



Australian Government
Australian Industrial Registry

21 May 2009

Mr Dipak Sanghvi
Branch President
The Pharmacy Guild of Australia -Victorian Branch
Guild House
40 Burwood Road
HAWTHORN VIC 3122

By email to: michael.hook@vic.guild.org.au (Attention: Michael Hook)

Dear Mr Sanghvi,

Re: Financial Report for The Pharmacy Guild of Australia - Victorian Branch for year ended 30 June 2008 – FR2008/359

I acknowledge receipt of the financial report for The Pharmacy Guild of Australia - Victorian Branch for the year ended 30 June 2008. The report was lodged with the Registry on 18 February 2009.

I apologise for the delay in examining the financial report and responding to you.

The examination has now been completed.

The financial report has been filed.

If you wish to discuss any of this matter, I can be contacted on (03) 8661 7811 or by email to mark.elliott@airc.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Elliott', written in a cursive style.

Mark Elliott
Statutory Services Branch
Principal Registry



I, Dipak Sanghvi, President of the Victorian Branch of The Pharmacy Guild of Australia, certify that:

1. The auditor's report, the accounts and statements and the Committee of Management Statement, in respect to the financial year commencing 1 July 2007 and ending 30 June 2008, were made available to members free of charge on Monday 15 September 2008.
2. The enclosed documents are copies of the auditor's report, the accounts and statements and the Committee of Management Statement, prepared for the Branch in accordance with the Act in respect of the year ending 30 June 2008 and are as presented to the Annual General Meeting of the Pharmacy Guild of Australia, Victoria on 7 October 2008.

President
The Pharmacy Guild of Australia, Victoria

9/10/2008

Date

Victoria

'Guild House' Level 2, 40 Burwood Road Hawthorn VIC 3122
telephone: + 61 3 9810 9999 · facsimile: + 61 3 9819 2542
e-mail: info@vic.guild.org.au · internet: www.guild.org.au/vic

FINANCIAL STATEMENTS

For year ended 30 June 2008

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$
Income Statement				
REVENUE FROM CONTINUING ACTIVITIES				
Revenue from operating activities				
Member Contributions and Entrance Fees	1,491,783	1,658,179	1,491,783	1,658,179
Commissions	541,893	510,189	541,893	510,189
Consultancy	0	7,905	0	7,905
Member Services	22,128	22,406	22,128	22,406
Other Income	269,524	380,259	269,524	15,014
Training Income	1,253,587	1,101,942	1,253,587	1,101,942
MMR Income	170,239	96,818	170,239	96,818
QCPP Income	291,366	129,245	291,366	129,245
Total revenues from operating activities	4,040,520	3,906,943	4,040,520	3,541,698
Revenue from non-operating activities				
Interest	154,442	107,194	153,858	106,606
Rental Income	214,775	290,019	214,775	290,019
Unit Trust Rental Income	286,084	199,542	286,084	199,542
Share of Profit PCA NU Systems Pty Ltd	1,553,875	1,565,029	--	--
The Guild (Victoria) Computer Unit Trust	--	--	1,554,245	1,923,748
Total revenues from outside the operating activities	2,209,176	2,161,784	2,208,962	2,519,915
TOTAL REVENUE FROM CONTINUING ACTIVITIES	6,249,696	6,068,727	6,249,482	6,061,613
EXPENSES FROM CONTINUING ACTIVITIES				
Audit and Accounting Fees	39,272	37,288	39,272	37,288
Committee fees and allowances	18,882	15,910	18,882	15,910
Committee Conference and Meeting Expenses	70,780	45,460	70,780	45,460
Depreciation	104,497	115,241	104,377	112,120
Fringe Benefits Tax	26,297	23,259	26,297	23,259
Interest Expense	-	4,001	-	130
Legal Expenses	39,574	13,951	39,574	13,951
Member Service	80,569	48,707	80,569	48,707
Membership Contributions to National Council	844,491	1,006,710	844,491	1,006,710
Novated Lease Costs	9,598	8,085	9,598	8,085

FINANCIAL STATEMENTS

For year ended 30 June 2008

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$
Income Statement (Continued)				
Payment to Branches	1,747	2,158	1,747	2,158
Provision for Accrued Annual Leave	25,434	22,383	25,434	22,383
Provision for Long Service Leave	37,490	47,131	37,490	47,131
Public Relations and Consultancy	53,747	33,956	53,747	33,956
Salaries and Allowances - Elected Officials	50,000	--	50,000	--
Salaries and Allowances - Staff	1,307,343	1,101,674	1,307,343	1,101,674
Staff Training and Training Expenses	661,403	630,778	661,403	630,778
Superannuation	370,254	354,466	370,254	354,466
Travelling Expenses	65,326	43,355	65,326	43,355
Other Administrative Expenses	Note 3	693,077	424,280	692,983
Printing and Despatch	89,811	88,218	89,811	88,218
Rent	286,084	199,542	286,084	199,542
TOTAL EXPENSES FROM CONTINUING ACTIVITIES	4,875,676	4,266,553	4,875,462	4,259,439
Surplus from Operations	1,374,023	1,802,174	1,374,023	1,802,174
Surplus/(Deficit) from Sale of Assets	468	--	468	--
Dividends Paid to National Secretariat	-481,250		-481,250	
Net Fighting Fund Income and Expense	Note 4	-55,267	-53,341	-53,341
SURPLUS (DEFICIT) FROM CONTINUING ACTIVITIES BEFORE INCOME TAX EXPENSE	837,971	1,748,833	837,971	1,748,833
INCOME TAX EXPENSE	--	--	--	--
SURPLUS (DEFICIT) FROM CONTINUING ACTIVITIES AFTER INCOME TAX EXPENSE	Note 5d	837,971	837,971	1,748,833
NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF THE PHARMACY GUILD OF AUSTRALIA, VICTORIA	837,971	1,748,833	837,971	1,748,833

FINANCIAL STATEMENTS

For year ended 30 June 2008

		CONSOLIDATED		BRANCH	
		2008	2007	2008	2007
		\$	\$	\$	\$
Balance Sheet					
CURRENT ASSETS					
Cash and cash equivalents	Note 15a	524,308	823,724	523,028	822,934
Receivables	Note 6	654,605	479,400	3,911,989	3,532,539
Other	Note 7	633,108	53,080	633,108	53,080
TOTAL CURRENT ASSETS		1,812,021	1,356,204	5,068,125	4,408,553
NON-CURRENT ASSETS					
Other financial assets	Note 8	3,431,104	3,227,229	175,020	175,020
Investments available for sale	Note 9	6,722,474	6,302,319	6,722,474	6,302,319
Property, plant and equipment	Note 10	1,009,645	252,066	1,009,645	251,946
TOTAL NON-CURRENT ASSETS		11,163,223	9,781,614	7,907,139	6,729,285
TOTAL ASSETS		12,975,244	11,137,818	12,975,264	11,137,838
CURRENT LIABILITIES					
Trade and other payables	Note 11	1,522,984	1,033,352	1,523,004	1,033,372
Provisions	Note 12	439,618	401,064	439,618	401,064
TOTAL CURRENT LIABILITIES		1,962,602	1,434,416	1,962,622	1,434,436
NON-CURRENT LIABILITIES					
Interest bearing liability	Note 13	--	199	--	199
Provisions	Note 14	63,787	12,474	63,787	12,474
TOTAL NON-CURRENT LIABILITIES		63,787	12,673	63,787	12,673
TOTAL LIABILITIES		2,026,389	1,447,089	2,026,409	1,447,109
NET ASSETS		10,948,855	9,690,729	10,948,855	9,690,729
EQUITY					
Accumulated funds	Note 5d	8,312,852	7,419,614	8,312,852	7,419,614
Reserves	Note 5c	2,636,003	2,271,115	2,636,003	2,271,115
TOTAL EQUITY		10,948,855	9,690,729	10,948,855	9,690,729

FINANCIAL STATEMENTS

For year ended 30 June 2008

	2008	2007
	\$	\$
Statement of Recognised Income & Expense		
Net gain/(loss) on available-for-sale financial assets	420,155	583,548
Net income recognised directly in equity	420,155	583,548
Surplus/(deficit) for the period	837,971	1,748,833
Total recognised income & expense for the period	1,258,126	2,332,381

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$

Statement of Cash Flows

	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
Cash Flows from Operating Activities				
Receipts from Member Contributions,				
Commission and Member Services	5,226,960	5,168,119	5,226,960	4,719,891
Interest Income Received	154,442	107,194	153,858	106,606
Dividends Received	1,350,000	575,000	1,350,000	575,000
Fighting Fund Income	3,694	8,924	3,694	8,924
Interest paid (borrowing costs)	--	-131	--	-131
Payments to Suppliers and Employees	-6,172,435	-5,307,311	-6,172,341	-4,855,091
Net Cash Flows from Operating Activities	562,661	551,795	562,171	555,199
	Note 15b			
Cash Flows from Investing and Financing Activities				
Payment for Property, Plant and Equipment	-862,077	-49,766	-862,077	-49,766
Proceeds from Sale of Investments	--	--	--	--
Net Cash Flows Used in Investing and Financing Activities	-862,077	-49,766	-862,077	-49,766
Net Increase in Cash Held	-299,416	502,029	-299,906	505,433
Add opening cash brought forward	823,724	321,695	822,934	317,501
Closing Cash Carried Forward	524,308	823,724	523,028	822,934
	Note 15a			

FINANCIAL STATEMENTS

For year ended 30 June 2008

Note 1 - Summary of Significant Accounting Policies

(a) Basis of accounting

The financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards, Urgent Issues Group Consensus Views and comply with the Workplace Relations Act 1996. This financial report has been prepared in accordance with the historical cost convention, other than available for sale financial assets which have been measured at fair value.

(b) Accounting Standards issued but not adopted

The following Australian Accounting Standards have been issued or amended and are applicable to the consolidated group but are not yet effective. They have not been adopted in preparation on the financial statements at reporting date.

AASB Amendment	Standards Affected	Outline of Amendment	Application date of standard	Application date for Group
AASB 2007-3 Amendments to Australian Accounting Standards	AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 138, AASB 1023 & AASB 1038	The disclosure requirements of AASB 114: Segment Reporting have been replaced due to the issuing of AASB 8: Segment Reporting in February 2007. These amendments will involve changes to segment reporting disclosures within the financial report. However, it is anticipated there will be no direct impact on recognition and measurement criteria amounts included in the financial report	1 January 2009	1 July 2009
AASB 8 Operating Segments	AASB 114 Segment reporting	As above	1 January 2009	1 July 2009
AASB 2007- 6 Amendments to Australian Accounting Standards	AASB 1, AASB 101, AASB 107, AASB 111, AASB 116, AASB 138	The revised AASB 123: Borrowing Costs issued in June 2007 has removed the option to expense all borrowing costs. This amendment will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset However, this is not applicable as no qualifying asset has been acquired, constructed or produced.	1 January 2009	1 July 2009
AASB 123 Borrowing Costs	AASB 123	As above	1 January 2009	1 July 2009
AASB 2007 - 8 Amendments to Australian Accounting Standards	AASB 101	The revised AASB 101: Presentation of Financial Statements issued in September 2007 requires the presentation of a statement of comprehensive income and makes changes to the statement of changes tin equity.	1 January 2009	1 July 2009

(c) Principles of Consolidation

The consolidated accounts have been prepared by combining the Branch financial statements with the only controlled entity - Pharmacy Computers Australia Pty Ltd, as Trustee for The Guild (Victoria) Computer Unit Trust. Consistent accounting policies have been employed in the preparation and presentation of the consolidated accounts.

FINANCIAL STATEMENTS

For year ended 30 June 2008

The financial statements of the subsidiary is prepared for the same reporting period as the parent entity, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full.

(d) Cash and cash equivalents

Cash on hand and in banks and short-term deposits are stated at the lower of cost and net realisable value. For the purposes of the statement of cash flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 30 days.

(e) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due.

(f) Investments and other financial assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate.

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale. After initial recognition available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

Impairment of financial assets - assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

(g) Plant & Equipment

All plant and equipment are measured at cost.

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events of changes in circumstances indicate that the carrying value may be impaired.

Depreciation is provided on plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset during the expected useful life. Major depreciation periods are:

	2008	2007
Plant and Equipment	5 to 15 years	5 to 15 years
Motor Vehicles	6 years	6 years

(h) Inventories

Inventories are valued at the lower of cost and net realisable value.

(i) Leases

Operating lease payments are charged as an expense in the period in which they are incurred.

FINANCIAL STATEMENTS

For year ended 30 June 2008

(j) Taxes

(1) Income Tax - The Pharmacy Guild of Australia is exempt from income tax under Section 50-15 of the Income Assessment Act.

(2) Goods and services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except: where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable receivables and payables are stated with the amount of GST included.

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

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(k) Recoverable Amount of Non Current Assets

Non-current assets are written down to recoverable amount where the carrying value of any non current assets exceeds recoverable amount. Recoverable amount is determined as the discounted present value of the amount expected to be recovered through the cash inflows and outflows arising from the continued use and subsequent disposal of the non-current asset.

(l) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity.

Payables to related parties are carried at the principal amount. Interest when charged by the lender, is recognised as an expense on the accrual basis.

(m) Loans and Borrowings

All loans are measured at the principal amount. Interest is recognised as an expense as it accrues.

(n) Employee Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and capable of being measured reliably.

Provision made in respect of wages and salaries, annual and long service leave expected to be settled within 12 months is measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

Provision made in respect of long service leave which is not expected to be settled within 12 months is measured at the present value of the estimated future cash flows to be made by the Branch in respect of services provided by employees up to the reporting date.

Employee benefit expenses and revenues arising in respect to the following categories: wages and salaries, non-monetary benefits, annual leave, long service leave, sick leave and other leave benefits; and other types of employee benefits are recognised against profits on a net basis in their respective categories.

(o) Revenue Recognition

Direct costs for commissions, member services, installations and software support charges are offset against revenue for commissions and member services income. This reduces the revenue compared with cash receipts and cash payments. Service revenue including membership fees, training income, consultancy, interest and dividends from financial instruments are recognised as income when control of the right to receive existed.

FINANCIAL STATEMENTS

For year ended 30 June 2008

(p) Investment in Associate

The Group's investment in associate is accounted for using the equity method of accounting in the consolidated financial statements. The associate is an entity in which the group has significant influence and which is neither a subsidiary nor a joint venture.

Under the equity method, the investment in the associate is carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. After application of the equity model, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The consolidated income statement reflects the Group's share of the results of operations of the associate.

Note 2 - Information to be Provided to Members or Registrar

In accordance with the requirements of the Workplace Relations Act (1996), the attention of members is drawn to the provisions of sub sections (1) to (4) of Section 272, which read as follows:

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

Note 3 - Other Administrative Expenses

Other administrative expenses represent items of expenditure which are individually immaterial and include as major items, Bank Fees, Clearing House, Insurance, Power and Light, Repairs, Maintenance and Telephone.

Note 4 - Fighting Fund

A Special meeting on 7 September 1989 adopted a resolution to establish a Victorian Fighting Fund. The Funds donated by Members and other interested parties have been used to organise electoral campaigns and support National endeavours, both legal and political, against Government changes to the Pharmaceutical Benefits Scheme. The surplus of these funds as at 30 June 2008 are held in a reserve pending future costs relating to this cause. All funds are invested and interest on the funds transferred to the reserve.

	2008	2007
	\$	\$
FIGHTING FUND RESERVE		
Opening Balance 1 July 2007	96,651	149,992
Add: Interest transferred from Accumulated Funds	3,694	8,925
Less: Movements from Reserve	-58,961	-62,266
Closing Balance as at 30 June 2008	41,384	96,651

FINANCIAL STATEMENTS

For year ended 30 June 2008

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$

Note 5 - Reserves and Accumulated Funds

Fighting Fund Reserve	Note 5c	41,384	96,651	41,384	96,651
Investment Revaluation Reserve	Note 5c	2,594,619	2,174,464	2,594,619	2,174,464
		2,636,003	2,271,115	2,636,003	2,271,115

(a) Fighting Fund Reserve

Nature and purpose of reserve - The nature and purpose of the fighting fund reserve has been documented in Note 4.

(b) Investment Revaluation Reserve

Nature and purpose of reserve - The asset revaluation reserve is used to record increments and decrements in the value of non-current assets

	Balance 30/06/2007	Transfer to Accumulated Funds	Transfer from Accumulated Funds	Movements	Balance 30/06/2008
	\$	\$	\$	\$	\$

(c) Movements in Reserve

Description

Fighting Fund Reserve	96,651	3,694	-58,961	--	41,384
Investment Revaluation Reserve	2,174,464	--	--	420,155	2,594,619
	2,271,115	3,694	-58,961	420,155	2,636,003

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$

(d) Accumulated Funds

Balance at the beginning of the year	7,419,614	5,617,440	7,419,614	5,617,440
Net Surplus (Deficit) attributable to members of The Pharmacy Guild of Australia, Victoria	837,971	1,748,833	837,971	1,748,833
Transfers to Accumulated Funds from Reserve	58,961	62,266	58,961	62,266
Total available for appropriation	8,316,546	7,428,539	8,316,546	7,428,539
Transfers from Accumulated Funds to Reserve	-3,694	-8,925	-3,694	-8,925
Balance at end year	8,312,852	7,419,614	8,312,852	7,419,614

FINANCIAL STATEMENTS

For year ended 30 June 2008

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$
Note 6 - Receivables (current)				
Trade Debtors	502,797	441,478	502,797	441,478
Provision for Doubtful Debts	--	--	--	--
	<u>502,797</u>	<u>441,478</u>	<u>502,797</u>	<u>441,478</u>
Other Debtors	151,808	37,922	151,808	37,922
Controlled Entity	--	--	3,257,384	3,053,139
	<u>151,808</u>	<u>37,922</u>	<u>3,409,192</u>	<u>3,091,061</u>
	<u>654,605</u>	<u>479,400</u>	<u>3,911,989</u>	<u>3,532,539</u>

(a) Related Party Receivables

The Guild (Victoria) Computer Unit Trust	--	--	3,257,384	3,053,139
--	----	----	-----------	-----------

(b) Terms and conditions

Terms and conditions relating to the above financial instruments:

- (1) Trade Debtors are non-interest bearing and generally on 30 day terms.
- (2) Other Debtors and other receivables are non-interest bearing and have repayment terms between 30 and 90 days.

Note 7 - Other Current Assets

Prepayments	143,930	48,352	143,930	48,352
Accrued Income	12,000	4,728	12,000	4,728
Loan to Guild Properties (Victoria) Unit Trust	477,178	--	477,178	--
	<u>633,108</u>	<u>53,080</u>	<u>633,108</u>	<u>53,080</u>

Note 8 - Other Financial Assets (non-current)

Investments in controlled entities

Shareholding in Pharmacy Computers Aust Pty Ltd	100%	--	--	175,000	175,000
Investment in The Guild (Victoria) Computer Unit Trust	100%	--	--	20	20

Investment in associate

Investment in PCA NU Systems Pty Ltd	50%	3,431,104	3,227,229	--	--
		<u>3,431,104</u>	<u>3,227,229</u>	<u>175,020</u>	<u>175,020</u>

The Branch has 100% ownership of Pharmacy Computers Australia Pty Ltd as trustee for The Guild (Victoria) Computer Unit Trust. The investment in PCA NU Systems Pty Ltd has been equity accounted. Share of Associate's profit is \$1,553,875

FINANCIAL STATEMENTS

For year ended 30 June 2008

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$

Note 9 - Investment Available for Sale

At fair value

Guild Properties (Victoria) Unit Trust	6,722,474	6,302,319	6,722,474	6,302,319
--	------------------	------------------	------------------	------------------

The Branch holds 3,306,937 units in the Guild Properties (Victoria) Unit Trust, the owner of 40 Burwood Road, Hawthorn.

The units are currently valued in accordance with advice from The Guild Properties Company Limited, as Trustee of the Unit Trust to \$2.032839965 per unit. There was a valuation completed at 30 June 2008.

Valuations - The fair value of investment in Guild Properties (Victoria) Unit Trust have been determined by independent valuation for the freehold land and building on freehold land held by the unit trust. Such valuations are performed on an open market basis, being the amounts for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the valuation date.

Note 10 - Property, Plant and Equipment

Office Furniture and Fittings

At Cost	1,563,865	781,046	1,468,148	685,329
Accumulated Depreciation	-700,040	-672,128	-604,323	-576,531
	863,825	108,918	863,825	108,798

Branch Computer Facilities

At Cost	401,251	369,590	267,481	235,820
Accumulated Depreciation	-326,696	-291,654	-192,926	-157,884
	74,555	77,936	74,555	77,936

Motor Vehicles

At Cost	130,182	105,754	130,182	105,754
Accumulated Depreciation	-58,917	-40,542	-58,917	-40,542
	71,265	65,212	71,265	65,212
	1,009,645	252,066	1,009,645	251,946

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current and previous financial year.

Office Furniture and Fittings

Carrying amount at beginning	108,918	169,903	108,798	166,778
Additions	810,318	3,344	810,318	3,344
Disposals	-27,500	--	-27,500	--
Add back accumulated depreciation from disposals	18,127	--	18,127	--
Depreciation Expense	-46,038	-64,329	-45,918	-61,324
	863,825	108,918	863,825	108,798

FINANCIAL STATEMENTS

For year ended 30 June 2008

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$
Note 10 - Property, Plant and Equipment - (Continued)				
Branch Computer Facilities				
Carrying amount at beginning	77,936	96,002	77,936	95,885
Additions	31,661	18,075	31,661	18,075
Disposals	--	--	--	--
Add back accumulated depreciation from disposals	--	--	--	--
Depreciation Expense	-35,042	-36,141	-35,042	-36,024
	74,555	77,936	74,555	77,936
Motor Vehicles				
Carrying amount at beginning	65,212	51,637	65,212	51,637
Additions	24,428	28,347	24,428	28,347
Disposals	--	--	--	--
Add back accumulated depreciation from disposals	--	--	--	--
Depreciation Expense	-18,375	-14,772	-18,375	-14,772
	71,265	65,212	71,265	65,212

Note 11 - Trade and Other Payables (current)

Unsecured

Controlled Entity	--	--	20	20
Trade Creditors	971,164	469,111	971,164	469,111
Prepaid Income	551,820	564,241	551,820	564,241
	1,522,984	1,033,352	1,523,004	1,033,372

Prepaid income represents 2008 subscriptions and deferred income received prior to 30 June 2008.

Aggregate amounts payable to related parties

The Guild (Victoria) Computer Unit Trust	--	--	20	20
--	----	----	----	----

FINANCIAL STATEMENTS

For year ended 30 June 2008

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$
Note 12 - Provisions (current)				
Employee Entitlements				
Annual Leave	178,394	157,483	178,394	157,483
Long Service leave	261,224	243,581	261,224	243,581
	439,618	401,064	439,618	401,064

Note 13 - Interest Bearing Liabilities (non-current)

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$
Loan				
Bendigo Bank - Purchase of Building Units	--	199	--	199

Terms and conditions:

The type of facility is a Commercial Business Loan over 10 years, with a fixed 5 year rate (Principal and interest), then variable for the remainder of the term.

Note 14 - Provisions (non-current)

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$
Employee Entitlements				
Long Service Leave	--	12,474	--	12,474
Other				
Security Deposit	63,787	--	63,787	--
	63,787	12,474	63,787	12,474

Note 15 - Notes to the Statement of cash Flows

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and investments in money market, net of items in the Balance Sheet as follows outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related instruments,

Cash at Beginning of the Year

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$
Cash	437,422	260,015	436,632	255,821
Deposits at Call	386,302	61,680	386,302	61,680
	823,724	321,695	822,934	317,501

Cash at End of the Year

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$
Cash	516,401	437,422	515,121	436,632
Deposits at Call	7,907	386,302	7,907	386,302
	524,308	823,724	523,028	822,934

FINANCIAL STATEMENTS

For year ended 30 June 2008

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$
Surplus / (Deficit) for the year after tax	837,971	1,748,833	837,971	1,748,833
Depreciation of Non-current Assets	104,497	115,242	104,377	112,120
Other Non Cash Income	--	--	--	--
Changes in Net Assets and Liabilities				
(Increase) / Decrease in Current Receivables	-379,450	-1,284,338	-379,450	-1,284,338
(Increase) / Decrease in Current Other Assets	-580,027	50,963	-580,027	50,963
(Increase) / Decrease in Non-Current Assets	--	575,000	--	--
(Decrease) / Increase Current Creditors	490,002	-742,990	489,632	-161,464
(Decrease)/ Increase in Current Provisions	38,554	151,121	38,554	151,121
(Decrease) / Increase in Non-Current Provisions	51,114	-62,036	51,114	-62,036
Net Cash (Used In) / Provided By Operating Activities	562,661	551,795	562,171	555,199

Note 16 - Related Party Disclosures

(a) Director and executive disclosure

The following persons held positions on the Branch Committee or Directors during the reporting period:

The Pharmacy Guild of Australia, Victoria

D R Sanghvi (President)	B R Robertson
D McLean	R E Gymer
B Baxter	W J Scott
D S Nolte	P Krassaris
R J C Foster (Branch Committee and Director)	G Tambassis
T E Riley	M V Sheehan (Branch Director)
K Gray	

PCA NU Systems Pty Ltd

W J Scott (Director PCA NU Systems Pty Ltd)
R J C Foster (Director PCA NU Systems Pty Ltd)

FINANCIAL STATEMENTS

For year ended 30 June 2008

Note 16 - Related Party Disclosures (continued)

Compensation of Key Management Personnel

The aggregate amount of remuneration received or receivable by the members of the Branch Committee and Directors for the reporting period was as follows:

	Short-Term Employee Benefits	Superannuation Contributions	Total
2008 Total Compensation	\$177,260	\$180,751	\$358,011
2007 Total Compensation	\$174,762	\$179,957	\$354,719

During the year some Branch Committee members participated as members in the member service provided and accordingly membership fees were paid in accordance with normal terms and conditions.

	2008 \$	2007 \$
(b) Balances with Related Parties		
(i) Amounts payable to Related Parties		
Other Branches - Current		
The Pharmacy Guild of Australia (National Secretariat)	2,638	9,188
The Pharmacy Guild of Australia (WA)	1,921	2,374
Other Related Parties - Current		
Guild Insurance & Financial Services Ltd	4,905	4,905
(ii) Amounts Receivable from Related Parties.		
Other Branches - Current		
The Pharmacy Guild of Australia (National Secretariat)	16,561	112,051
Gold Cross Products and Services Pty Ltd	59,094	23,100
The Pharmacy Guild of Australia (NSW)	6,285	18,641
The Pharmacy Guild of Australia (Tasmania)	11,868	--
Australian College of Pharmacy Practice, Victorian Branch	--	135
Other Related Parties - Current		
Guild Insurance & Financial Services Ltd	89,069	68,760
Guild Properties (Victoria) Unit Trust	477,178	--

FINANCIAL STATEMENTS

For year ended 30 June 2008

Note 16 - Related Party Disclosures (continued)

The following transactions took place with related parties during the reporting period:

Party	Type of Transaction	Terms	2008 \$	2007 \$
Other Branches				
The Pharmacy Guild of Australia National Secretariat	Membership contributions paid by Victorian Branch	56.61% of gross membership fees received	844,491	1,006,710
Gold Cross Products and Services Pty Ltd	Commission paid to Victorian Branch for distribution of its material	Based on membership % applied to gross Division income	120,342	101,539
The Pharmacy Guild of Australia (WA)	Income received from Vic Branch as interest less costs on Clearing House facilities.	Interest at normal commercial rates less actual costs	1,746	2,374
Other Related Parties				
Subsidiaries of The Pharmacy Guild of Australia				
Guild Insurance Company Ltd.	Commission received from Guild Insurance for business referred from Victorian Branch members	Percentage of business received. Calculated on normal commercial terms	369,572	352,038
The Guild Properties Company Ltd.	Distribution received by Victorian Branch as interest on units held in Guild Properties (Victoria) Unit Trust	Normal Commercial Terms	286,084	199,542
	Building costs & maintenance paid by Victorian Branch to Guild Properties Company Ltd [Trustee Company of Guild Properties (Victoria) Trust] as tenants of "Guild Unit Trust" as tenants of "Guild", a property owned by the unit trust.	Normal Commercial Terms	15,289	85,782

Subsidiaries of the Pharmacy Guild of Australia, Victorian Branch

During the year the unit trust paid nil (2006 Nil) to the unit holder, The Pharmacy Guild of Australia, Victorian Branch. Total distribution for the year was nil (2006 Nil).

As at balance date \$3,257,384 (2007 \$3,053,139) is owing to the Pharmacy Guild of Australia, Victorian Branch.

The Pharmacy Guild of Australia, Victorian Branch owe the unit trust \$20 (2007 \$20) for issued units as at balance date.

FINANCIAL STATEMENTS

For year ended 30 June 2008

Note 17 – Financial Risk Management

a) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial liability and equity instrument are disclosed in Note 1 to the accounts.

b) Interest Rate Risk

The following table details the economic entity's exposure to interest rate risk as at the reporting date.

	Average Interest Rate %	Variable Interest \$	Fixed Interest Rate \$	Non Interest Bearing \$	Total \$
2008					
Financial Assets					
Cash	6.60	516,402	--	--	516,402
Trade Receivables		--	--	502,797	502,797
Other Receivables		--	--	151,808	151,808
Other Current Assets		--	--	633,108	633,108
Bank Bills	7.12	--	--	--	--
Short Term Deposits	6.95	--	7,906	--	7,906
		516,402	7,906	1,287,713	1,812,021
Financial Liabilities					
Trade Payables		--	--	971,164	971,164
Other liabilities		--	--	551,820	551,820
Employee entitlements		--	--	503,405	503,405
Loans	8.50	--	--	--	--
		--	--	2,026,389	2,026,389
2007					
Financial Assets					
Cash	5.45	437,422	--	--	437,422
Trade Receivables		--	--	441,478	441,478
Other Receivables		--	--	37,922	37,922
Other Current Assets		--	--	53,080	53,080
Bank Bills	6.10	--	350,000	--	350,000
Short Term Deposits	5.95	--	36,302	--	36,302
		437,422	386,302	532,480	1,356,204
Financial Liabilities					
Trade Payables		--	--	469,111	469,111
Other liabilities		--	--	564,241	564,241
Employee entitlements		--	--	413,538	413,538
Loans	8.50	--	199	--	199
		--	199	1,446,890	1,447,089

FINANCIAL STATEMENTS

For year ended 30 June 2008

Note 17 – Financial Risk Management (continued)

(c) Capital Management

The Pharmacy Guild of Australia, Victoria's financial instruments consist of deposits with banks and accounts receivable and payable. Branch funds are invested in accordance with The Pharmacy Guild of Australia's Constitution whereby all monies are deposited with an accredited bank. The Branch manages liquidity risk by monitoring forecast cash flows and ensuring that adequate surplus funds are maintained to meet financial obligations.

When managing capital, The Pharmacy Guild of Australia, Victoria's objective is to ensure that the organisation continues as a going concern as well as to maintain optimal benefits for stakeholders. The Pharmacy Guild of Australia, Victoria also aims to maintain a capital structure that ensures the lowest cost of capital available to the organisation.

The Pharmacy Guild of Australia, Victoria's is not subject to any externally imposed capital requirements.

(d) Credit Risk

The Pharmacy Guild of Australia, Victoria continuously monitors defaults by customers and other counterparties and incorporates this information into its credit risk controls. The Pharmacy Guild of Australia, Victoria's management considers that all of the above financial assets are not impaired for each reporting date and are of good quality, including those past due.

The credit risk for liquid funds is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

In respect of trade and other receivables, the Pharmacy Guild of Australia, Victoria is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Current trade and term receivables are 30 day terms except for branch membership subscriptions which members can elect to pay by instalments in accordance with the Constitution. No terms have been renegotiated during the year.

No provisioning or write-offs have been necessary during the current year. A provision for impairment is recognised when there is an objective evidence that an individual trade or term receivable is impaired.

No trade and other receivables are deemed to be impaired. Collateral is not held as security, nor is it the The Pharmacy Guild of Australia, Victoria's policy to transfer (on-sell) receivables. In addition some of the unimpaired trade receivables are past due as at reporting date. The ageing of financial assets past due is as follows:

	2008	2007
	\$	\$
0-30 days	187,220	195,735
31-60 days	228,158	66,660
61-90 days PDNI*	64,943	144,899
+91 days PDNI*	22,476	34,182
+91 days CI*	-	-
	502,797	441,476

PDNI* Past due not considered impaired

CI* Considered Impairment

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements. The organisation has material credit risk exposure within the pharmaceutical industry under financial instruments entered into by the organisation.

FINANCIAL STATEMENTS

For year ended 30 June 2008

Note 17 – Financial Risk Management (continued)

(e) Sensitivity Analysis

The Pharmacy Guild of Australia, Victoria has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks. The Guild is exposed to changes in market interest rates through the cash held at banks which are subject to variable and fixed interest rates.

The following table illustrates the sensitivity of the net result for the year and the equity to a reasonably possible change in interest rates of +1% and –1% (2007: +/-1%), with the effect from the beginning of the year. These changes are considered to be reasonably possible based on observations of current market conditions.

	2008	2008	2007	2007
	\$ +1%	\$ -1%	\$ +1%	\$ -1%
Net result for the year	5,243	(5,243)	8,237	(8,237)
Equity	5,243	(5,243)	8,237	(8,237)

The Guild does not have any foreign currency or other market exposures.

Note 18 - Subsequent Events

There have been no significant events which have occurred subsequent to 30 June 2008.

Note 19 - Contingent Liabilities

There are no contingent liabilities as at 30 June 2008.

	CONSOLIDATED		BRANCH	
	2008	2007	2008	2007
	\$	\$	\$	\$

Note 20 - Employee Entitlements

The aggregate employee entitlement liability is comprised of:

Annual Leave (Current)	178,394	157,483	178,394	157,483
Long Service Leave (Current)	261,224	243,581	261,224	243,581
Long Service Leave (Non-Current)	--	12,474	--	12,474
	439,618	413,538	439,618	413,538

Note 21 - Auditor's Remuneration

Amounts received or due and receivable by Ernst & Young for:

Auditing the accounts	39,272	35,678	39,272	35,678
Amounts received or due and receivable by others for:				
Auditing and other services	--	1,610	--	1,610
	39,272	37,288	39,272	37,288

Note 22 - Expenditure Commitments

Loan From Bendigo Bank

Not later than one year	--	199	--	199
Later than one year but not later than five years	--	--	--	--
	0	199	0	199

OPERATING REPORT

I, DIPAK RAJNIKANT SANGHVI, being the designated officer responsible for preparing this report for the financial year ended 30 June 2008 of The Pharmacy Guild of Australia Victorian Branch, report as follows:

(a) Principal Activities:

- (i) The Pharmacy Guild of Australia Victorian Branch is an employers' organisation servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.
- (ii) The Pharmacy Guild of Australia Victorian Branch assists the National Council and the National Executive of The Pharmacy Guild of Australia ("the Guild") in carrying out the overall policy and objectives of the Guild.
- (iii) Included in the Annual Report are the various reports compiled by The Pharmacy Guild of Australia Victorian Branch's President, Director and Officers outlining the activities for the year. There were no significant changes in the nature of these activities during the year under review.

(b) Significant Financial Changes:

There have been no significant changes in The Pharmacy Guild of Australia Victorian Branch's financial affairs during the period to which this report relates

(c) Members Advice:

- (i) under Section 174 of the Registration and Accountability of Organisations schedule (RAO) and Rule 36 of the rules of the Guild, a member may resign from membership by written notice addressed and delivered to the Branch Director;
- (ii) the register of members of the organisation was maintained in accordance with the RAO; and
- (iii) Section 272 of the RAO outlines members and the registrar's rights to certain prescribed information.

(d) Officers of the organisation holding the position of a trustee of a superannuation entity, apart from their individual funds, were:

Robert Foster : The Pharmacy Guild of Australia Superannuation Fund.

(e) Prescribed and other Information:

- (i) As at 30 June 2008, to which this report relates, the number of members of the organisation were 893, including honorary life members.

As at 30 June 2008, the total number of employees employed by the reporting entity was 30.

During the reporting period, the following persons were members of the Branch Committee :

Mr D R Sanghvi (President)	Mr R J C Foster	Mr K Gray	Mr R E Gymer
Mr P Krassaris	Mr D McLean	Mr D S Nolte	Mr B R Robertson
Mr W J Scott	Mr G Tambassis	Ms B Baxter	Ms T E Riley

(f) Insurance of Officers:

During the financial year, The Pharmacy Guild of Australia Victorian Branch paid insurance to cover all officers of The Pharmacy Guild of Australia Victorian Branch. The officers of The Pharmacy Guild of Australia Victorian Branch covered by the insurance policy include all the committee of management. Other officers covered by the contract are the management of The Pharmacy Guild of Australia Victorian Branch. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of The Pharmacy Guild of Australia Victorian Branch.



DIPAK RAJNIKANT SANGHVI

12 September 2008

COMMITTEE OF MANAGEMENT STATEMENT


On 12th September 2008, the Committee of Management of The Pharmacy Guild of Australia Victorian Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2008.

The Committee of Management declares in relation to the GPFR that, in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of The Pharmacy Guild of Australia Victorian Branch for the financial year to 30 June 2008;
- (d) there are reasonable grounds to believe that The Pharmacy Guild of Australia Victorian Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation;
 - (ii) the financial affairs of The Pharmacy Guild of Australia Victorian Branch have been managed in accordance with the rules of the organisation;
 - (iii) the financial records of The Pharmacy Guild of Australia Victorian Branch have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
 - (iv) 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 Pharmacy Guild of Australia Victorian Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.

For Committee of Management: DIPAK RAJNIKANT SANGHVI

Title of Office held: BRANCH PRESIDENT



Signature:

Independent auditor's report to the members of Pharmacy Guild of Australia, Victorian Branch

We have audited the accompanying financial report of Pharmacy Guild of Australia, Victorian Branch (the Branch), which comprises the balance sheet as at 30 June 2008, and the income statement, statement of recognised income and expense and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Branch committee declaration of the consolidated entity comprising the Branch and the entities it controlled at the year's end or from time to time during the financial year.

Branch Committee's Responsibility for the Financial Report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls 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 controls. 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 report.

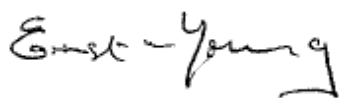
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have met the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the General Purpose Financial Report for The Pharmacy Guild of Australia, Victorian Branch as at 30 June 2008, is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by part 3 of Chapter 8 of the RAO Schedule of The Workplace Relations Act.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive style.

Ernst & Young

A handwritten signature in black ink that reads 'R. Bruce Dungey' in a cursive style.

R. Bruce Dungey FCA
Registered Company Auditor
Partner
Melbourne
15 September 2008