



20 November 2013

Mr Jeremy Hampton
Senior Vice-President
The Pharmacy Guild of Australia, Tasmanian Branch
2nd Floor, Knopwood House
38 Montpelier Retreat
BATTERY POINT TAS 7004

Email: Mark.Patmore@guild.org.au

Dear Mr Hampton

The Pharmacy Guild of Australia Tasmanian Branch Financial Report for the year ended 30 June 2012 - FR2012/273

I acknowledge receipt of the financial report of The Pharmacy Guild of Australia, Tasmanian Branch. The documents were lodged with Fair Work Commission on 24 January 2013. An extension of time was received on 20 August 2013.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged. I however make the following comment to assist you with the preparation of future financial reports.

Designated Officer's Certificate

I note that the designated officer's certificate was signed by the Branch Director. Section 243 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) stipulates that a *designated officer is an officer who, under the rules of the reporting unit, is responsible for undertaking the functions necessary to enable the reporting unit to comply with the Accounting and Audit functions under Part 3 Division 1 of the RO Act.*

A designated officer under section 243 is an 'officer' holding an 'office' as those terms are defined in sections 6 and 9 respectively of the RO Act.

Rule 66 of the organisation's rules provides that the Branch Director is a senior Executive officer of the Branch, engaged as a full time employee, subject to the control of the Branch Committee and the direction of the Branch Executive and Branch President. The position is not an elected one and is not considered to be that of an office as contemplated by the RO Act.

Changes to the legislation and reporting guidelines

I note with the change of legislation, references to Fair Work Australia will need to be updated to the Fair Work Commission.

Additionally, a third edition to the General Manager's s.253 reporting guidelines was gazetted on 26 June 2013. These guidelines will apply to all financial reports that end on or after 30 June 2013. Fair Work Commission has also developed a model set of financial statement for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 reporting guidelines and the Australian Accounting Standards.

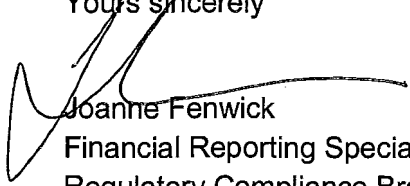
The guidelines and model financial statements are available on the website here:
<http://www.fwc.gov.au/index.cfm?pagename=regorgsfrguidelines#finance>

11 Exhibition Street Telephone: (03) 8661 7777
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As you have already lodged your 2013 Financial Return, based on the contents of this letter, if you believe that some information may not have been included in this financial report, please send me any addition information and I will add it to your file.

If you have any queries regarding this letter, please contact me on (03) 8661 7886, or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely

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

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



The Pharmacy
Guild of Australia

Tasmanian Branch

ABN: 25 957 305 960

20 August 2013

The General Manager
Fair Work Commission
11 Exhibition Street
MELBOURNE VIC 3000

Dear Sir

We have recently been advised by your office that this Branch's 2012 financial report was lodged at your office outside of the time period provided for in Section 268 of the *Fair Work (Registered Organisations) Act 2009*.

Accordingly we seek your approval for an extension of time to lodge the 2012 financial report. I note that the financial report was lodged with your office on 24 January 2013 with the delay being due to an inadvertent oversight at this office, and has not yet been accepted pending approval of this request for an extension of time to lodge.

I note that this Branch's 2013 financial report has been completed, and will be presented to a general meeting of the members on 5 September 2013, and would like to finalise the lodgement of the 2012 financial report prior to that time.

Should you have any questions please do not hesitate to contact me on telephone 03 6220 2955 or email greg.luckman@guild.org.au, or the Finance Manager Mark Patmore, email tas.admin@guild.org.au.

Regards,

Gregory Luckman
Branch Director

Designated Officer's Certificate or other Authorised Officer

s268 Fair Work (Registered Organisations) Act 2009

I, Gregory Alan Luckman, being the Branch Director of The Pharmacy Guild of Australia (Tasmanian Branch) certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 27 August 2012; and
- that the full report was presented to a general meeting of members of the reporting unit on 17 September 2012 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature



Date:

24/1/13

The Pharmacy Guild of Australia (Tasmanian Branch)

Financial Statements

For the Year Ended 30 June 2012

The Pharmacy Guild of Australia (Tasmanian Branch)

For the Year Ended 30 June 2012

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The Pharmacy Guild of Australia (Tasmanian Branch)

Operating Report

30 June 2012

I, John Dowling, being the designated officer responsible for preparing these financial statements for the financial year ended 30 June 2012 of The Pharmacy Guild of Australia (Tasmanian Branch), report as follows:

1. General information

Committee Members

The members of the Tasmanian Branch Committee throughout the year and at the date of these statements were:

John Dowling	Tasmanian Branch President
Jeremy Hampton (Life Member)	Tasmanian Senior Vice President
Julianne Drewitt	Tasmanian Branch Vice President and Alternate National Councillor
Glenn Ward	Tasmanian Branch Vice President Finance
Harvey Cuthill OAM (Life Member)	Tasmanian Branch Committee Member and National Councillor
Martin Quinn	Tasmanian Branch Committee Member and Alternate National Councillor
Tristy Godman	Tasmanian Branch Committee Member (Appointed 27 September 2011)
Sam Garnham	Tasmanian Branch Committee Member (Appointed 27 September 2011)
Joe O'Malley	Tasmanian Branch Committee Member (Appointed 27 September 2011)
Martin Eade	Tasmanian Branch Committee Member (Appointed 27 September 2011)
Myles Britza	Tasmanian Branch Committee Member (Ceased 27 September 2011)
Rhys Jones	Tasmanian Branch Committee Member (Ceased 27 September 2011)
Susan Lee	Tasmanian Branch Committee Member (Ceased 27 September 2011)

Members of the Branch Committee have been in office since the start of the financial year to the date of these financial statements unless otherwise stated.

As at 30 June 2012 The Pharmacy Guild of Australia (Tasmania Branch) maintains employment of 4 employees (2011: 5) on a full time basis. There are 14 employees in total.

As at 30 June 2012, The Pharmacy Guild of Australia (Tasmania Branch), has 175 members (2011:174) across its three (3) categories, being Proprietors, Associate and Honorary Life Members.

Members have the right to resign from The Pharmacy Guild of Australia (Tasmanian Branch) by giving 2 weeks notice of their intention to resign in writing. This right of member is in accordance with rule 36 of the Guild's rules.

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public superannuation fund scheme, where the criteria for holding such as position is that they are an officer or member of the reporting unit.

The Pharmacy Guild of Australia (Tasmanian Branch)

Operating Report

30 June 2012

1. General information continued

Principal Activities

- i) The Pharmacy Guild of Australia ("the Guild") is an employers' organisation servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.
- ii) The Guild functions as a single entity and acts under its Constitution and Rules and reports under the *Fair Work (Registered Organisations) Act 2009*.
- iii) The development of Guild policy is the responsibility of the Guild's supreme governing body, the National Council, on which all State and Territory Branches are represented.
- iv) The implementation of this policy is overseen by the National Executive through the National Secretariat.
- v) Within the framework of National Guild policy, development and implementation of the activities and operations of the Tasmanian Branch is set by the members of the Tasmanian Branch Committee.
- vi) These activities are referred to the various Tasmanian Branch Divisions who deliver the activities and services that address the various objectives and targets set for them.

Significant Changes

There have been no significant changes in principal activities during the financial year.

2. Members Advice

- i) Under Section 174 of *Fair Work (Registered Organisations) Act 2009*, a member may resign from membership written notice addressed and delivered to the Branch Director; and
- ii) The register of members of the reporting unit was maintained in accordance with the *Fair Work (Registered Organisations) Act 2009*.

3. Operating Results and Review of Operations for the Year

Operating result

The surplus/(deficit) from ordinary activities for the year amounted to \$ (29,126) representing the transfer of the Judy Liauw Reserve to the UTAS Foundation, with a corresponding transfer from reserves. The total comprehensive income was \$NIL. There have been no significant changes in the nature of ordinary activities during the 2012 financial year.

Signed in accordance with a resolution of the Members of the Branch Committee:

Senior Vice President 

Jeremy Hampton

Dated this 27th day of August 2012.

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement by the Branch Committee

On the 27th August 2012, the Branch Committee of The Pharmacy Guild of Australia (Tasmanian Branch) passed the following resolution in relation to the general purpose financial statements (GPFS) of the reporting unit for the period ended 30 June 2012.

The Branch Committee declares in relation to the GPFS that in its opinion:

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 General Manager of Fair Work Australia;
3. 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;
4. 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;
5. During the financial year to which these GPFS relate and since the end of that year:
 - i) meetings of the Branch Committee were held in accordance with the rules of the organisation including the rules of the organisation including the rules of the Branch concerned;
 - ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the Branch concerned;
 - iii) the financial records of the reporting unit have been kept and maintained in accordance with *Fair Work (Registered Organisations) Act 2009* and the *Fair Work (Registered Organisations) Regulations 2009*;
 - iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
 - v) the information sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia, duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009* have been furnished to the member or General Manager of Fair Work Australia; and
 - vi) no orders have been made by Fair Work Australia under section 273 of the *Fair Work (Registered Organisations) Act 2009* during the period.
6. There was no recovery of wages activity for the financial year.

For the Branch Committee of The Pharmacy Guild of Australia (Tasmanian Branch):

Senior Vice President



Jeremy Hampton

Dated this 27th day of August 2012.

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Comprehensive Income

For the Year Ended 30 June 2012

	2012	2011
	\$	\$
Income		
Commission - Rollex Fridges	1,978	285
Commissions - APP	4,338	1,117
Commissions - Chemist Own	5,341	7,991
Commissions - Gold Cross	14,368	11,149
Commissions - Guild Insurance	83,823	84,661
Grant - National Secretariat	167,462	59,548
Consulting income	(152)	44,094
Interest income	13,209	15,989
Member services trading account income	62	1,834
Member subscription income	303,169	242,374
Nominal member subscriptions	-	4,664
Associate member subscriptions	2,250	3,607
Other income	16,300	6,414
Program income	620,350	559,249
Total income	1,232,498	1,042,976
Less: Expenses		
Accounting & audit fees	6,251	10,725
Affiliations & donations	6,623	430
Annual leave expense	9,171	13,042
Award presentations & gifts	838	1,537
Bank charges	2,252	2,844
Bad debts	5,925	-
Car parking expenses	9,982	9,203
Cleaning	3,101	4,509
Committee meeting expenses	11,244	1,075
Computer expenses	14,195	16,259
Depreciation expense	13,416	7,546
Employment Assistance Program	333	333
Fringe Benefits Tax	598	3,859
Functions	1,197	1,162
Furniture & fittings	597	4,463
Industrial expenses	232	496
Influenza vaccinations	408	420
Insurance	19,449	14,819
Levies	440	-
Long service leave	1,797	(12,055)
Meetings & dinners	21,097	9,865
Motor vehicle expenses	1,553	1,438
National Council dues	171,287	148,596
Office expenses	2,924	3,282
Payroll Tax	40,748	36,264
Pharma360 upgrade & license	2,531	208

The accompanying notes form part of these financial statements.

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Comprehensive Income

For the Year Ended 30 June 2012

	2012	2011
	\$	\$
Pharmacy conference expenses	973	-
Portfolio expenses & committee members	2,419	476
Postage	5,775	8,105
Light & power	4,779	2,536
President's expenses	19,572	12,613
Printing and stationery	10,936	10,962
Quality management	3,405	4,989
Recruitment expenses	645	11,867
Rent expense	70,750	40,857
Repairs and maintenance	853	1,130
Security costs	495	502
Staff training	8,261	7,984
Subscriptions	3,138	4,012
Sundry expenses	5,342	11,871
Superannuation	44,970	37,510
Superannuation - officers	9,265	9,481
Telephone	15,748	14,500
Training program expense	17,510	15,979
Travel and accommodation	34,790	35,825
Wages & salaries	488,660	399,618
Wages & salaries - officers	136,023	126,795
Transfer of Judy Liauw Reserve to UTAS Foundation	29,126	-
Total Expenses	<u>1,261,624</u>	<u>1,037,932</u>
Surplus/(deficit) for the year	<u>(29,126)</u>	<u>5,044</u>
Other comprehensive income		
Transfer (to)/from reserves - Judy Liauw Reserve	<u>29,126</u>	<u>(5,044)</u>
	<u>29,126</u>	<u>(5,044)</u>
Total Comprehensive Income	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes form part of these financial statements.

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Financial Position

As At 30 June 2012

	Note	2012 \$	2011 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	202,255	317,286
Trade and other receivables	3	168,960	114,059
Inventories		538	791
Prepayments		9,019	9,223
TOTAL CURRENT ASSETS		380,772	441,359
NON-CURRENT ASSETS			
Property, plant and equipment	4	40,870	16,477
TOTAL NON-CURRENT ASSETS		40,870	16,477
TOTAL ASSETS		421,642	457,836
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	28,052	22,051
Current tax liabilities		14,332	1,398
Short-term provisions	6	45,938	26,337
Other liabilities	7	154,329	191,421
TOTAL CURRENT LIABILITIES		242,651	241,207
NON-CURRENT LIABILITIES			
Long-term provisions	6	-	8,512
TOTAL NON-CURRENT LIABILITIES		-	8,512
TOTAL LIABILITIES		242,651	249,719
NET ASSETS		178,991	208,117
EQUITY			
Reserves		5,521	34,647
Retained surpluses		173,470	173,470
TOTAL EQUITY		178,991	208,117

The accompanying notes form part of these financial statements.

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Changes in Equity

For the Year Ended 30 June 2012

2012

	Retained Earnings	Judy Liauw Reserve	Future Legal Disputes Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2011	173,470	29,146	5,501	208,117
Net surplus/(deficit) from operations	(29,126)	-	-	(29,126)
Transfers to/(from) reserves	29,126	(29,126)	-	-
Sub-total	-	(29,126)	-	(29,126)
Balance at 30 June 2012	173,470	20	5,501	178,991

2011

	Retained Earnings	Judy Liauw Reserve a	Future Legal Disputes Reserve b	Total
	\$	\$	\$	\$
Balance at 1 July 2010	173,470	24,102	5,501	203,073
Net surplus/(deficit) from operations	5,044	-	-	5,044
Transfers to/(from) reserves	(5,044)	5,044	-	-
Sub-total	-	5,044	-	5,044
Balance at 30 June 2011	173,470	29,146	5,501	208,117

a. Judy Liauw Reserve

The Judy Liauw Reserve has funds set aside for future use towards Scholarships to students. The reserve account has been set up by the Branch Committee in recognition of Judy's significant contribution to Community Pharmacy, specifically Judy's Presidency at The Pharmacy Guild of Australia (Tasmanian Branch) and her passion for rural pharmacy and young women pharmacists in these areas. This Scholarship will ensure Judy's legacy and passion is continued. The administration of the Judy Liauw Reserve was transferred to the UTas Foundation, during the 2011/2012 financial year and will be managed by the Foundation in the future.

b. Future Legal Disputes Reserve

The reserve is maintained to cover expenses for any potential future legal disputes

The Pharmacy Guild of Australia (Tasmanian Branch)

Cash Flow Statement

For the Year Ended 30 June 2012

	2012	2011
Note	\$	\$
CASH FROM OPERATING ACTIVITIES:		
Receipts from customers	710,587	824,695
Payments to suppliers and employees	(857,878)	(856,421)
Interest received	13,209	15,989
Net flow of GST	12,934	8,070
Cash inflows from other branches/offices	415,706	284,553
Cash outflows to other branches/offices	(371,780)	(263,511)
Net cash provided by (used in) operating activities	8(b) <u>(77,222)</u>	<u>13,375</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(37,809)</u>	<u>(479)</u>
Net cash used by investing activities	<u>(37,809)</u>	<u>(479)</u>
Net cash increase (decreases) in cash and cash equivalents	(115,031)	12,896
Cash and cash equivalents at beginning of year	<u>317,286</u>	<u>304,390</u>
Cash and cash equivalents at end of financial year	8(a) <u><u>202,255</u></u>	<u><u>317,286</u></u>

The accompanying notes form part of these financial statements.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

The financial statements cover The Pharmacy Guild of Australia (Tasmanian Branch) as an individual entity, incorporated and domiciled in Australia. The Pharmacy Guild of Australia (Tasmanian Branch) is a registered employer organisation 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.

The principal place of business of the Pharmacy Guild of Australia Tasmanian Branch is:

2nd Floor, Knopwood House
38 Montpelier Retreat
Battery Point, Tasmania 7004

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Australian Accounting Interpretations and the *Fair Work (Registered Organisations) Act 2009*.

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. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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

(b) Comparative Figures

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

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

(d) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies continued

(d) Property, Plant and Equipment continued

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	2 - 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(e) Impairment of Assets

At the end of each reporting period, the Branch 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 comprehensive income.

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

(f) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Branch during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(g) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to the end of the reporting period. 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 present value of the estimated future cash outflows to be made for those benefits.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies continued

(h) Critical Accounting Estimates and Judgments

The Branch evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and the 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 from within the reporting unit.

(i) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the Branch commits itself to either the purchase or sale of the asset.

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to statement of comprehensive income immediately.

Impairment

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

(j) Provisions

Provisions are recognised when the Branch has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(k) Revenue and Other Income

Donations are recognised as revenue when received.

Subscriptions income is recognised over the period to which the subscription relates.

Interest revenue is recognised over the period for which the funds are invested.

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

Grant income is recognised in accordance with the grant funding deed.

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

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies continued

(l) Income Tax

No provision for income tax has been raised as the reporting unit is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(m) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Branch are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Branch will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(n) 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 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 net basis, and the net movement in GST for the period shown as a separate operating cash flow. The GST components of investing and financing activities are disclosed as operating cash flows.

(o) Adoption of New and Revised Accounting Standards

During the current year the Branch adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of The Pharmacy Guild of Australia (Tasmanian Branch).

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies continued

(o) Adoption of New and Revised Accounting Standards continued

Standard Name	Impact
AASB 2010-3 / AASB 2009-5 Amendments and further Amendments to Australian Accounting Standards - Group Cash-settled Share-based Payment Transactions	No significant changes on adoption of these standards.
AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash-settled Share-based Payment Transactions	No significant changes on adoption of these standards.
AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues	No significant changes on adoption of this standard.
Interpretation 19 Extinguishing liabilities with equity instruments	No significant changes on adoption of this standard.
AASB 124 Related Party Disclosures and amending standard AASB 2009-12	No significant changes on adoption of this standard.
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement	No significant changes on adoption of this standard.
AASB 2010-4 / 2010-5 Amendments and further amendments to Australian Accounting Standards arising from the Annual Improvements Project	No significant changes on adoption of this standard.
AASB 2010-6 Amendment to Australian Accounting Standards – Disclosures on transfers of financial assets	No significant changes on adoption of this standard.
AASB 1054 Additional Australian disclosures / AASB 2011-1 Amendments to Australian Accounting Standards arising from Trans-Tasman convergence	Minimal impact since most of the disclosures required by AASB 1054 are already included within the financial statements.
AASB 2011 – 5 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, AASB 128 & AASB 131]	The branch does not have any not-for-profit entities and therefore there is no impact from the adoption of this standard.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies continued

(p) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Branch has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the Branch:

Standard name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2009-11 / AASB 2010-7	30 June 2016	<ul style="list-style-type: none"> - Changes to the classification and measurement requirements for financial assets and financial liabilities. - New rules relating to derecognition of financial instruments. 	The impact of AASB 9 has not yet been determined as the entire standard has not been released
AASB 13 Fair Value Measurement. AASB 2011-8 - Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	30 June 2014	<p>AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted.</p> <p>There are a number of additional disclosure requirements.</p>	<p>Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required.</p> <p>The entity has not yet determined the magnitude of any changes which may be needed.</p>
AASB 2011-9 - Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income.	30 June 2013	Entities will be required to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).	The items shown in other comprehensive income will be separated into two categories.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies continued

(p) New accounting standards for application in future periods continued

Standard name	Effective date for entity	Requirements	Impact
AASB 1053	30 June 2014	This standard allows certain entities to reduce disclosures.	The Pharmacy Guild of Australia (Tasmanian Branch) is not able to apply this standard or the impact of this standard has not yet been determined as the entity has a choice on whether to apply

(q) Notes to be provided to Members or the General Manager of Fair Work Australia

- i) A member of a reporting unit, or the General Manager of Fair Work Australia, 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.
- ii) 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.
- iii) A reporting unit must comply with an application made under subsection (1).

2 Cash and Cash Equivalents

	2012	2011
	\$	\$
Cash on hand	134	150
Cash at bank	202,121	317,136
	<u>202,255</u>	<u>317,286</u>

3 Trade and Other Receivables

	2012	2011
	\$	\$
CURRENT		
Trade receivables	92,260	54,511
Refund receivable	5,000	-
Accrued training income	15,238	-
National Secretariat receivable	56,462	59,548
	<u>168,960</u>	<u>114,059</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

3 Trade and Other Receivables continued

(a) Ageing analysis

	2012	2011
	\$	\$
Less than 30 days	148,067	73,727
31 days to 60 days	1,202	2,720
61+ days (past due not impaired)	19,691	37,612
	<u>168,960</u>	<u>114,059</u>

4 Property, Plant and Equipment

	2012	2011
	\$	\$
PLANT AND EQUIPMENT		
At cost	105,180	67,371
Accumulated depreciation	(64,310)	(50,894)
Total plant and equipment	<u>40,870</u>	<u>16,477</u>

(a) Movements in Carrying Amounts

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

	Plant and Equipment	Total
	\$	\$
Balance at the beginning of year	16,477	16,477
Additions	37,809	37,809
Depreciation expense	(13,416)	(13,416)
Carrying amount at the end of 30 June 2012	<u>40,870</u>	<u>40,870</u>

5 Trade and Other Payables

	2012	2011
	\$	\$
Trade payables	8,667	13,322
Accrued expenses	19,385	8,729
	<u>28,052</u>	<u>22,051</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

6 Provisions

	2012	2011
	\$	\$
CURRENT		
Employee benefits - employees	36,883	21,572
Employee benefits - officials	9,055	4,765
	<u>45,938</u>	<u>26,337</u>
	2012	2011
	\$	\$
NON-CURRENT		
Employee benefits - employees	-	8,512
	<u>-</u>	<u>8,512</u>

7 Other Liabilities

	2012	2011
	\$	\$
Credit cards	1,540	3,700
Intern program liability	17,127	8,057
Deferred training income	3,165	10,710
Training liability	-	36,366
Income in advance	93,404	113,296
Unexpended grants	39,093	19,292
	<u>154,329</u>	<u>191,421</u>

8 Cash Flow Information

(a) Reconciliation of cash

	2012	2011
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	<u>202,255</u>	<u>317,286</u>
	<u>202,255</u>	<u>317,286</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

8 Cash Flow Information continued

(b) Reconciliation of Cash Flow from Operations with surplus/(deficit) for the year

	2012	2011
	\$	\$
Surplus/(deficit) for then year	(29,126)	5,044
Non-cash flows in Comprehensive Income		
- Depreciation	13,416	7,546
Changes in assets and liabilities		
- (Increase)/decrease in trade and term receivables	(54,901)	29,081
- (Increase)/decrease in prepayments	204	(1,753)
- (Increase)/decrease in inventories	253	(269)
- Increase/(decrease) in other liabilities	(37,092)	(25,826)
- Increase/(decrease) in trade payables and accruals	6,001	(9,506)
- Increase/(decrease) in tax liabilities	12,934	8,070
- Increase/(decrease) in provisions	11,089	988
Cashflow from operations	<u>(77,222)</u>	<u>13,375</u>

9 Economic Dependency

These financial statements have been prepared on a going concern basis which contemplates the realisation of assets and the payment of liabilities in the ordinary course of business. Should The Tasmanian Branch be unable to continue as a going concern, it may be unable to realise the carrying value of its assets and to meet its liabilities as they become due.

The Tasmanian Branch's ability to continue as a going concern is dependent upon its capacity to attain profitable operations and to continue to obtain support from The Pharmacy Guild of Australia National Secretariat sufficient to meet current and future obligations.

	2012	2011
	\$	\$
Total comprehensive income	-	-
Add back - National Secretariat Funding	(167,462)	(59,548)
Adjusted Total Comprehensive Income	<u>(167,462)</u>	<u>(59,548)</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

10 Financial Risk Management

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

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

	2012	2011
	\$	\$
Financial Assets		
Cash and cash equivalents	202,255	317,286
Loans and receivables	168,960	117,059
Total Financial Assets	<u>371,215</u>	<u>434,345</u>
Financial Liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	28,052	22,051
- Tax liability	14,332	1,398
Total Financial Liabilities	<u>42,384</u>	<u>23,449</u>

Specific Financial Risk Exposures and Management

The main risks the reporting unit is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and commodity and equity price risk.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the reporting unit. 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 impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

The Pharmacy Guild of Australia (Tasmanian Branch) does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the reporting unit.

(b) Liquidity risk

Liquidity risk arises from the possibility that the reporting unit might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The reporting unit manages risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financial activities;
- monitoring credit facilities;

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

10 Financial Risk Management continued

(b) Liquidity risk continued

- obtaining funding from a variety of sources, including the National Branch; and
- maintaining a reputable credit risk profile.

(c) Interest rate risk

The Branch is not exposed to any significant interest rate risk.

(d) Price Risk

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

Sensitivity Analysis

The Branch Committee has performed an assessment of its exposure to interest rate risk, liquidity risk and credit risk at balance date. The Pharmacy Guild of Australia (Tasmanian Branch) is not currently subject to any interest rate risk on its financial liabilities and has assessed that there is no exposure to liquidity risk required to meet its financial obligations. The Pharmacy Guild of Australia (Tasmanian Branch)'s exposure to credit risk has been assessed as not material, due to the nature, collectability and recoverability of amounts owed.

As a result of the risk assessment performed, any positive or negative changes in the interest rate risk, liquidity risk or credit risk would not have a material effect on the financial statements. Hence quantitative disclosures are not required.

(i) Financial instrument composition and maturity analysis

The Branch's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Floating Interest Rate		Non-interest Bearing		Total	
	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$
Financial Assets:						
Cash and cash equivalents	202,255	317,286	-	-	202,255	317,286
Receivables	-	-	168,960	117,059	168,960	117,059
Total Financial Assets	202,255	317,286	168,960	117,059	371,215	434,345
Financial Liabilities:						
Trade and sundry payables	-	-	28,052	22,051	28,052	22,051
Tax liabilities	-	-	14,332	1,398	14,332	1,398
Total Financial Liabilities	-	-	42,384	23,449	42,384	23,449

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

11 Interests of Key Management Personnel

The totals of remuneration paid to key management personnel of the reporting unit during the year are as follows:

	2012	2011
	\$	\$
Short-term employee benefits - officials	30,000	27,500
Short-term employee benefits - directors	106,023	108,776
	<u>136,023</u>	<u>136,276</u>

Loans

There were no loans outstanding at or during the years ended 30 June 2012 to Tasmanian Branch committee members or their related parties.

12 Auditors' Remuneration

	2012	2011
	\$	\$
Remuneration of the auditor of the Branch for: - auditing or reviewing the financial statements	6,850	6,700

13 Capital Commitments

There are no capital commitments as at 30 June 2012.

14 Leasing Commitments

(a) Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

	2012	2011
	\$	\$
Payable - minimum lease payments:		
- no later than 1 year	73,500	-
- between 1 year and 5 years	300,000	-
- greater than 5 years	281,250	-
	<u>654,750</u>	-

A lease is currently in place for the lease of office premises within Knopwood House, Battery Point.

15 Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets as at reporting date to be disclosed.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2012

16 Events After the End of the Reporting Period

There are no events after the statement of financial position date to be disclosed.

17 Guild Details

The registered office of the organisation is:
The Pharmacy Guild of Australia (Tasmanian Branch)
2nd Floor, Knopwood House
38 Montpelier Retreat
BATTERY POINT TAS 7004

Hobart
Level 1, 142-146 Elizabeth Street
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Launceston
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www.whk.com.au

The Pharmacy Guild of Australia (Tasmanian Branch)

Auditors Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australia Professional Ethical Standards in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

WHK

WHK



Alison Flakemore
Audit Partner

Dated this *21st* day of August 2012.

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The Pharmacy Guild of Australia (Tasmanian Branch)

Independent Audit Report to the members of The Pharmacy Guild of Australia (Tasmanian Branch)

Report on the Financial Statements

We have audited the accompanying financial statements of The Pharmacy Guild of Australia (Tasmanian Branch), which comprise the statement of financial position as at 30 June 2012, statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the Branch Committee.

Branch Committees' Responsibility for the Financial Statements

The Branch Committee of the reporting unit is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009*. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are 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 statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, 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 Branch Committee, as well as evaluating the overall presentation of the financial statements.

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

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The Pharmacy Guild of Australia (Tasmanian Branch)

Independent Audit Report to the members of The Pharmacy Guild of Australia (Tasmanian Branch)

Independence

In conducting our audit, we have complied with the independence requirements of Australian Professional Ethical Standards.

Auditor's Opinion

In our opinion the financial statements of The Pharmacy Guild of Australia (Tasmanian Branch) present fairly, in all material respects, in accordance with applicable Australian Accounting Standards and the requirements imposed by the *Fair Work (Registered Organisations) Act 2009*, the financial position of The Pharmacy Guild of Australia (Tasmanian Branch) as at 30 June 2012, and of its performance and cash flows for the year then ended.



WHK



Alison Flakemore
Audit Partner

Dated this 13th day of October 2012.

Auditor Qualifications

B.Com (Hons) - University of Tasmania
Member of Institute of Chartered Accountants Australia
Registered Company Auditor No. 241220