



8 January 2019

Mr John Dowling
President
Pharmacy Guild of Australia, Tasmania Branch
PO BOX 215
BATTERY POINT TAS 7004

By email: guild.tas@guild.org.au

CC: alison.flakemore@crowehorwath.com.au

Dear Mr Dowling,

**Pharmacy Guild of Australia, Tasmania Branch
Financial Report for the year ended 30 June 2018 - [FR2018/36]**

I acknowledge receipt of the financial report for the year ended 30 June 2018 for the Pharmacy Guild of Australia, Tasmania Branch. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 5 October 2018. I also acknowledge the lodgement of an amended designated officer's certificate on 26 November 2018.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged, however I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these matters have been addressed prior to filing next year's report.

Reports must be provided to members at least 21 days before general meeting

Under section 265(5)(a) of the RO Act, where the report is presented to a general meeting of members, the report must be provided to members at least 21 days before that meeting. The amended designated officer's certificate states that the financial report was provided to members on 14 September 2018, and presented to a general meeting of members on 4 October 2018.

If these dates are correct, the reporting unit only provided members the financial report 20 days before the general meeting.

Auditor's report – multiple auditor's reports

I note that the lodged documents included a separate auditor's report for the subsection 255(2A) report (the separate auditor's report referred to it as subsection 225(2A)). Under section 253 of the RO Act, a general purpose financial report includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by reporting guideline 22.

The reporting unit's auditor can provide a single auditor's statement relating to the audit of the reporting unit's financial report. The subsection 255(2A) report does not require a separate auditor's statement.

Please ensure in future years, that the subsection 255(2A) report is identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard *ASA 700 Forming an Opinion and Reporting on a Financial Report*.

References to the ROC

Following the enactment of the *Fair Work (Registered Organisations) Amendment Act 2016*, the ROC is the new regulator for registered organisations, with effect from 1 May 2017. All references to the Fair Work Commission (**FWC**) and General Manager must be changed to the Registered Organisations Commission and Commissioner except in relation to declaration (e)(vi) in the committee of management statement.

I note that item (e)(vi) in the committee of management statement referred to the 'Registered Organisations Commission' instead of the 'FWC'.

Date of resolution

Item 27 of the reporting guidelines requires that the Committee of Management statement be made in accordance with such resolution as is passed by the Committee of Management. Such statement must also specify the date of passage of the resolution. I note that the date of the resolution was not included in the Committee of Management statement. Please ensure that in future this date is included in the Committee of Management statement.

Operating report

I note the operating report was not signed or dated. Item 24 of the reporting guidelines states that the ROC Commissioner considers it best practice that the operating report be signed and dated by each officer who has signed the report.

Nil activities disclosure

Item 21 of the reporting guidelines states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The notes and the statement of comprehensive income contained nil activity information for all prescribed reporting guideline categories except the following:

- have another entity administer the financial affairs of the reporting unit (reporting guideline 19);
- make a payment to a former related party of the reporting unit (reporting guideline 20).

Please ensure in future years that the above mentioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the reporting guidelines.

I also note that the following nil activity disclosures in the body of the notes were duplicated elsewhere in the body of the notes or in the statement of comprehensive income:

- receive capitation fees from another reporting unit (reporting guideline 13(b)) is disclosed in both Note 2(a) and the statement of comprehensive income;
- receive revenue via compulsory levies (reporting guideline 13(c)) is disclosed in both Note 2(a) and the statement of comprehensive income.

Please note that nil activities only need to be disclosed once.

Difference in figure reporting in LGD statement and financial report

A loans, grants and donations statement for PGA-TAS was lodged with the ROC under subsection 237(1) of the RO Act on 25 July 2018. A figure for donations that exceeded \$1,000 was also disclosed in the financial report, however this figure for donations was different to the total of the figures disclosed in the loans, grants and donations statement.

I confirm that correspondence received from PGA-TAS on 7 January 2019 states that the difference is due to GST being included in one of the donations in the loans, grants and donations statement, whilst the respective figure for donations that exceeded \$1,000 in the financial report was exclusive of GST.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (02) 8293 4654 or via email at david.vale@roc.gov.au.

Yours faithfully

A handwritten signature in blue ink that reads "David Vale". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

David Vale
Registered Organisations Commission

Designated Officer's Certificate or other Authorised Officer

S268 Fair Work (Registered Organisations) Act 2009

I, John Dowling, being the Branch President 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 14th September 2018; and
- that the full report has been presented to a general meeting of members of the reporting unit on 4th October 2018 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:

A handwritten signature in black ink, appearing to be 'JD', written in a cursive style.

Date: 25 November 2018

¹ The relevant regulations prescribe the designated officer for the purpose of s268 of the Fair Work (Registered Organisations) Act 2009 as:

- (a) The secretary; or
- (b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

² Only applicable where a concise report is provided to members

The Pharmacy Guild of Australia (Tasmanian Branch)
30/06/2018

EXPENDITURE INCURRED REPORT
for the year ended 30 June 2018

The Committee Branch presents the Expenditure Incurred Report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

2018 - Expenditure as required under S.255(2A) RO Act

Legal costs	\$-
Donations to political parties	\$15,000.00
Operating costs	\$417,860.00
Advertising	\$-
Remuneration and other employment-related costs and expenses – employees	\$592,042.50
Total =	\$1,024,903.00

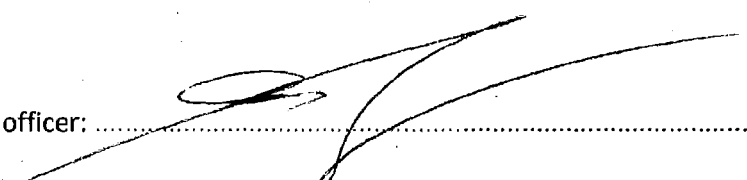
The Pharmacy Guild of Australia (Tasmanian Branch)
30/06/2018

EXPENDITURE INCURRED REPORT
for the year ended 30 June 2018

(continued)

2017 - Expenditure as required under S.255(2A) RO Act

Legal costs	\$-
Donations to political parties	\$17,400.00
Operating costs	████████████████████ \$460,588.41
Advertising	\$-
Remuneration and other employment-related costs and expenses – employees	████████████████████ \$594,734.63
Total =	\$1,072,723.00

Signature of designated officer: 

Name and title of designated officer: BOHN DOWLING, PRESIDENT

Dated this 13th day of SEPTEMBER 2018.

The Pharmacy Guild of Australia (Tasmanian Branch)

Independent Auditor's Report to The Pharmacy Guild of Australia (Tasmanian Branch)

For the Year Ended 30 June 2018

Opinion

We have audited the accompanying Expenditure Incurred Report (the Report) of The Pharmacy Guild of Australia (Tasmanian Branch) (the Branch) for the year ended 30 June 2018.

In our opinion the financial information in the Report of the Branch presents fairly, in all material respects, the total expenditure incurred by the Branch in relation to each category of expenditure for the year ended 30 June 2018 in accordance with *subsection 225(2A) of the Fair Work (Registered Organisations) Act 2009 (the RO Act)*.

Basis for Opinion

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

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

Other Matter – Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to the fact that this report has been prepared for the purpose of fulfilling the reporting obligations under *subsection 225(2A) of the Fair Work (Registered Organisations) Act 2009 (the RO Act)*. The report has been prepared to assist the Branch to meet the requirements of the Registered Organisations Commission (ROC). As a result, the report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the Branch and ROC and intended not be distributed and used by parties other than the Branch and ROC.

Responsibilities of the Branch Committee for the Report

The Branch Committee is responsible for the preparation and fair presentation of the Report and for compliance with the Reporting guidelines issued by the ROC. Branch Committees' responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the report that is free from material misstatement, whether due to fraud or error.

The Pharmacy Guild of Australia (Tasmanian Branch)

Independent Auditor's Report to The Pharmacy Guild of Australia (Tasmanian Branch)

For the Year Ended 30 June 2018

The Branch Committee is responsible for overseeing the Branch's financial reporting process.

Auditor's Responsibilities for the Audit of the Report

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

This report has been prepared for the purpose of fulfilling the reporting obligations under *subsection 225(2A) of the Fair Work (Registered Organisations) Act 2009 (the RO Act)*. We disclaim any assumption of responsibility for any reliance on this report to which it relates to any person other than The Pharmacy Guild of Australia (Tasmanian Branch), or for any purpose other than that for which it was prepared. We understand that a copy of the statements will be provided to the Registered Organisations Commission (ROC).

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

- Identify and assess the risks of material misstatement of the report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Branch Committee.

The Pharmacy Guild of Australia (Tasmanian Branch)

Independent Auditor's Report to The Pharmacy Guild of Australia (Tasmanian Branch)

For the Year Ended 30 June 2018

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

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


Crowe Horwath Tasmania


Alison Flakemore
Senior Partner

Partner Qualifications

Fair Work (Registered Organisations) Act 2009 – Registered Auditor No AA2017/135
Bachelor of Commerce with Honours
Registered Company Auditor No. 241220
Institute of Chartered Accountants Australia and New Zealand No. 96387
Holder of a current Practise Certificate.

Dated this.....14th.....day of.....September.....2018.

Hobart, Tasmania.

The Pharmacy Guild of Australia (Tasmanian Branch)

Financial Report

For the Year Ended 30 June 2018

The Pharmacy Guild of Australia (Tasmanian Branch)

For the Year Ended 30 June 2018

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The Pharmacy Guild of Australia (Tasmanian Branch)

Operating Report

30 June 2018

I, John Dowling, being the designated officer responsible for preparing this financial report for the financial year ended 30 June 2018 of The Pharmacy Guild of Australia (Tasmanian Branch), report as follows:

1. General information

Principal Activities

- i) The Pharmacy Guild of Australia (Tasmanian Branch) ("the Branch") 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 in Principal Activities

No significant changes in the nature of the Branch's activities occurred during the financial year.

Significant Change in Financial Affairs

No were no significant changes in the Branch's financial activities during the financial year

The Pharmacy Guild of Australia (Tasmanian Branch)

Operating Report

30 June 2018

1. General information

Committee Members

The members of the Tasmanian Branch Committee throughout the year and at the date of this report were:

John Dowling	Tasmanian Branch President and National Councillor Tasmanian Senior Vice
Jeremy Hampton	President (Resigned 14/11/2017)
Belinda Bird	Vice President and Alternate National Councillor (Did not seek re-election 30/09/2017)
Madeleine Bowerman	Vice President and Alternate National Councillor (Commenced 1/10/2017)
Matthew Pilkington	Vice President Finance and Alternate National Councillor
Helen O'Byrne	Tasmanian Branch Committee Member and National Councillor
Martin Quinn	Tasmanian Branch Committee Member
Harvey Cuthill	Tasmanian Branch Committee Member
Joe O'Malley	Tasmanian Branch Committee Member
Martin Eade	Tasmanian Branch Committee Member (Did not seek re-election 30/09/2017)
Katie Hayes	Tasmanian Branch Committee Member (Commenced 1 February 2018)
Terry Travers	Tasmanian Branch Committee Member (Commenced 1 February 2018)

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

Number of Employees

As at 30 June 2018, The Pharmacy Guild of Australia (Tasmanian Branch) maintains employment of 6 full time equivalent employees in total (2017:8).

Superannuation Trustees

John Dowling, President of The Pharmacy Guild of Australia (Tasmanian Branch), is a Director of Guild Superannuation which is the default superannuation fund for the Pharmacy Guild.

No other officers or employees 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 position is that they are an officer or member of the reporting unit.

Number of Members & Right to Resign

As at 30 June 2018, The Pharmacy Guild of Australia (Tasmanian Branch), has 115 members (2017: 241) across its two categories, being Premises and Honorary & 50 Year Life Members.

In accordance with Rule 10 of the Federal Rules of the Pharmacy Guild of Australia a member may resign from membership by written notice addressed and delivered to the Branch Secretary in which he or she is a member.

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement by the Branch Committee

On September 2018, the Branch Committee of the Pharmacy Guild of Australia Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2018.

The Branch Committee declares that in its opinion:

1. The financial statements and notes comply with the Australian Accounting Standards;
2. the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
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 GPFR 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; and
 - 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; and
 - iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - iv) where the organisation consists of two 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 organisation; and
 - v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - vi) where any orders for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.
6. There was no recovery of wages activity for the financial year.

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

Signature of designated officer:

Name and title of designated officer: John Dowling Branch President

Dated this 13th day of SEPTEMBER 2018.

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Comprehensive Income

For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Income			
Administration recovered		45,000	44,620
Capitation fees and levies	2(a)	-	-
Commissions	3	529	66,290
Grants and donations	2(b)	544,920	503,867
Interest income		3,150	3,561
Member subscriptions		263,635	302,660
Other income		49,083	64,617
Recovery of wages for employees		-	-
Training		126,648	95,715
Total income		1,032,965	1,081,330
Less: Expenses			
Accounting & audit fees		7,925	7,660
Affiliation fees, capitation fees and levies	4(a)	110,122	175,944
Award presentation & gifts		993	441
Bank charges		850	1,094
Car parking expenses		12,480	12,444
Cleaning		3,598	3,602
Computer expenses		24,189	22,646
Depreciation		8,063	8,607
Employee expense	4(b)	591,890	600,743
Grants and donations	4(c)	25,900	18,000
Insurance		10,538	13,491
Other administration expenses	4(d)	8,844	10,743
Postage		4,147	3,649
President's expenses		3,878	6,430
Printing, stationery and office expenses		62,494	57,123
Rent expense		77,868	77,825
Repairs and maintenance		4,945	4,074
Subscriptions		9,476	9,486
Sundry expenses		22,365	16,549
Telephone		5,708	8,811
Travel and accommodation		30,853	16,894
Utilities		5,839	5,074
Total Expenses		1,032,965	1,081,330
Net surplus/(deficit) for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

This statement should be read in conjunction with the accompanying notes

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Financial Position

As At 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	82,339	147,363
Trade and other receivables	6	174,365	168,817
Other assets	8	36,520	44,836
TOTAL CURRENT ASSETS		<u>293,224</u>	<u>361,016</u>
NON-CURRENT ASSETS			
Plant and equipment	7	19,381	15,622
TOTAL NON-CURRENT ASSETS		<u>19,381</u>	<u>15,622</u>
TOTAL ASSETS		<u>312,605</u>	<u>376,638</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	48,971	40,869
Provision for employee benefits	10	34,211	33,400
Other liabilities	11	30,909	100,248
TOTAL CURRENT LIABILITIES		<u>114,091</u>	<u>174,517</u>
NON-CURRENT LIABILITIES			
Provision for employee benefits	10	19,523	23,130
TOTAL NON-CURRENT LIABILITIES		<u>19,523</u>	<u>23,130</u>
TOTAL LIABILITIES		<u>133,614</u>	<u>197,647</u>
NET ASSETS		<u>178,991</u>	<u>178,991</u>
EQUITY			
Reserves		5,521	5,521
Accumulated surpluses		173,470	173,470
TOTAL EQUITY		<u>178,991</u>	<u>178,991</u>

This statement should be read in conjunction with the accompanying notes

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Changes in Equity

For the Year Ended 30 June 2018

2018

	Accumulated Surpluses	Capital Profits Reserve	Judy Liauw Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2017	173,470	20	5,501	178,991
Net surplus/(deficit) for the year	-	-	-	-
Balance at 30 June 2018	173,470	20	5,501	178,991

2017

	Accumulated Surpluses	Capital Profits Reserve	Judy Liauw Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2016	173,470	20	5,501	178,991
Net surplus/(deficit) for the year	-	-	-	-
Balance at 30 June 2017	173,470	20	5,501	178,991

This statement should be read in conjunction with the accompanying notes

The Pharmacy Guild of Australia (Tasmanian Branch)

Statement of Cash Flows

For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
CASH FROM OPERATING ACTIVITIES:			
Receipts from members and customers		605,978	1,075,073
Receipts from other reporting units	12(c)	463,727	146,138
Interest received		3,150	3,561
Payments to suppliers, employees & holders of office		(964,864)	(1,130,859)
Payments to other reporting units	12(c)	(161,193)	(49,426)
Net cash provided by/(used in) operating activities	12(b)	<u>(53,202)</u>	<u>44,487</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of plant & equipment		<u>(11,822)</u>	<u>(5,372)</u>
Net cash used in investing activities		<u>(11,822)</u>	<u>(5,372)</u>
Net cash increase/(decrease) in cash held		(65,024)	39,115
Cash held at the beginning of the financial year		<u>147,363</u>	<u>108,248</u>
Cash held at the end of the financial year	12(a)	<u>82,339</u>	<u>147,363</u>

This statement should be read in conjunction with the accompanying notes

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

The financial statements are for 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 not-for-profit registered employer organisation under the *Fair Work (Registered Organisation) Act 2009*.

The functional and presentation currency of The Pharmacy Guild of Australia (Tasmanian Branch) is Australian dollars.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisation) Act 2009*. The Branch is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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. The amounts presented have been rounded to the nearest dollar.

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

(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) Plant and Equipment

Plant and equipment are carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(d) Plant and Equipment

Depreciation

The depreciable amount of all plant and equipment is depreciated on a straight-line method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

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

Fixed asset class	Depreciation rate
Plant and Equipment	2 - 33%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an assets is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to surplus or deficit.

(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.

(f) Trade and Other Payables

Trade and other payables are stated at cost, which approximates fair value due to the short term nature of these liabilities.

(g) Trade and Other Receivables

Trade and other receivables are recorded at costs which is considered a reasonable approximation of fair value due to the short term nature of the balances.

(h) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits 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 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 Branch to an employee superannuation fund and are charged as expenses when incurred.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(i) Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Branch becomes party to the contractual provisions of 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 (i.e. trade date accounting is adopted).

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through Statement of Comprehensive Income where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised Statement of Comprehensive Income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Branch's trade and most other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(i) Financial Instruments

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Branch's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Branch uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Branch's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Branch assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(j) Critical Accounting Estimates and Judgments

The Branch Committee evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Branch.

The entity does not control any other reporting units (subsidiaries). Control is achieved where a reporting unit is exposed or has rights to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the reporting unit.

Key estimates - Impairment

The Branch Committee assesses impairment at each reporting date by evaluating conditions specific to the Branch that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. No impairment has been recognised for the year ended 30 June 2018.

(k) Leases

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.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(l) Revenue

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

Subscription income is recognised in the period to which the subscriptions relate.

Revenue from the provision of services is recognised when the right to be compensated for the service has been attained.

Rental income is recognised over the the period to which the rent relates.

Revenue received in the form of capital grant funds is recognised as income when received, while the expenditure relating to the capital funds has been capitalised in the Statement of Financial Position for the purpose for which the funds were received.

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

Grant Revenue

Grant revenue is recognised in the when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of comprehensive income as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The Pharmacy Guild of Australia (Tasmanian Branch) receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

(m) 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 comprehensive income 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.

(n) Income Tax

No provision for income tax has been raised as the Branch is self-assesses as exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(o) Adoption of New and Revised Accounting Standards

During the current year, standards which became mandatory had no significant impact on the financial report of The Pharmacy Guild of Australia (Tasmanian Branch).

(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	1 January 2018	New standard that simplifies the classification of financial assets, aligns hedging with the entity's risk management practices, and introduces an 'expected credit losses' model for impairment.	The impact of this standard is expected to be minimal.
AASB 15 Revenue from Contracts with Customers	1 January 2019	New standard in which revenue is recognised to depict the transfer of control of promised goods and services to a customer (rather than when risks and rewards transfers) at the amount that reflects the consideration to which the entity expects to be entitled	The impact has not been assessed yet.
AASB 1058 Income of NFP Entities	1 January 2019	New standard for recognising income in not-for-profit entities, including guidance for when AASB 15 applies. Is expected to defer income recognition in some circumstances, particularly when AASB 15 applies	The impact of this standard is expected to be minimal.
AASB 16 Leases	1 January 2019	New standard that abolishes the concept of the operating lease for lessees by creating a single model for lessees and recognises a 'right of use' asset and financial liability for all leases.	The impact of this standard is expected to be minimal.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(q) Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or Commissioner:

- i) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- 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).

(r) Transaction Occurrence

Any transactions required to be specifically disclosed under the *Fair Work (Registered Organisations) Act 2009* that have not been disclosed in this financial report have not occurred during the financial year.

(s) Economic Dependence

The Pharmacy Guild of Australia (Tasmania Branch) is reliant on the agreed financial support of The Pharmacy Guild of Australia to continue on a going concern basis. This agreed financial support to continue on an indefinite basis with support to cover the Tasmanian Branches deficit received annually.

The Pharmacy Guild of Australia has agreed to provide The Pharmacy Guild of Australia (Tasmania Branch) with financial support to ensure they can continue on a going concern basis. This agreed financial support is to continue indefinitely and is an interest free agreement with no repayments to be made.

The entity has not provided any going concern support to any other reporting unit.

(t) Acquisition Of Assets And Or Liabilities That Do Not Constitute A Business Combination

There were no acquisitions of assets and or liabilities that do not constitute a business combination 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 2018

2 Revenue

(a) Capitation Fees and Levies

Capitation fees received
Levies received

-	-
-	-
-	-

(b) Grants and Donations

Grant - DHHS
Grants - National Secretariat
Grant - Quality Care Pharmacy Program
Donations

	2018	2017
	\$	\$
Grant - DHHS	23,702	23,176
Grants - National Secretariat	326,101	271,136
Grant - Quality Care Pharmacy Program	195,117	209,555
Donations	-	-
	<u>544,920</u>	<u>503,867</u>

3 Commissions

Commissions - Rollex Fridges
Commissions - Gold Cross
Commissions - Guild Insurance
Commissions - Australian Professional Pharmacists

	2018	2017
	\$	\$
Commissions - Rollex Fridges	529	215
Commissions - Gold Cross	-	18,549
Commissions - Guild Insurance	-	43,188
Commissions - Australian Professional Pharmacists	-	4,338
	<u>529</u>	<u>66,290</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

4 Expenses

(a) Affiliation Fees, Capitation Fees and Levies

	2018	2017
	\$	\$
National Council Dues	105,322	175,444
Australian Labor Party	-	500
Diabetes Tasmania	1,500	-
Hobart Chargers Basketball Association	3,300	-
Levies	-	-
	<u>110,122</u>	<u>175,944</u>

(b) Employee Expenses

	2018	2017
	\$	\$
Employees other than holders of office		
Wages and salaries	477,654	481,799
Superannuation	44,286	45,196
Leave and other entitlements	(2,796)	(3,947)
Separation and redundancies	-	-
Other employee expenses	-	-
Holders of office		
Wages and salaries	31,438	30,137
Superannuation contributions	2,987	2,863
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Other payroll expenses		
Payroll tax	33,959	34,104
Fringe benefits tax	1,184	3,702
Staff training	2,902	6,500
Employee assistance program	276	389
Contractor's expense	-	-
Payroll deductions for memberships	-	-
	<u>591,890</u>	<u>600,743</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

4 Expenses

(c) Grants and Donations

	2018	2017
	\$	\$
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that were \$1,000 or more	9,000	-
Donations		
Total paid that were \$1,000 or less	600	600
Total paid that were \$1,000 or more	16,300	17,400
	<u>25,900</u>	<u>18,000</u>

(d) Other Administrative Expenses

	2018	2017
	\$	\$
Consideration to employers for payroll deductions	-	-
Penalties via the RO Act or RO Regulations	-	-
Conference and meeting expenses	8,844	10,743
Fees/allowances - meetings and conferences	-	-
Litigation fees	-	-
Other legal fees	-	-
	<u>8,844</u>	<u>10,743</u>

5 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash on hand	200	200
Cash at bank	82,139	147,163
	<u>82,339</u>	<u>147,363</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

6 Trade and Other Receivables

	2018	2017
	\$	\$
Trade receivables	13,353	8,067
Trade receivables (The Pharmacy Guild of Australia National Secretariat)	161,012	160,750
Provision for doubtful debts	-	-
Provision for doubtful debts (other reporting units)	-	-
Provision for doubtful debts (The Pharmacy Guild of Australia National Secretariat)	-	-
	<u>174,365</u>	<u>168,817</u>

(a) Ageing analysis

	2018	2017
	\$	\$
Less than 30 days	168,248	168,817
31 days to 60 days	4,072	-
61+ days (past due not impaired)	2,045	-
	<u>174,365</u>	<u>168,817</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

7 Plant and Equipment

	2018	2017
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	57,706	45,884
Accumulated depreciation	(38,325)	(30,262)
Total plant and equipment	<u>19,381</u>	<u>15,622</u>

(a) Movements in Carrying Amounts

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

	Plant and Equipment
	\$
Balance at the beginning of year	15,622
Additions	11,822
Depreciation expense	(8,063)
Impairment	-
Carrying amount at 30 June 2018	<u>19,381</u>
Balance at the beginning of year	18,857
Additions	5,372
Depreciation expense	(8,607)
Impairment	-
Carrying amount at 30 June 2017	<u>15,622</u>

8 Other Assets

	2018	2017
	\$	\$
Prepayments	18,520	16,356
Accrued income	18,000	28,480
	<u>36,520</u>	<u>44,836</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

9 Trade and Other Payables

	2018	2017
	\$	\$
Trade payables	1,704	(4,777)
Trade payables (The Pharmacy Guild of Australia National Secretariat)	1,171	5,564
PAYG payable	9,785	6,792
Accrued expenses	7,665	6,978
Consideration to employers for payroll deductions	-	-
Legal fees- other legal matters	-	-
Legal fees - litigation	-	-
Credit card payable	290	(7)
GST payable	30,840	27,817
Payroll deductions payable	(2,484)	(1,498)
	<u>48,971</u>	<u>40,869</u>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

10 Provision for Employee Benefits

	2018	2017
	\$	\$
CURRENT		
Holders of Office		
Annual leave	-	-
Separation and redundancies	-	-
Long service leave	-	-
Other	-	-
Employees other than holders of office		
Annual leave	34,211	33,400
Long service leave	-	-
Separation and redundancies	-	-
Other	-	-
	<u>34,211</u>	<u>33,400</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

10 Provision for Employee Benefits

	2018	2017
	\$	\$
NON-CURRENT		
Holders of Office		
Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other	-	-
Employees other than holders of office		
Annual leave	-	-
Long service leave	19,523	23,130
Separation and redundancies	-	-
Other	-	-
	<u>19,523</u>	<u>23,130</u>

11 Other Liabilities

	2018	2017
	\$	\$
Income in advance	30,909	100,248
	<u>30,909</u>	<u>100,248</u>

12 Cash Flow Information

(a) Reconciliation of cash

	2018	2017
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flow is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	5 82,339	147,363

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

12 Cash Flow Information

(b) Reconciliation of Cash Flow from Operations with Surplus/(Deficit)

	2018	2017
	\$	\$
Net surplus/(deficit) for the year		
Non-cash flows in surplus/(deficit)		
- Depreciation	8,063	8,607
Changes in assets and liabilities		
- (Increase)/decrease in trade and other receivables	(5,548)	82,376
- (Increase)/decrease in other assets	8,314	(12,533)
- Increase/(decrease) in trade and other payables	8,103	9,677
- Increase/(decrease) in other liabilities	(69,338)	(24,699)
- Increase/(decrease) in provision for employee benefits	(2,796)	(18,941)
Cashflow from operations	<u>(53,202)</u>	<u>44,487</u>

(c) Cash Flows with Other Reporting Units

	2018	2017
	\$	\$
Cash Inflows		
The Pharmacy Guild of Australia - National Secretariat	456,992	144,005
The Pharmacy Guild of Australia - NSW Branch	583	217
The Pharmacy Guild of Australia - QLD Branch	4,940	1,007
The Pharmacy Guild of Australia - SA Branch	1,212	909
	<u>463,727</u>	<u>146,138</u>
Cash Outflows		
The Pharmacy Guild of Australia - National Secretariat	157,865	47,098
The Pharmacy Guild of Australia - NSW Branch	-	2,192
The Pharmacy Guild of Australia - VIC Branch	2,926	136
The Pharmacy Guild of Australia - QLD Branch	402	-
	<u>161,193</u>	<u>49,426</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

13 Financial Risk Management

The Branch is exposed to a variety of financial risks through its use of financial instruments.

The Branch's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Branch does not speculate in financial assets.

The most significant financial risks to which the Branch is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Branch are:

- Trade and other receivables
- Cash at bank
- Trade and other payables

Objectives, policies and processes

Risk management is carried out by the Branch Committee. The Finance Manager has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the Branch, these policies and procedures are then approved by the Branch Committee.

Reports are presented at each Branch Committee meeting regarding the implementation of these policies exposure.

Specific information regarding the mitigation of each financial risk to which the Branch is exposed is provided below.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

13 Financial Risk Management

The Branch'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:

		2018	2017
		\$	\$
Financial Assets			
- Cash and cash equivalents	5	82,339	147,363
- Trade and other receivables	6	174,365	168,817
Total Financial Assets		<u>256,704</u>	<u>316,180</u>
Financial Liabilities			
- Trade and other payables	9	48,971	40,869
Total Financial Liabilities		<u>48,971</u>	<u>40,869</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;
- obtaining funding from a variety of sources; and

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

13 Financial Risk Management

(b) Liquidity risk

- maintaining a reputable credit risk profile.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Financial liability maturity analysis - Non-derivative

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade and other payables	48,971	40,869	-	-	-	-	48,971	40,869
Total contractual outflows	<u>48,971</u>	<u>40,869</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,971</u>	<u>40,869</u>

The timing of expected outflows is not expected to be materially different from contracted cashflows.

(c) Interest rate risk

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

(d) Foreign exchange 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.

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

14 Key Management Personnel Compensation

	2018	2017
	\$	\$
Short term employee benefits - Officer	34,425	33,000
Short term employee benefits - Director	169,476	132,469
Long-term benefits - Officer	-	-
Long-term benefits - Director	(6,811)	5,679
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	<u>197,090</u>	<u>171,148</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

15 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to non related parties.

Transactions with the National Secretariat and other branches of the Pharmacy Guild of Australia are separately disclosed within notes 6, 9 and 12(c) to the financial statements.

Transactions with related parties:

Name	Pharmacy	Training Services \$	Meeting & Dinner Events \$	Member Services \$	Outstanding at 30 June 2018 \$
John Dowling	Coventry's Pharmacy	-	1,446	2,750	-
Jeremy Hampton	North Hobart Amcal	-	-	-	-
	Priceline Eastlands	1,050	-	-	-
	West Hobart Amcal	-	-	-	-
	Warrane Pharmacy	-	-	-	-
Belinda Bird	New Norfolk Pharmacy	600	241	2,750	-
Harvey Cuthill	Newstead Capital Chemist	-	482	-	-
	South Hobart Capital Chemist	690	482	2,750	-
Martin Quinn	South Hobart Capital Chemist	-	1,205	-	-
Martin Eade	Summerhill Pharmacy	-	120	2,750	-
	Old Tudor Pharmacy	300	120	2,750	-

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

15 Related Party Transactions

Name	Pharmacy	Training Services \$	Meeting & Dinner Events \$	Member Services \$	Outstanding at 30 June 2018 \$
Matthew Pilkington	Kingborough Medical Centre Pharmacy	-	301	2,750	-
	Kingston Plaza Drug Store	-	301	2,750	-
	Priceline Pharmacy Kingston	1,860	301	2,750	-
	Terry White Chemist Fourways	3,090	301	2,750	-
Joe'O'Malley	Westside Pharmacy	830	482	2,750	335
	Penguin Pharmacy	290	482	2,750	290
Madeleine Boweman	Terry White Chemart Dodges Ferry	60	1,020	2,750	-
	Terry White Chemart Sorell	-	1,020	2,750	-
	Terry White Chemart Lindisfarne	30	1,045	2,750	-
Helen O'Byrne	Riverside Capital Chemist	780	1105	2,750	-
	Windor Pharmacy	-	1105	2,750	-
Katie Hayes	Risdon Vale Pharmacy	60	1,991	2,750	-
Terry Travers	Mersey Advantage Pharmacy	-	655	2,750	-
	Priceline Devonport	-	655	2,750	-
	Priceline Ulverstone	360	655	2,750	-

16 Auditors' Remuneration

	2018 \$	2017 \$
Remuneration of the auditor, Crowe Horwath Tasmania, of the Branch for:		
- auditing and compiling the financial report	8,140	7,340
- other services	-	-
	<u>8,140</u>	<u>7,340</u>

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

17 Fair Value Measurement

The Branch measures the following assets and liabilities at fair value on a recurring basis:

- Financial assets
- Financial liabilities

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

	Other
Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Branch.:

	Level 1	Level 2	Level 3	Total
30 June 2018	\$	\$	\$	\$
Trade and other receivables	174,365	-	-	174,365
Trade and other payables	48,971	-	-	48,971

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

18 Going Concern

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 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. Also refer to Note 1 (s).

The following table represents the effect on the Tasmanian Branch's comprehensive result if the National Secretariat Funding had not been received:

	2018	2017
	\$	\$
Total comprehensive income for the year	-	-
Less National Secretariat Funding of deficit	(126,101)	(146,136)
Total comprehensive income before National Secretariat Funding	(126,101)	(146,136)

19 Events After the End of the Reporting Period

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

20 Capital and Leasing Commitments

(a) Operating lease commitments

	2018	2017
	\$	\$
Payable - minimum lease payments		
- no later than 1 year	77,267	77,267
- between 1 year and 5 years	135,058	212,324
- greater than 5 years	-	-
	<u>212,325</u>	<u>289,591</u>

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

(b) Capital commitments

There are no capital commitments as at 30 June 2018 (2017:Nil).

The Pharmacy Guild of Australia (Tasmanian Branch)

Notes to the Financial Statements

For the Year Ended 30 June 2018

21 Contingent Liabilities and Contingent Assets

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

22 Operating Segments

The Branch operates predominantly in one business and geographical segment being servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.

23 Other specific disclosures funds

Compulsory levy/voluntary contribution fund

Balance at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance at end of year	-	-

Other fund(s) required by rules

Balance at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance at end of year	-	-

There have been no fund or account operated in respect of compulsory levies or voluntary contributions.

24 Branch Details

The registered office of the organisation is:
The Pharmacy Guild of Australia (Tasmanian Branch)
2nd Floor Knopwood House 38 Montpelier Retreat
Battery Point Tasmania 7004

Crowe Horwath.

Crowe Horwath Tasmania
ABN 55 418 676 841
Member Crowe Horwath International
Audit and Assurance Services
Level 1, 142-146 Elizabeth Street
Hobart TAS 7000 Australia
GPO Box 392
Hobart TAS 7001 Australia
Tel 03 6210 2525
Fax 03 6210 2524
www.crowehorwath.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 2018 there have been:

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


Crowe Horwath Tasmania


Alison Flakemore
Senior Partner

Dated this 4th day of September 2018.

Hobart, Tasmania.

The Pharmacy Guild of Australia (Tasmanian Branch)

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

Opinion

We have audited the financial report of The Pharmacy Guild of Australia (Tasmanian Branch), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the Branch Committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Branch as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009 (the RO Act)*.

Basis for Opinion

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

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

Emphasis of Matter – Going Concern

Given the financial support outlined in Note 18 from The Pharmacy Guild of Australia National Secretariat, we have assessed that management's use of the going concern basis of accounting in the preparation of the Branch's financial report appears appropriate.

Other Information

The Branch Committee responsible for the other information. The other information comprises the Operating Report the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The Pharmacy Guild of Australia (Tasmanian Branch)

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

Responsibilities of the Branch Committee for the Financial Report

The Branch Committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Branch's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Branch Committee.

The Pharmacy Guild of Australia (Tasmanian Branch)

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

- Conclude on the appropriateness of the Branch Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Branch to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Branch to express an opinion on the financial report. Our responsible for the direction, supervision and performance of the Branch audit. We remain solely responsible for our audit opinion.

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


Crowe Horwath Tasmania


Alison Flakemore
Senior Partner

Qualifications:

Fair Work (Registered Organisations) Act 2009 - Registered Auditor No. AA2017/135
Bachelor of Commerce with Honours
Registered Company Auditor No. 241220
Institute of Chartered Accountants Australia Member No. 96387
Hold a current Public Practice Certificate

Dated this 14th day of September 2018.

Hobart, Tasmania.

Designated Officer's Certificate

s268 Fair Work (Registered Organisations) Act 2009

I *John Dowling* being the *President 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 *4th October 2018* and
- that the full report was presented to [*a general meeting of members* of the reporting unit on *4th October 2018* in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature

Date:

4/10/2018

¹The relevant regulations prescribe the designated officer for the purpose of s268 of the *Fair Work (Registered Organisations) Act 2009* as:

(a) The secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

²Only applicable where a concise report is provided to members

³Insert whichever is applicable

