u>
Weighted average interest rate	0%	0%	7.5%	7.5%	N/A	
2007						
Financial Assets	<u>Fixed Interest Maturing In</u>					Total
	Floating interest rate	1 year or less	1 to 5 years	Over 5 years	Non interest bearing	
	\$	\$	\$	\$	\$	\$
Cash	106,919	-	-	-	200	107,119
Investments	-	72,690	-	-	-	72,690
Trade and other debtors	-	-	-	-	244,801	244,801
	<u>\$106,919</u>	<u>\$72,690</u>	<u>\$-</u>	<u>\$-</u>	<u>\$244,801</u>	<u>\$424,610</u>
Weighted average interest rate	5.2%	5.4%	0%	0%	N/A	



The Pharmacy
Guild of Australia

South Australian Branch

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

NOTE 19 FINANCIAL INSTRUMENTS DISCLOSURE (CONT)

2007

Financial Liabilities	Floating interest rate \$	1 year or less \$	Fixed Interest Maturing In		Non interest bearing \$	Total \$
			1 to 5 years \$	Over 5 years \$		
Trade creditors and accruals	-	-	-	-	301,906	301,906
Subscriptions received in advance	-	-	-	-	201,036	201,036
Interest bearing liabilities	-	-	-	1,038,235	-	1,038,235
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	\$1,038,235	\$502,942	\$1,541,177
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Weighted average interest rate	0%	0%	0%	7.5%	N/A	

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 balance sheet 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:

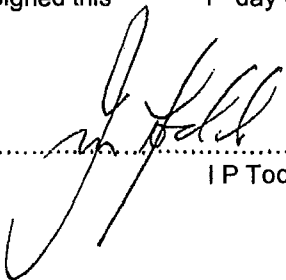
The Pharmacy Guild of Australia (SA Branch)
233 Greenhill Road
DULWICH SA 5065


BRANCH COMMITTEE'S STATEMENT

We, Ian Philip 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 4th August 2008, 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 2008 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.
6. The organisation has not undertaken any recovery of wages activity.

Signed this 1st day of September 2008.


.....
I P Todd


.....
P D Simmons





THE PHARMACY GUILD OF AUSTRALIA (SA BRANCH)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE PHARMACY GUILD OF AUSTRALIA (SA BRANCH)**

Angas House, 4 - 8 Angas Street
Kent Town, South Australia 5067
GPO Box 2163 Adelaide SA 5001
DX 240 Adelaide
Telephone 08 8139 1111
Facsimile 08 8139 1100
info@edwardsmarshall.com.au
edwardsmarshall.com.au

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of the Pharmacy Guild of Australia (SA Branch) ("the Branch"), which comprises the balance sheet as at 30 June 2008 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Branch Committee's Statement.

Branch Committee's responsibility for the Financial Report

The Branch Committee of the Guild are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Workplace Relations Act, 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report, ensuring that it is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Partners

Brenton W Ellery FCA
Brian T Morris FCA
Hugh I McPharlin FCA
Jonathon W Sando FCA
Trevor J Spratt FCA
Steven M Wild FCA
Noel W Clifford FCA
Jamie T Dreckow CA
Geoffrey R Kay FCA
Benjamin L T Miels FCA
Grantley W Stevens FCA

Senior Employees

Kym C Davis CA
Paul A Dutton CA
Belinda C Goedecke FCA
Karen R Gregor CA
Leanne E Thomas CA
Carly Thornton CA
Martin D White CA
Nicholas K Wilkins FCA



THE PHARMACY GUILD OF AUSTRALIA (SA BRANCH)

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE PHARMACY GUILD OF AUSTRALIA (SA BRANCH)**

AUDITOR'S OPINION

In our opinion, the financial report of the Branch

- (i) is in accordance with
 - (a) the Workplace Relations Act, 1996; and
 - (b) any other requirements imposed by the Reporting Guidelines made under section 255 of Schedule 1B (the RAO Schedule) of the Workplace Relations Act 1996, or Part 3 of Chapter 8 of the RAO Schedule.
- (ii) presents fairly, in all material respects, the Branch's financial position as at 30 June 2008 and its performance for the year ended on that date including complying with Australian Accounting Standards (including Australian Accounting Interpretations) and Workplace Relations Act, 1996.

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

Edwards Marshall
Chartered Accountants

Noel Clifford
Chartered Accountant
(Partner)

Adelaide
South Australia

Dated / September 2008

