



FAIR WORK
AUSTRALIA

29 June 2010

Ms Zoe Mullen
President
The Pharmacy Guild of Australia, Western Australian Branch

email: reception@wa.guild.org.au

Dear Ms Mullen

**Re: Financial Report for The Pharmacy Guild of Australia, Western Australian Branch
for year ended 30 June 2009 – FR2009/276**

I acknowledge receipt of the revised financial report for The Pharmacy Guild of Australia, Western Australian Branch (the Branch) for the year ended 30 June 2009. The report was lodged with Fair Work Australia on 21 May 2010.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Operating Report

Trustee of superannuation entity

Subsection 254(2)(d) of *Fair Work (Registered Organisations) Act 2009* (the Act) requires details of any *officer or member* of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme to be provided in the operating report *'where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation'*.

If no officer or member of the reporting unit is a trustee of a superannuation entity, the preferred wording to satisfy the s254(2)(d) is:

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

Timing of Financial Documents - Lodgement of Documents in Fair Work Australia

Section 268 of the Act requires the Branch to lodge its financial documents with Fair Work Australia within 14 days of the date of the General Meeting of Members at which they were presented (that is, by 14 October 2009). The documents were not lodged with Fair Work Australia, however, until 2 December 2009. You are requested to lodge documents within the 14 day period in future.

Notes to the Financial Statements

I acknowledge the change to "*note 1a Income Tax*" of the notes to the financial statements received on 4 January 2010. This note is different to that contained in the report lodged on 2 December 2009.

References to Schedule 1B

Note 21 of the notes to the financial statements contains reference to Schedule 1B of the *Workplace Relations Act 1996*. This reference should have been to the Schedule 1 of the *Workplace Relations Act 1996*.

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

Yours sincerely

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

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

THE PHARMACY GUILD OF AUSTRALIA WESTERN AUSTRALIAN BRANCH

OPERATING REPORT

I, ZOE LENETTE MULLEN, being the designated officer responsible for preparing this report for the financial year ended 30 June 2009 of The Pharmacy Guild of Australia Western Australian Branch, report as follows:

1. Principal Activities:

- a) The Pharmacy Guild of Australia Western Australian Branch is an employers' organisation servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.
- b) The Pharmacy Guild of Australia Western Australian 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.
- c) Included in the Annual Report are the various reports compiled by The Pharmacy Guild of Australia Western Australian Branch's President and Director outlining the activities for the year. There were no significant changes in the nature of these activities during the year under review.

2. Significant financial changes:

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

3. Operating Results

The profit for the year amounted to \$148,016.

4. Members Advice:

- a) Under Section 174 of the Registration and Accountability of Organisations schedule, (RAO), a member may resign from a membership by written notice addressed and delivered to the Branch Director (Rule 36 of the Constitution);
- b) The register of members of the organization was maintained in accordance with the RAO;
- c) Section 272 of the RAO outlines members and the registrar's rights to certain prescribed information.

5. Prescribed and other Information:

- a) As at 30 June 2009 to which this report relates the number of members of the organisation was 451 including Honorary Life Members;
- b) As at 30 June 2009 the total number of employees employed by the reporting entity was 16.
- c) The persons who have been members of the committee of management of The Pharmacy Guild of Australia Western Australian Branch during the reporting period are:

Branch Executive
Zoe Lenette Mullen
Harry Zafer

Stephen Wragg
Natalie Willis

President
Vice President
National Councillor
Vice President Finance
Alternate National Councillor

THE PHARMACY GUILD OF AUSTRALIA
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OPERATING REPORT CONTINUED

Branch Committee

Bruce Warland	Great Southern Country
Vivien Hudson	North Coast Metro
Paul Jardine	South Eastern Metro
Andrew Ngeow	Eastern Country
Ross McKay	Northern Country District
Lenette Mullen	Fremantle Melville
Ernie Pirone	Northern Metro
David Manuel	Perth City
Chirag Shah	South Coastal Metro
Adrian Staltari	Eastern Metropolitan
Natalie Willis	South Perth Metro
Stephen Wragg	North Eastern Metro
Harry Zafer	West Coast Metro
Linda Keane	South West Country

6. Insurance of Officers:

During the financial year, The Pharmacy Guild of Australia Western Australian Branch paid insurance to cover all officers of The Pharmacy Guild of Australia Western Australian Branch. The officers of The Pharmacy Guild of Australia Western Australian Branch covered by the insurance policy include all the committees of management. Other officers covered by the contract are the management of The Pharmacy Guild of Australia Western Australian 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 Western Australian Branch



ZOE LENETTE MULLEN

Date: 11 September 2009

THE PHARMACY GUILD OF AUSTRALIA
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COMMITTEE OF MANAGEMENT STATEMENT

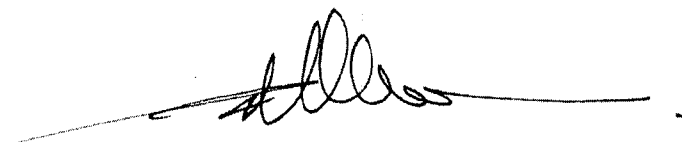
On 11 September 2009 the Committee of Management of The Pharmacy Guild of Australia WA Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2009:

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 reporting unit for the financial year to which they relate;
- (d) 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;
- (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 organization including the rules of a branch concerned; and
 - ii. The financial affairs of the reporting unit have been managed in accordance with the rules of the organization including the rules of a branch concerned; and
 - iii. The financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - iv. Where the organization consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organization; and
 - v. The information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - vi. There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: Zoe Lenette Mullen

Title of Office Held: President



Signature

Dated: 11 September 2009

THE PHARMACY GUILD OF AUSTRALIA
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INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	2009 \$	2008 \$
Revenue	2	3,317,141	3,093,374
Employee benefits expense		(773,558)	(692,924)
Depreciation and amortisation expense		(43,755)	(48,261)
Other expenses	3	(2,351,812)	(2,271,272)
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Profit for the year		148,016	80,917
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The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

BALANCE SHEET
AS AT 30 JUNE 2009

	NOTE	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,681,601	1,569,040
Trade and other receivables	6	96,661	129,708
Inventories	7	1,993	5,353
Other current assets	8	109,017	136,594
		<hr/>	<hr/>
Total Current Assets		1,889,272	1,840,695
		<hr/>	<hr/>
NON CURRENT ASSETS			
Trade and other receivables	6	10,000	10,000
Property, plant and equipment	9	2,201,270	2,182,130
		<hr/>	<hr/>
Total Non Current Assets		2,211,270	2,192,130
		<hr/>	<hr/>
TOTAL ASSETS		4,100,542	4,032,825
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade and other payables	10	624,561	714,843
Short term provisions	11	53,480	34,730
		<hr/>	<hr/>
Total Current Liabilities		678,041	749,573
		<hr/>	<hr/>
NON CURRENT LIABILITIES			
Long term provisions	11	9,635	54,862
Trade and other payables	10	36,460	-
		<hr/>	<hr/>
Total Non Current Liabilities		46,095	54,862
		<hr/>	<hr/>
TOTAL LIABILITIES		724,136	804,435
		<hr/>	<hr/>
NET ASSETS		3,376,406	3,228,390
		<hr/>	<hr/>
EQUITY			
Reserves		1,344,280	1,267,771
Retained earnings		2,032,126	1,960,619
		<hr/>	<hr/>
TOTAL EQUITY		3,376,406	3,228,390
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

**THE PHARMACY GUILD OF AUSTRALIA
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**STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2009**

	Retained Earnings General	Retained Earnings Special Projects	Capital Equipment Replacement Reserve	Capital Building Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2007	549,708	1,350,079	64,726	30,000	1,152,960	3,147,473
Profit for the year	(51,823)	132,740	-	-	-	80,917
Transfer from general funds	-	(30,000)	-	30,000	-	-
Transfer to general funds	9,916	-	(9,916)	-	-	-
Revaluation decrement						
Balance at 30 June 2008	507,801	1,452,819	54,810	60,000	1,152,960	3,228,390
Profit for the year	(1,477)	149,493	-	-	-	148,016
Transfer from general funds	-	(87,500)	25,000	62,500	-	-
Transfer to general funds	-	10,990	-	(10,990)	-	-
Balance at 30 June 2009	506,324	1,525,802	79,810	111,510	1,152,960	3,376,406

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		3,292,610	3,441,426
Payments to suppliers and employees		(3,216,247)	(3,091,777)
Interest received		71,753	81,076
		<hr/>	<hr/>
Net cash provided by operating activities	17	148,116	430,725
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment		119	-
Purchase of property, plant & equipment		(62,894)	(9,917)
		<hr/>	<hr/>
Net cash provided by (used in) investing activities		(62,775)	(9,917)
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Training Fee Adjustment		(9,240)	-
Loan repayment received		-	-
Security Deposit - Rental		36,460	-
		<hr/>	<hr/>
Net cash provided by (used in) financing activities		27,220	-
		<hr/>	<hr/>
Net increase/(decrease) in cash held		112,561	420,808
Cash at beginning of the year		1,569,040	1,148,232
		<hr/>	<hr/>
Cash at end of year	5	1,681,601	1,569,040
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

The financial report covers The Pharmacy Guild of Australia, Western Australian Branch as an individual entity. The Pharmacy Guild of Australia, Western Australian Branch is an association incorporated in Western Australia under the Workplace Relations Act 1996.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

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

a. Income Tax

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

b. Inventories

Inventories consist of stock of unsold product, measured at the lower of cost or net realisable value. The cost of inventories includes all direct costs of acquisition. Costs are assigned on the basis of weighted average cost.

c. Property, plant & equipment

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

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

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

THE PHARMACY GUILD OF AUSTRALIA
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

The depreciable amount of plant and equipment is depreciated on a straight line basis over their useful lives to the association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Office equipment	15%
Office furniture	10%
Motor vehicles	15%
Computer equipment	33 1/3%
Structural improvements	2.5%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

The asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

d. Leases

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

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

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

e. Financial Instruments

Initial Recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the association becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and Subsequent Measurement

Financial assets at fair value through profit and loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in the fair value are included in profit or loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as such or that are not classified in any other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Impairment

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

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f. Impairment of assets

At each reporting date, the association 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 assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

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

g. Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

h. Training administration fee

The training administration fee liability represents the amount refundable to employer members for the training administration fee originally charged to employer members.

i. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

j. Revenue and other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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

k. 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 Australian Taxation 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. Where applicable receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l. Comparative Figures

Where requested by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Treatment of Reserve allocations was changed in the 2009 year. Previously, movement between Reserve accounts and Retained Profits was recorded through the Income Statement utilising an expense account to record funds allocated to future building and capital projects. This transaction was a non-cash entry. From 2009 these transfers are being recognised as movements between equity accounts only. The resultant effect on the 2008 comparatives is to decrease Special Project expenses by \$30,000, increasing Special Project profit by \$30,000 and to decrease General Fund income by \$9,916, decreasing General Fund profit by \$9,916. The net effect is to increase profit for the year ended 30 June 2008 to \$80,917.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

m. Key Estimates

(i) *Impairment*

The association assesses impairment at each reporting date by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

n. New Accounting Standards for Application In Future Periods

The AASB has issued new, revised and amended Standards and Interpretations that have mandatory application dates for future reporting periods and which the association has decided not to early adopt. A discussion of those future requirements and their impact on the association is as follows:

- AASB 3: Business Combinations, AASB 127: Consolidates and Separate Financial Statements, AASB 2008-3: Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASB Standards 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 and 139 and Interpretations 9 and 107] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2008-7: Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 and AASB 136] (applicable for annual reporting periods commencing from 1 January 2009). These Standards are applicable prospectively and so will only affect relevant transactions and consolidations occurring from the date of application. Neither of these Standards are currently applicable to the association.
- AASB 8: Operating Segments and AASB 2007-3: Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB127, AASB 134, AASB 136, AASB 1023 and AASB 1038] (applicable for annual reporting periods commencing from 1 January 2009). This Standard replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the group's board for the purposes of decision making. Whilst the impact of this Standard cannot be assessed at this stage, there is potential for more segments to be identified. Given the lower economic level at which segments may be defined, and the fact that cash generating units cannot be bigger than operating segments, impairment calculations may be affected. Management presently do not believe impairment will result however.
- AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefine the composition of the financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the association. If an entity has made prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.

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FOR THE YEAR ENDED 30 JUNE 2009

- AASB 123: Borrowing Costs and AASB 2007-6: Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 and AASB 138 and Interpretations 1 and 12] (applicable for annual reporting periods commencing 1 January 2009). The revised AASB 123 has removed the option to expense all borrowing costs and will therefore require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. Management has determined that there will be no effect on the association as a policy of capitalising qualifying borrowing costs has been maintained by the association.
- AASB 2008-1: Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations [AASB 2] (applicable for annual reporting periods commencing 1 January 2009). This amendment to AASB 2 clarifies that vesting conditions consist of service and performance conditions only. Other elements of a share-based payment transaction should therefore be considered for the purpose of determining fair value. Cancellations are also required to be treated in the same manner whether the cancelled by the entity or by another party. This Standard is not currently applicable to the association.
- AASB 2008-2: Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132 and AASB 139 and Interpretation 2] (applicable for annual reporting periods commencing 1 January 2009). These amendments introduce an exception to the definition of a financial liability, to classify as equity instruments certain puttable financial instruments and certain other financial instruments that impose an obligation to deliver a pro rata share of net assets only upon liquidation.
- AASB 2008-5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) and AASB 2008-6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the association.
- AASB 2008-8: Amendments to Australian Accounting Standards – Eligible Hedged Items [AASB 139] (applicable for annual reporting periods commencing 1 January 2009). This amendment clarifies how the principles determine whether a hedged risk or portion of cash flows is eligible for designation as a hedged item should be applied in particular situations and is not expected to materially affect the association.
- AASB 2008-13: Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 and AASB 101] (applicable for annual reporting periods commencing 1 January 2009). This amendment requires that non-current assets held for distribution to owners be measured at the lower of carrying value and fair value, less costs to distribute.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

- AASB Interpretation 15: Agreements for the Construction of Real Estate (applicable for annual reporting periods commencing 1 January 2009). Under the interpretation, agreements for the construction of real estate shall be accounted for in accordance with AASB 111 where the agreement meets the definition of 'construction contract' per AASB 111 and when the significant risks and rewards of ownership of the work in progress transfer to the buyer continuously as construction progresses. Where the recognition requirements in relation to construction are satisfied but the agreement does not meet the definition of 'construction contract', revenue is to be accounted for in accordance with AASB 118. This policy is not currently applicable to the association.
- AASB Interpretation 16: Hedges of a Net Investment in a Foreign Operation (applicable for annual reporting periods commencing 1 October 2008). Interpretation 16 applies to entities that hedge foreign currency risk arising from net investments in foreign operations and that want to adopt hedge accounting. The Interpretation provides clarifying guidance on several issues in accounting for the hedge of a net investment in a foreign operation and is not expected to impact the association.
- AASB Interpretation 17: Distributions of Non-cash Assets to Owners (applicable for annual reporting periods commencing 1 January 2009). This guidance applies prospectively only and clarifies that non-cash dividends payable should be measured at the fair value of the net assets to be distributed, where the difference between the fair value and carrying value of the assets is recognised in profit or loss.

The association does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the association's financial statements.

	2009	2008
	\$	\$
2. REVENUE		
Operating Activities		
• General fund revenue	1,600,681	1,670,211
• Membership Subscriptions	897,978	801,155
• Program and Grant Income	414,862	280,614
• Special project fund revenue	331,867	260,318
• Interest received – general fund	47,710	54,560
• Interest received - special project fund	24,043	26,516
	3,317,141	3,093,374
Non-operating Activities		
	-	-
Total revenue	3,317,141	3,093,374

A detailed income and expenditure statement follows at the end of this financial report.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
3. EXPENSES		
• Membership Subscriptions to National Secretariat	444,164	373,421
• Office Holder Employee Benefits	110,269	-
• Relievers	70,398	167,595
• Meeting Expenditure	56,365	15,419
• Training Division Expenses	600,622	553,348
• Member Services	616,748	630,547
• Branch Committee Expenses	97,826	186,804
• Payroll Tax	62,800	55,646
• Rent & Variable Outgoings	58,415	59,328
• Other Expenses	234,205	229,164
	2,351,812	2,271,272
	2,351,812	2,271,272
4. AUDITORS REMUNERATION		
Remuneration of the auditor for:		
Auditing or reviewing the financial report	7,160	7,900
Other services	-	-
	7,160	7,900
	7,160	7,900
5. CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	1,681,601	1,569,040
Short term bank deposits	-	-
	1,681,601	1,569,040
	1,681,601	1,569,040
Reconciliation of cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:-		
Cash and cash equivalents - general	1,073,120	1,142,380
Cash and cash equivalents – special projects fund	608,481	426,660
Bank overdrafts	-	-
	1,681,601	1,569,040
	1,681,601	1,569,040

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
6. TRADE AND OTHER RECEIVABLES		
CURRENT		
Subscriptions Receivable	-	-
Other Receivables	96,661	129,708
	<hr/>	<hr/>
Total current trade and other receivables	96,661	129,708
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
NON CURRENT		
Loan to Guild Shield Chemists	10,000	10,000
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>

Current trade receivables are non-interest bearing loans and generally are receivable with 90 days. A provision for impairment is recognised against subscriptions where there is objective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2009 (2008: Nil).

Credit Risk

The entity has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 6. The main source of credit risk to the entity is considered to relate to the class of assets described as subscriptions receivable.

The following table details the entity's subscriptions receivable exposed to credit risk with aging analysis and impairment provided thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the association and the member or counterparty to the transactions. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the entity.

The balance of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31 - 60	61 - 90	> 90	
	\$	\$	\$	\$	\$	\$	\$
2009							
Subscriptions Receivable	1,385	-	1,385	-	-	-	-
Other Receivables	105,276	-	-	-	-	-	105,276
Total	106,661	-	1,385	-	-	-	105,276
<hr/>							
2008							
Subscriptions Receivable	-	-	-	-	-	-	-
Other Receivables	139,708	-	-	-	-	-	139,708
Total	139,708	-	-	-	-	-	139,708

The entity does not hold any financial asserts whose terms have been renegotiated, but which would otherwise be past due or impaired.

Collateral held as security

No collateral is held as security for any of the trade or other receivable balances.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

		2009 \$	2008 \$
Financial assets classified as loans and receivables			
Trade and other receivables	Note		
- total current	17	96,661	129,708
- total non-current	17	10,000	10,000
		106,661	139,708
Total		106,661	139,708

Collateral pledged

No collateral has been pledged for any of the trade and other receivable balances.

7. INVENTORIES

CURRENT

Stocks of stationery, packaging and signs		1,993	5,353
		1,993	5,353

8. OTHER CURRENT ASSETS

Prepayments		29,904	43,134
Accrued income		75,679	93,460
Accrued GST		3,434	-
		109,017	136,594
		109,017	136,594

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
9. PROPERTY, PLANT & EQUIPMENT		
Land & buildings		
Opening independent valuation	1,825,000	1,825,000
Revaluation	-	-
	1,825,000	1,825,000
Closing independent valuation	1,825,000	1,825,000
	1,825,000	1,825,000
Office furniture & equipment		
At cost	809,431	747,136
Accumulated depreciation	(467,677)	(437,102)
	341,754	310,034
Motor vehicles		
At cost	83,865	83,865
Accumulated amortisation	(49,349)	(36,769)
	34,516	47,096
Total plant & equipment	376,270	357,130
Total property, plant & equipment	2,201,270	2,182,130

The association's land & buildings were revalued in the 2007 financial year by independent valuers. Valuations were made on the basis of open market value. The revaluation surplus was credited to an asset revaluation reserve in the equity section of the balance sheet. No deferred tax was provided on the revaluation as the association is exempt from taxation under the principle of mutuality.

THE PHARMACY GUILD OF AUSTRALIA
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Movement In carrying amounts

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

	Land & buildings \$	Office furniture & equipment \$	Motor vehicles \$	Total \$
Balance at the beginning of year	1,825,000	310,034	47,096	2,182,130
Additions	-	62,895	-	62,895
Disposals	-	-	-	-
Revaluation decrement	-	-	-	-
Depreciation & amortisation expense	-	(31,175)	(12,580)	(43,755)
Carrying amount at the end of year	<u>1,825,000</u>	<u>341,754</u>	<u>34,516</u>	<u>2,201,270</u>

2009
\$ 2008
\$

10. TRADE & OTHER PAYABLES
CURRENT

Trade payables	49,879	3,969
Training administration fees	11,760	21,000
Income received in advance	363,692	607,412
Accrued expenses	199,230	76,205
Accrued GST	-	6,257
	<u>624,561</u>	<u>714,843</u>

NON CURRENT

Rental Property Security Deposit	<u>36,460</u>	-
----------------------------------	---------------	---

The Income received in advance amount includes \$294,885 membership fees for the 2009/2010 year. Of this figure, \$148,796 is forwarded to the National office after 01.07.09, being the portion of membership fees collected by the Western Australian branch attributable to the Pharmacy Guild of Australia, National branch.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

11. PROVISIONS

	Annual leave \$	Long service leave \$	Total \$
Opening balance at 1 July 2008	43,861	45,731	89,592
Additional provisions	69,557	5,007	74,564
Amounts used	(73,406)	(27,635)	(101,041)
	40,012	23,103	63,115
	40,012	23,103	63,115
Analysis of total provision			2009 \$
Current			53,480
Non current			9,635
			63,115
			63,115

Provision for long term employee benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

12. RESERVES

General Reserves

The capital equipment replacement reserve and the capital building reserve record funds set aside for future expansion of the association.

Financial Assets Reserve

The asset revaluation reserve records revaluation of financial assets.

13. CAPITAL & LEASING COMMITMENTS

Operating lease commitments

	2009 \$	2008 \$
Payable – minimum lease payments		
- not later than 12 months	6,326	5,869
- between 12 months & 5 years	-	-
- greater than 5 years	-	-
	6,326	5,869
	6,326	5,869

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS		
Estimates of the potential effect of contingent liabilities that may become payable:	-	-
	=====	=====
15. EVENTS AFTER THE BALANCE SHEET DATE		
No significant events have occurred subsequent to the reporting date.		
16. RELATED PARTY TRANSACTIONS		
There have been no material transactions with key management personnel or related parties.		
17. CASHFLOW INFORMATION		
Reconciliation of cash flow from operations with profit from ordinary activities after income tax:		
Profit after income tax	148,016	80,917
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation and amortisation	43,755	48,261
- Net loss/(profit) on disposal of plant and equipment	(119)	-
- Depreciation adjustments	-	-
Changes in assets and liabilities		
- (Increase)/decrease in trade and term debtors	33,047	(115,903)
- (Increase)/decrease in prepayments	13,230	34,820
- (Increase)/decrease in accrued income	17,781	(93,460)
- (Increase)/decrease in inventories	3,360	(3,242)
- Increase/(decrease) in trade and other payables	(74,786)	438,697
- Increase/(decrease) in employee benefits	(26,477)	34,687
- Increase/(decrease) in accrued GST	(9,691)	5,948
	-----	-----
Cash flow from operations	148,116	430,725
	=====	=====

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

18. FINANCIAL RISK MANAGEMENT

Financial risk management policies

The association's financial instruments consist mainly of deposits with banks, short term instruments, accounts receivable and 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:

	Note	2009 \$	2008 \$
Financial Assets			
Cash and cash equivalents	5	1,681,601	1,569,040
Loans and receivables	6	106,661	139,708
Other current assets	8	109,017	136,594
		<hr/>	<hr/>
		1,897,279	1,845,342
		=====	=====
Financial Liabilities			
Trade and other payables	10	661,021	714,843
		<hr/>	<hr/>
		661,021	714,843
		=====	=====

Financial Risk Management Policies

The association's Vice President Finance is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The Vice President Finance monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, financial risk and interest rate risk. The overall risk management strategy seeks to ensure that the association meets its financial targets, whilst minimising potential cash flow shortfalls.

Specific Financial Risk Exposure and Management

The main risks the association is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

a. Interest rate risk

The association is not exposed to any significant interest rate risk since cash balances are maintained at variable rates and borrowings of the association are not considered significant.

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

b. Liquidity risk

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

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions.

The table below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect management's expectations as to the timing of realisation. Actual timing may therefore differ from that disclosed.

Financial liability and financial assets maturity analysis

	Within 1 year		1 to 5 years		Over 5 years		Total	
	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$
Financial liabilities								
Trade & sundry payables	624,561	714,843	36,460	-	-	-	661,021	714,843
Lease liabilities	-	-	-	-	-	-	-	-
Total financial liabilities	624,561	714,843	36,460	-	-	-	661,021	714,843
Financial assets								
Cash & cash equivalents	1,681,601	1,569,040	-	-	-	-	1,681,601	1,569,040
Short-term deposits	-	-	-	-	-	-	-	-
Trade & other receivables	96,661	129,708	10,000	10,000	-	-	106,661	139,708
Total financial assets	1,778,262	1,698,748	10,000	10,000	-	-	1,788,262	1,708,748

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability. Refer to Note 13 for further details.

c. Foreign exchange risk

The association is not exposed to fluctuations in foreign currencies.

d. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the association.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness. All subscriptions receivable are past due. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

Credit risk exposure

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet.

There is no collateral held by the association securing trade or other receivables.

The association has no significant concentration of credit risk with any single counterparty or group of counterparties.

e. Price risk

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

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Areas of judgement and the assumptions used have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded.

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	Footnote	2009		2008	
		Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
		\$	\$	\$	\$
Financial assets					
Cash & cash equivalents	(i)	1,681,601	1,681,601	1,569,040	1,569,040
Trade & other receivables	(i)	106,661	106,661	139,708	139,708
Total financial assets		<u>1,788,262</u>	<u>1,788,262</u>	<u>1,708,748</u>	<u>1,708,748</u>
Financial liabilities					
Trade & sundry payables	(i)	661,021	661,021	714,843	714,843
Lease liabilities	(ii)	-	-	-	-
Total financial liabilities		<u>661,021</u>	<u>661,021</u>	<u>714,843</u>	<u>714,843</u>

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual leave which is not considered a financial instrument.
- (ii) These liabilities are fixed interest leases carried at amortised cost. Differences between carrying value and net fair value represent decreases in market interest rates.

19. ASSOCIATION DETAILS

The registered office of the association is:

The Pharmacy Guild of Australia WA Branch
1322 Hay Street
West Perth WA 6005

The principal place of business of the association is:

The Pharmacy Guild of Australia WA Branch
1322 Hay Street
West Perth WA 6005

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

20. SEGMENT REPORTING

The association operates predominately in one business and geographical segment, being the pharmaceutical sector, providing industrial representative services to members of the association in Western Australia.

21. WORKPLACE RELATIONS ACT 1996 – SECTION 272 SCHEDULE 1B

Information to be provided to members or Registrar.

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

Note: This subsection is a civil penalty provision (see section 305).


THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

STATEMENT BY THE MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages 19 to 44;

1. Presents a true and fair view of the financial position of The Pharmacy Guild of Australia Western Australian Branch as at 30 June 2009 and it's performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that The Pharmacy Guild of Australia Western Australian Branch will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



ZOE LENETTE MULLEN
President

STEPHEN WRAGG
Vice President of Finance

Dated this 11th day of September 2009

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PHARMACY GUILD OF AUSTRALIA, WESTERN
AUSTRALIAN BRANCH

Report on the Financial Report

We have audited the accompanying financial report of The Pharmacy Guild of Australia, Western Australian Branch including the general fund and the special projects fund, which comprises the balance sheet as at 30 June 2009 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes, committee of management statement and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. 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; 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 amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 opinion.

Independence

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

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PHARMACY GUILD OF AUSTRALIA, WESTERN
AUSTRALIAN BRANCH

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of The Pharmacy Guild of Australia, Western Australian Branch as of 30 June 2009, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.



Francis A Jones Pty Ltd
Mario Natale Cattalini CPA
Registered Company Auditor
154 High Street
Fremantle WA 6160

Date this 11th day of September 2009

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009
GENERAL FUND

	2009	2008
	\$	\$
REVENUE		
Operating Activities		
Administration Expenses Recovered	813,958	714,847
Commission	165,395	188,430
Events & Public Relations Income	2,231	6,264
Gold Cross Service Commission	42,679	44,635
Members Services	466,088	561,398
Membership Subscriptions	766,955	681,244
Pharmacy Industry Training	647,002	541,787
Sundry Income	9,214	13,375
Interest Received	47,710	54,560
	2,961,232	2,806,540
EXPENDITURE		
Advertising	4,793	2,793
Accounting Fees	-	-
Auditing Fees	7,160	7,900
Bad Debts	-	(1,069)
Bank Fees	3,154	3,923
Branch Committee Expenses	97,826	186,804
Depreciation – Office Equipment	18,327	22,803
– Motor Vehicles	12,580	12,580
Dispatch & Postage	21,710	19,824
EDP Maintenance & Support	21,517	11,962
Entertainment	347	765
Events & Public Relations Expenses	32,056	59,677
Insurance	26,093	24,199
Meeting Expenses	13,405	5,274
Members Services	616,748	630,547
Motor Vehicle	6,825	12,100
National Council Dues	455,772	382,511
Office Expenses	5,094	4,257
Payroll Tax	62,800	55,646
Parking/Taxi Expenses	527	860
Power and Light	12,436	11,433
Printing and Stationery	37,426	37,978
Professional Fees	200	-

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009
GENERAL FUND

	2009	2008
	\$	\$
Provision for Holiday Pay	-	1,900
Provision for Long Service Leave	-	32,786
Rent & Variable Outgoings	58,415	59,328
Repairs & Maintenance	620	-
Salaries – Employees	626,018	547,619
Staff Recruitment & Agency Temp Staff	34,516	8,705
Subscriptions & Seminars	3,201	6,846
Sundry Expenses & Staff Training	19,011	9,941
Superannuation	113,024	101,914
Telephone and Facsimile	32,674	30,066
Training Division Expenses	600,622	553,348
Travelling Expenses	17,812	12,763
Uniforms for Staff	-	380
	<hr/>	<hr/>
TOTAL EXPENDITURE	2,962,709	2,858,363
	<hr/>	<hr/>
Profit from General Fund for the year	(1,477)	(51,823)
	=====	=====

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009
SPECIAL PROJECT FUND

	2009 \$	2008 \$
REVENUE		
Operating Activities		
Rent and Variable Outgoings Received	189,356	131,317
WA Industrial & Management Service Fee	142,511	129,001
Interest Received	24,043	26,516
	355,910	286,834
EXPENDITURE		
Cleaning Services & Supplies	19,541	20,744
Depreciation	12,848	12,878
Donations	11,541	7,700
Insurance	-	4,475
Legal Cover Expenses	69,394	20,487
Rates & Taxes	18,100	16,851
Reimburse of Administration Costs	66,012	62,736
Repairs & Maintenance	4,339	5,556
Security/Alarm System	4,642	2,303
Sundry Expenses	-	364
	206,417	154,094
Profit from Special Projects Fund for the year	149,493	132,740



FAIR WORK
AUSTRALIA

15 February 2010

Mr Mario Natale Cattalini
Registered Company Auditor
Francis A Jones Pty Ltd

email: c/o brigette@faj.com.au

Dear Mr Cattalini

**Re: Financial Report for The Pharmacy Guild of Australia, Western Australian Branch
for year ended 30 June 2009 – FR2009/276**

On 2 December 2009 The Pharmacy Guild of Australia, Western Australian Branch (the Branch) lodged the above financial report with Fair Work Australia (FWA). On 18 December 2009 correspondence was sent to the Branch requesting (amongst other things) that a revised Audit Report be provided to FWA expressing an opinion that the general purpose financial report was "presented fairly". A copy of this correspondence is attached.

On 4 and 19 January 2010 the Branch provided a revised financial report where an alteration was made to note 3 (containing statements for the general and special purpose funds) of the notes to the financial statements, moving both statements to follow the Audit Report. Could you indicate the scope of the Audit Report provided to FWA on 19 January 2010?

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

Yours sincerely

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

DONNELLAN, Kevin

From: James Sewell [JSewell@wa.guild.org.au]
Sent: Tuesday, 19 January 2010 1:51 PM
To: DONNELLAN, Kevin
Subject: RE: FR2009/276 - Financial year ended 30 June 2009 - The Pharmacy Guild of Australia, Western Australian Branch
Attachments: 2009 Financials 180110.pdf; Designated Officer's Certificate 09.doc

Hi Kevin

Attached are the new financials that the Auditors have sent through and the designated officers certificate. Do not hesitate to contact me with any queries.

Thank you

James Sewell
Accountant
The Pharmacy Guild of Australia WA
1322 Hay Street
West Perth WA 6005
08 9429 4153

Designated Officer's Certificate
s268 Fair Work (Registered Organisations) Act 2009

I Zoe Lenette Mullen being the President of The Pharmacy Guild of Australia,
Western Australian Branch certify:

- That the documents lodged herewith are copies of the full report referred to in section 268 of the *Fair Work (Registered Organisations) Act 2009*; and
- That the full report was provided to members on 11th September 2009; and
- That the full report was presented to a general meeting of members of the reporting unit on 14th October 2009 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.



ZOE LENETTE MULLEN

11th January 2010

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

THE PHARMACY GUILD OF AUSTRALIA WESTERN AUSTRALIAN BRANCH

OPERATING REPORT

I, ZOE LENETTE MULLEN, being the designated officer responsible for preparing this report for the financial year ended 30 June 2009 of The Pharmacy Guild of Australia Western Australian Branch, report as follows:

1. Principal Activities:

- a) The Pharmacy Guild of Australia Western Australian Branch is an employers' organisation servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.
- b) The Pharmacy Guild of Australia Western Australian 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.
- c) Included in the Annual Report are the various reports compiled by The Pharmacy Guild of Australia Western Australian Branch's President and Director outlining the activities for the year. There were no significant changes in the nature of these activities during the year under review.

2. Significant financial changes:

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

3. Operating Results

The profit for the year amounted to \$148,016.

4. Members Advice:

- a) Under Section 174 of the Registration and Accountability of Organisations schedule, (RAO), a member may resign from a membership by written notice addressed and delivered to the Branch Director (Rule 36 of the Constitution);
- b) The register of members of the organization was maintained in accordance with the RAO;
- c) Section 272 of the RAO outlines members and the registrar's rights to certain prescribed information.

5. Prescribed and other Information:

- a) As at 30 June 2009 to which this report relates the number of members of the organisation was 451 including Honorary Life Members;
- b) As at 30 June 2009 the total number of employees employed by the reporting entity was 16.
- c) The persons who have been members of the committee of management of The Pharmacy Guild of Australia Western Australian Branch during the reporting period are:

Branch Executive
Zoe Lenette Mullen
Harry Zafer

Stephen Wragg
Natalie Willis

President
Vice President
National Councillor
Vice President Finance
Alternate National Councillor

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

OPERATING REPORT CONTINUED

Branch Committee

Bruce Warland	Great Southern Country
Vivien Hudson	North Coast Metro
Paul Jardine	South Eastern Metro
Andrew Ngeow	Eastern Country
Ross McKay	Northern Country District
Lenette Mullen	Fremantle Melville
Ernie Pirone	Northern Metro
David Manuel	Perth City
Chirag Shah	South Coastal Metro
Adrian Staltari	Eastern Metropolitan
Natalie Willis	South Perth Metro
Stephen Wragg	North Eastern Metro
Harry Zafer	West Coast Metro
Linda Keane	South West Country

6. Insurance of Officers:

During the financial year, The Pharmacy Guild of Australia Western Australian Branch paid insurance to cover all officers of The Pharmacy Guild of Australia Western Australian Branch. The officers of The Pharmacy Guild of Australia Western Australian Branch covered by the insurance policy include all the committees of management. Other officers covered by the contract are the management of The Pharmacy Guild of Australia Western Australian 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 Western Australian Branch



ZOE LENETTE MULLEN
Date: 11 September 2009

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

COMMITTEE OF MANAGEMENT STATEMENT

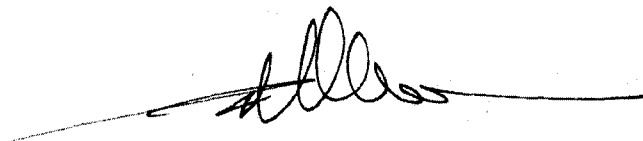
On 11 September 2009 the Committee of Management of The Pharmacy Guild of Australia WA Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2009:

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 reporting unit for the financial year to which they relate;
- (d) 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;
- (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 organization including the rules of a branch concerned; and
 - ii. The financial affairs of the reporting unit have been managed in accordance with the rules of the organization including the rules of a branch concerned; and
 - iii. The financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - iv. Where the organization consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organization; and
 - v. The information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - vi. There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: Zoe Lenette Mullen

Title of Office Held: President



Signature

Dated: 11 September 2009

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	2009 \$	2008 \$
Revenue	2	3,317,141	3,093,374
Employee benefits expense		(773,558)	(692,924)
Depreciation and amortisation expense		(43,755)	(48,261)
Other expenses		(2,351,812)	(2,271,272)
		<hr/>	<hr/>
Profit for the year		148,016	80,917
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**BALANCE SHEET
AS AT 30 JUNE 2009**

	NOTE	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	4	1,681,601	1,569,040
Trade and other receivables	5	96,661	129,708
Inventories	6	1,993	5,353
Other current assets	7	109,017	136,594
		<hr/>	<hr/>
Total Current Assets		1,889,272	1,840,695
		<hr/>	<hr/>
NON CURRENT ASSETS			
Trade and other receivables	5	10,000	10,000
Property, plant and equipment	8	2,201,270	2,182,130
		<hr/>	<hr/>
Total Non Current Assets		2,211,270	2,192,130
		<hr/>	<hr/>
TOTAL ASSETS		4,100,542	4,032,825
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade and other payables	9	624,561	714,843
Short term provisions	10	53,480	34,730
		<hr/>	<hr/>
Total Current Liabilities		678,041	749,573
		<hr/>	<hr/>
NON CURRENT LIABILITIES			
Long term provisions	10	9,635	54,862
Trade and other payables	9	36,460	-
		<hr/>	<hr/>
Total Non Current Liabilities		46,095	54,862
		<hr/>	<hr/>
TOTAL LIABILITIES		724,136	804,435
		<hr/>	<hr/>
NET ASSETS		3,376,406	3,228,390
		<hr/>	<hr/>
EQUITY			
Reserves		1,344,280	1,267,771
Retained earnings		2,032,126	1,960,619
		<hr/>	<hr/>
TOTAL EQUITY		3,376,406	3,228,390
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2009

	Retained Earnings General	Retained Earnings Special Projects	Capital Equipment Replacement Reserve	Capital Building Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2007	549,708	1,350,079	64,726	30,000	1,152,960	3,147,473
Profit for the year	(51,823)	132,740	-	-	-	80,917
Transfer from general funds	-	(30,000)	-	30,000	-	-
Transfer to general funds	9,916	-	(9,916)	-	-	-
Revaluation decrement						
Balance at 30 June 2008	507,801	1,452,819	54,810	60,000	1,152,960	3,228,390
Profit for the year	(1,477)	149,493	-	-	-	148,016
Transfer from general funds	-	(87,500)	25,000	62,500	-	-
Transfer to general funds	-	10,990	-	(10,990)	-	-
Balance at 30 June 2009	506,324	1,525,802	79,810	111,510	1,152,960	3,376,406

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		3,292,610	3,441,426
Payments to suppliers and employees		(3,216,247)	(3,091,777)
Interest received		71,753	81,076
		<hr/>	<hr/>
Net cash provided by operating activities	15	148,116	430,725
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment		119	-
Purchase of property, plant & equipment		(62,894)	(9,917)
		<hr/>	<hr/>
Net cash provided by (used in) investing activities		(62,775)	(9,917)
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Training Fee Adjustment		(9,240)	-
Loan repayment received		-	-
Security Deposit - Rental		36,460	-
		<hr/>	<hr/>
Net cash provided by (used in) financing activities		27,220	-
		<hr/>	<hr/>
Net increase/(decrease) in cash held		112,561	420,808
Cash at beginning of the year		1,569,040	1,148,232
		<hr/>	<hr/>
Cash at end of year	4	1,681,601	1,569,040
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

The financial report covers The Pharmacy Guild of Australia, Western Australian Branch as an individual entity. The Pharmacy Guild of Australia, Western Australian Branch is an association incorporated in Western Australia under the Workplace Relations Act 1996.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

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

a. Income Tax

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

b. Inventories

Inventories consist of stock of unsold product, measured at the lower of cost or net realisable value. The cost of inventories includes all direct costs of acquisition. Costs are assigned on the basis of weighted average cost.

c. Property, plant & equipment

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

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

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

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

The depreciable amount of plant and equipment is depreciated on a straight line basis over their useful lives to the association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Office equipment	15%
Office furniture	10%
Motor vehicles	15%
Computer equipment	33 1/3%
Structural improvements	2.5%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

The asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

d. Leases

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

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

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

e. Financial Instruments

Initial Recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the association becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and Subsequent Measurement

Financial assets at fair value through profit and loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in the fair value are included in profit or loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as such or that are not classified in any other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Impairment

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

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f. Impairment of assets

At each reporting date, the association 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 assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

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

g. Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

h. Training administration fee

The training administration fee liability represents the amount refundable to employer members for the training administration fee originally charged to employer members.

i. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

J. Revenue and other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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

k. 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 Australian Taxation 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. Where applicable receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l. Comparative Figures

Where requested by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Treatment of Reserve allocations was changed in the 2009 year. Previously, movement between Reserve accounts and Retained Profits was recorded through the Income Statement utilising an expense account to record funds allocated to future building and capital projects. This transaction was a non-cash entry. From 2009 these transfers are being recognised as movements between equity accounts only. The resultant effect on the 2008 comparatives is to decrease Special Project expenses by \$30,000, increasing Special Project profit by \$30,000 and to decrease General Fund income by \$9,916, decreasing General Fund profit by \$9,916. The net effect is to increase profit for the year ended 30 June 2008 to \$80,917.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

m. Key Estimates

(i) *Impairment*

The association assesses impairment at each reporting date by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

n. New Accounting Standards for Application In Future Periods

The AASB has issued new, revised and amended Standards and Interpretations that have mandatory application dates for future reporting periods and which the association has decided not to early adopt. A discussion of those future requirements and their impact on the association is as follows:

- AASB 3: Business Combinations, AASB 127: Consolidates and Separate Financial Statements, AASB 2008-3: Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASB Standards 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 and 139 and Interpretations 9 and 107] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2008-7: Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 and AASB 136] (applicable for annual reporting periods commencing from 1 January 2009). These Standards are applicable prospectively and so will only affect relevant transactions and consolidations occurring from the date of application. Neither of these Standards are currently applicable to the association.
- AASB 8: Operating Segments and AASB 2007-3: Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB127, AASB 134, AASB 136, AASB 1023 and AASB 1038] (applicable for annual reporting periods commencing from 1 January 2009). This Standard replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the group's board for the purposes of decision making. Whilst the impact of this Standard cannot be assessed at this stage, there is potential for more segments to be identified. Given the lower economic level at which segments may be defined, and the fact that cash generating units cannot be bigger than operating segments, impairment calculations may be affected. Management presently do not believe impairment will result however.
- AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefine the composition of the financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the association. If an entity has made prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.

THE PHARMACY GUILD OF AUSTRALIA WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

- AASB 123: Borrowing Costs and AASB 2007-6: Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 and AASB 138 and Interpretations 1 and 12] (applicable for annual reporting periods commencing 1 January 2009). The revised AASB 123 has removed the option to expense all borrowing costs and will therefore require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. Management has determined that there will be no effect on the association as a policy of capitalising qualifying borrowing costs has been maintained by the association.
- AASB 2008-1: Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations [AASB 2] (applicable for annual reporting periods commencing 1 January 2009). This amendment to AASB 2 clarifies that vesting conditions consist of service and performance conditions only. Other elements of a share-based payment transaction should therefore be considered for the purpose of determining fair value. Cancellations are also required to be treated in the same manner whether the cancelled by the entity or by another party. This Standard is not currently applicable to the association.
- AASB 2008-2: Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132 and AASB 139 and Interpretation 2] (applicable for annual reporting periods commencing 1 January 2009). These amendments introduce an exception to the definition of a financial liability, to classify as equity instruments certain puttable financial instruments and certain other financial instruments that impose an obligation to deliver a pro rata share of net assets only upon liquidation.
- AASB 2008-5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) and AASB 2008-6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the association.
- AASB 2008-8: Amendments to Australian Accounting Standards – Eligible Hedged Items [AASB 139] (applicable for annual reporting periods commencing 1 January 2009). This amendment clarifies how the principles determine whether a hedged risk or portion of cash flows is eligible for designation as a hedged item should be applied in particular situations and is not expected to materially affect the association.
- AASB 2008-13: Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 and AASB 101] (applicable for annual reporting periods commencing 1 January 2009). This amendment requires that non-current assets held for distribution to owners be measured at the lower of carrying value and fair value, less costs to distribute.

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

- AASB Interpretation 15: Agreements for the Construction of Real Estate (applicable for annual reporting periods commencing 1 January 2009). Under the interpretation, agreements for the construction of real estate shall be accounted for in accordance with AASB 111 where the agreement meets the definition of 'construction contract' per AASB 111 and when the significant risks and rewards of ownership of the work in progress transfer to the buyer continuously as construction progresses. Where the recognition requirements in relation to construction are satisfied but the agreement does not meet the definition of 'construction contract', revenue is to be accounted for in accordance with AASB 118. This policy is not currently applicable to the association.
- AASB Interpretation 16: Hedges of a Net Investment in a Foreign Operation (applicable for annual reporting periods commencing 1 October 2008). Interpretation 16 applies to entities that hedge foreign currency risk arising from net investments in foreign operations and that want to adopt hedge accounting. The Interpretation provides clarifying guidance on several issues in accounting for the hedge of a net investment in a foreign operation and is not expected to impact the association.
- AASB Interpretation 17: Distributions of Non-cash Assets to Owners (applicable for annual reporting periods commencing 1 January 2009). This guidance applies prospectively only and clarifies that non-cash dividends payable should be measured at the fair value of the net assets to be distributed, where the difference between the fair value and carrying value of the assets is recognised in profit or loss.

The association does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the association's financial statements.

	2009	2008
	\$	\$
2. REVENUE		
Operating Activities		
• General fund revenue	2,913,521	2,751,980
• Special project fund revenue	331,867	260,318
• Interest received – general fund	47,710	54,560
• Interest received - special project fund	24,043	26,516
	3,317,141	3,093,374
Non-operating Activities	-	-
Total revenue	3,317,141	3,093,374

A detailed income and expenditure statement follows at the end of this financial report.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
3. AUDITORS REMUNERATION		
Remuneration of the auditor for:		
Auditing or reviewing the financial report	7,160	7,900
Other services	-	-
	7,160	7,900
	7,160	7,900

4. CASH AND CASH EQUIVALENTS

Cash at bank and in hand	1,681,601	1,569,040
Short term bank deposits	-	-
	1,681,601	1,569,040
	1,681,601	1,569,040

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:-

Cash and cash equivalents - general	1,073,120	1,142,380
Cash and cash equivalents – special projects fund	608,481	426,660
Bank overdrafts	-	-
	1,681,601	1,569,040
	1,681,601	1,569,040

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
5. TRADE AND OTHER RECEIVABLES		
CURRENT		
Subscriptions Receivable	-	-
Other Receivables	96,661	129,708
	96,661	129,708
Total current trade and other receivables	96,661	129,708
NON CURRENT		
Loan to Guild Shield Chemists	10,000	10,000
	10,000	10,000

Current trade receivables are non-interest bearing loans and generally are receivable with 90 days. A provision for impairment is recognised against subscriptions where there is objective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2009 (2008: Nil).

Credit Risk

The entity has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 5. The main source of credit risk to the entity is considered to relate to the class of assets described as subscriptions receivable.

The following table details the entity's subscriptions receivable exposed to credit risk with aging analysis and impairment provided thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the association and the member or counterparty to the transactions. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the entity.

The balance of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	Gross Amount	Past due and Impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31 - 60	61 - 90	> 90	
	\$	\$	\$	\$	\$	\$	\$
2009							
Subscriptions Receivable	1,385	-	1,385	-	-	-	-
Other Receivables	105,276	-	-	-	-	-	105,276
Total	106,661	-	1,385	-	-	-	105,276
2008							
Subscriptions Receivable	-	-	-	-	-	-	-
Other Receivables	139,708	-	-	-	-	-	139,708
Total	139,708	-	-	-	-	-	139,708

The entity does not hold any financial asserts whose terms have been renegotiated, but which would otherwise be past due or impaired.

Collateral held as security

No collateral is held as security for any of the trade or other receivable balances.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

		2009	2008
		\$	\$
Financial assets classified as loans and receivables			
Trade and other receivables	Note		
- total current	16	96,661	129,708
- total non-current	16	10,000	10,000
		<hr/>	<hr/>
Total		106,661	139,708
		<hr/> <hr/>	<hr/> <hr/>

Collateral pledged

No collateral has been pledged for any of the trade and other receivable balances.

6. INVENTORIES

CURRENT

Stocks of stationery, packaging and signs		1,993	5,353
		<hr/> <hr/>	<hr/> <hr/>

7. OTHER CURRENT ASSETS

Prepayments		29,904	43,134
Accrued income		75,679	93,460
Accrued GST		3,434	0
		<hr/>	<hr/>
		109,017	136,594
		<hr/> <hr/>	<hr/> <hr/>

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
8. PROPERTY, PLANT & EQUIPMENT		
Land & buildings		
Opening independent valuation	1,825,000	1,825,000
Revaluation	0	0
	1,825,000	1,825,000
Closing independent valuation	1,825,000	1,825,000
	1,825,000	1,825,000
Office furniture & equipment		
At cost	809,431	747,136
Accumulated depreciation	(467,677)	(437,102)
	341,754	310,034
Motor vehicles		
At cost	83,865	83,865
Accumulated amortisation	(49,349)	(36,769)
	34,516	47,096
Total plant & equipment	376,270	357,130
Total property, plant & equipment	2,201,270	2,182,130

The association's land & buildings were revalued in the 2007 financial year by independent valuers. Valuations were made on the basis of open market value. The revaluation surplus was credited to an asset revaluation reserve in the equity section of the balance sheet. No deferred tax was provided on the revaluation as the association is exempt from taxation under the principle of mutuality.

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

Movement In carrying amounts

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

	Land & buildings \$	Office furniture & equipment \$	Motor vehicles \$	Total \$
Balance at the beginning of year	1,825,000	310,034	47,096	2,182,130
Additions	-	62,895	-	62,895
Disposals	-	-	-	-
Revaluation decrement	-	-	-	-
Depreciation & amortisation expense	-	(31,175)	(12,580)	(43,755)
Carrying amount at the end of year	<u>1,825,000</u>	<u>341,754</u>	<u>34,516</u>	<u>2,201,270</u>

2009 2008
\$ \$

**9. TRADE & OTHER PAYABLES
CURRENT**

Trade payables	49,879	3,969
Training administration fees	11,760	21,000
Income received in advance	363,692	607,412
Accrued expenses	199,230	76,205
Accrued GST	0	6,257
	<u>624,561</u>	<u>714,843</u>

NON CURRENT

Rental Property Security Deposit	<u>36,460</u>	-
----------------------------------	---------------	---

The Income received in advance amount includes \$294,885 membership fees for the 2009/2010 year. Of this figure, \$148,796 is forwarded to the National office after 01.07.09, being the portion of membership fees collected by the Western Australian branch attributable to the Pharmacy Guild of Australia, National branch.

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

10. PROVISIONS

	Annual leave \$	Long service leave \$	Total \$
Opening balance at 1 July 2008	43,861	45,731	89,592
Additional provisions	69,557	5,007	74,564
Amounts used	(73,406)	(27,635)	(101,041)
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2009	40,012	23,103	63,115
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Analysis of total provision			2009 \$
Current			53,480
Non current			9,635
			<hr/>
			63,115
			<hr/> <hr/>

Provision for long term employee benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

11. RESERVES

General Reserves

The capital equipment replacement reserve and the capital building reserve record funds set aside for future expansion of the association.

Financial Assets Reserve

The asset revaluation reserve records revaluation of financial assets.

12. CAPITAL & LEASING COMMITMENTS

Operating lease commitments

	2009 \$	2008 \$
Payable – minimum lease payments		
- not later than 12 months	6,326	5,869
- between 12 months & 5 years	-	-
- greater than 5 years	-	-
	<hr/>	<hr/>
	6,326	5,869
	<hr/> <hr/>	<hr/> <hr/>

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS		
Estimates of the potential effect of contingent liabilities that may become payable:	-	-
	=====	=====
13. EVENTS AFTER THE BALANCE SHEET DATE		
No significant events have occurred subsequent to the reporting date.		
14. RELATED PARTY TRANSACTIONS		
There have been no material transactions with key management personnel or related parties.		
15. CASHFLOW INFORMATION		
Reconciliation of cash flow from operations with profit from ordinary activities after income tax:		
Profit after income tax	148,016	80,917
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation and amortisation	43,755	48,261
- Net loss/(profit) on disposal of plant and equipment	(119)	0
- Depreciation adjustments	0	0
Changes in assets and liabilities		
- (Increase)/decrease in trade and term debtors	33,047	(115,903)
- (Increase)/decrease in prepayments	13,230	34,820
- (Increase)/decrease in accrued income	17,781	(93,460)
- (Increase)/decrease in inventories	3,360	(3,242)
- Increase/(decrease) in trade and other payables	(74,786)	438,697
- Increase/(decrease) in employee benefits	(26,477)	34,687
- Increase/(decrease) in accrued GST	(9,691)	5,948
	-----	-----
Cash flow from operations	148,116	430,725
	=====	=====

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

16. FINANCIAL RISK MANAGEMENT

Financial risk management policies

The association's financial instruments consist mainly of deposits with banks, short term instruments, accounts receivable and 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:

	Note	2009 \$	2008 \$
Financial Assets			
Cash and cash equivalents	4	1,681,601	1,569,040
Loans and receivables	5	106,661	139,708
Other current assets	7	109,017	136,594
		<hr/>	<hr/>
		1,897,279	1,845,342
		<hr/>	<hr/>
Financial Liabilities			
Trade and other payables	9	661,021	714,843
		<hr/>	<hr/>
		661,021	714,843
		<hr/>	<hr/>

Financial Risk Management Policies

The association's Vice President Finance is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The Vice President Finance monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, financial risk and interest rate risk. The overall risk management strategy seeks to ensure that the association meets its financial targets, whilst minimising potential cash flow shortfalls.

Specific Financial Risk Exposure and Management

The main risks the association is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

a. Interest rate risk

The association is not exposed to any significant interest rate risk since cash balances are maintained at variable rates and borrowings of the association are not considered significant.

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

b. Liquidity risk

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

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions.

The table below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect management's expectations as to the timing of realisation. Actual timing may therefore differ from that disclosed.

Financial liability and financial assets maturity analysis

	Within 1 year		1 to 5 years		Over 5 years		Total	
	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$
Financial liabilities								
Trade & sundry payables	624,561	714,843	36,460	-	-	-	661,021	714,843
Lease liabilities	-	-	-	-	-	-	-	-
Total financial liabilities	624,561	714,843	36,460	-	-	-	661,021	714,843
Financial assets								
Cash & cash equivalents	1,681,601	1,569,040	-	-	-	-	1,681,601	1,569,040
Short-term deposits	-	-	-	-	-	-	-	-
Trade & other receivables	96,661	129,708	10,000	10,000	-	-	106,661	139,708
Total financial assets	1,778,262	1,698,748	10,000	10,000	-	-	1,788,262	1,708,748

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability. Refer to Note 12 for further details.

c. Foreign exchange risk

The association is not exposed to fluctuations in foreign currencies.

d. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the association.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness. All subscriptions receivable are past due. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

Credit risk exposure

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet.

There is no collateral held by the association securing trade or other receivables.

The association has no significant concentration of credit risk with any single counterparty or group of counterparties.

e. Price risk

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

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Areas of judgement and the assumptions used have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded.

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	Footnote	2009		2008	
		Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
		\$	\$	\$	\$
Financial assets					
Cash & cash equivalents	(i)	1,681,601	1,681,601	1,569,040	1,569,040
Trade & other receivables	(i)	106,661	106,661	139,708	139,708
Total financial assets		<u>1,788,262</u>	<u>1,788,262</u>	<u>1,708,748</u>	<u>1,708,748</u>
Financial liabilities					
Trade & sundry payables	(i)	661,021	661,021	714,843	714,843
Lease liabilities	(ii)	-	-	-	-
Total financial liabilities		<u>661,021</u>	<u>661,021</u>	<u>714,843</u>	<u>714,843</u>

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual leave which is not considered a financial instrument.
- (ii) These liabilities are fixed interest leases carried at amortised cost. Differences between carrying value and net fair value represent decreases in market interest rates.

17. ASSOCIATION DETAILS

The registered office of the association is:

The Pharmacy Guild of Australia WA Branch
1322 Hay Street
West Perth WA 6005

The principal place of business of the association is:

The Pharmacy Guild of Australia WA Branch
1322 Hay Street
West Perth WA 6005

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

18. SEGMENT REPORTING

The association operates predominately in one business and geographical segment, being the pharmaceutical sector, providing industrial representative services to members of the association in Western Australia.

19. WORKPLACE RELATIONS ACT 1996 – SECTION 272 SCHEDULE 1B

Information to be provided to members or Registrar.

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

Note: This subsection is a civil penalty provision (see section 305).

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

STATEMENT BY THE MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages 19 to 44;

1. Presents a true and fair view of the financial position of The Pharmacy Guild of Australia Western Australian Branch as at 30 June 2009 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that The Pharmacy Guild of Australia Western Australian Branch will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



ZOE LENETTE MULLEN
President



STEPHEN WRAGG
Vice President of Finance

Dated this 11th day of September 2009

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PHARMACY GUILD OF AUSTRALIA, WESTERN
AUSTRALIAN BRANCH

Report on the Financial Report

We have audited the accompanying financial report of The Pharmacy Guild of Australia, Western Australian Branch which comprises the balance sheet as at 30 June 2009 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes, committee of management statement and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. 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; 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 amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 opinion.

Independence

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

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PHARMACY GUILD OF AUSTRALIA, WESTERN
AUSTRALIAN BRANCH

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of The Pharmacy Guild of Australia, Western Australian Branch as of 30 June 2009, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.



Francis A Jones Pty Ltd
Mario Natale Cattalini CPA
Registered Company Auditor
154 High Street
Fremantle WA 6160

Date this 11th day of September 2009

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009
GENERAL FUND

	2009	2008
	\$	\$
REVENUE		
Operating Activities		
Administration Expenses Recovered	813,958	714,847
Commission	165,395	188,430
Events & Public Relations Income	2,231	6,264
Gold Cross Service Commission	42,679	44,635
Members Services	466,088	561,398
Membership Subscriptions	766,955	681,244
Pharmacy Industry Training	647,002	541,787
Sundry Income	9,214	13,375
Interest Received	47,710	54,560
	2,961,232	2,806,540
EXPENDITURE		
Advertising	4,793	2,793
Accounting Fees	0	0
Auditing Fees	7,160	7,900
Bad Debts	0	(1,069)
Bank Fees	3,154	3,923
Branch Committee Expenses	97,826	186,804
Depreciation – Office Equipment	18,327	22,803
– Motor Vehicles	12,580	12,580
Dispatch & Postage	21,710	19,824
EDP Maintenance & Support	21,517	11,962
Entertainment	347	765
Events & Public Relations Expenses	32,056	59,677
Insurance	26,093	24,199
Meeting Expenses	13,405	5,274
Members Services	616,748	630,547
Motor Vehicle	6,825	12,100
National Council Dues	455,772	382,511
Office Expenses	5,094	4,257
Payroll Tax	62,800	55,646
Parking/Taxi Expenses	527	860
Power and Light	12,436	11,433
Printing and Stationery	37,426	37,978
Professional Fees	200	-

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009
GENERAL FUND

	2009	2008
	\$	\$
Provision for Holiday Pay	0	1,900
Provision for Long Service Leave	0	32,786
Rent & Variable Outgoings	58,415	59,328
Repairs & Maintenance	620	0
Salaries – Employees	626,018	547,619
Staff Recruitment & Agency Temp Staff	34,516	8,705
Subscriptions & Seminars	3,201	6,846
Sundry Expenses & Staff Training	19,011	9,941
Superannuation	113,024	101,914
Telephone and Facsimile	32,674	30,066
Training Division Expenses	600,622	553,348
Travelling Expenses	17,812	12,763
Uniforms for Staff	0	380
	<hr/>	<hr/>
TOTAL EXPENDITURE	2,962,709	2,858,363
	<hr/>	<hr/>
Profit from General Fund for the year	(1,477)	(51,823)
	=====	=====

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009
SPECIAL PROJECT FUND

	2009	2008
	\$	\$
REVENUE		
Operating Activities		
Rent and Variable Outgoings Received	189,356	131,317
WA Industrial & Management Service Fee	142,511	129,001
Interest Received	24,043	26,516
	<hr/>	<hr/>
TOTAL REVENUE	355,910	286,834
	<hr/>	<hr/>
EXPENDITURE		
Cleaning Services & Supplies	19,541	20,744
Depreciation	12,848	12,878
Donations	11,541	7,700
Insurance	0	4,475
Legal Cover Expenses	69,394	20,487
Rates & Taxes	18,100	16,851
Reimburse of Administration Costs	66,012	62,736
Repairs & Maintenance	4,339	5,556
Security/Alarm System	4,642	2,303
Sundry Expenses	0	364
	<hr/>	<hr/>
TOTAL EXPENDITURE	206,417	154,094
	<hr/>	<hr/>
Profit from Special Projects Fund for the year	149,493	132,740
	<hr/> <hr/>	<hr/> <hr/>



FAIR WORK
AUSTRALIA

18 December 2009

Ms Zoe Mullen
President
The Pharmacy Guild of Australia, Western Australian Branch

email: reception@wa.guild.org.au

Dear Ms Mullen

**Re: Financial Report for The Pharmacy Guild of Australia, Western Australian Branch
for year ended 30 June 2009 – FR2009/276**

I acknowledge receipt of the financial report for The Pharmacy Guild of Australia, Western Australian Branch (the Branch) for the year ended 30 June 2009. The report was lodged with Fair Work Australia on 2 December 2009.

The financial report has not been filed.

The following matters require your attention before any action can be taken to file the above report.

Timescale Requirements

Financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in Fair Work Australia (FWA) within certain timescale requirements. For your assistance I have attached a diagrammatic summary of the financial reporting process and time-limits contained in fact sheet 9

http://www.fwa.gov.au/documents/organisations/factsheets/RO_factsheet_9.pdf.

As you will note from the enclosed diagram the reporting process begins with a meeting of the committee of management. At that meeting a resolution is passed authorising the making of a statement by the committee in which it makes certain declarations with respect to the reporting unit's compliance with various aspects of the Fair Work (Registered Organisations) Act 2009 (the Act) and the General Manager's Guidelines. This Committee of Management Statement and the General Purpose Financial Report are then audited.

The General Purpose Financial Report, including the Committee of Management Statement and the Operating Report, and the Auditor's Report – known as the full report – are then provided to members. Depending on the rules of the reporting unit, a copy of the full report must be provided to members at least 21 days before they are presented to a general meeting, or, if the rules allow for the full report to be presented to the committee of management, then the documents must be provided within 5 months of the end of the financial year.

The full report, accompanied by a Designated Officer's Certificate, must be lodged with Fair Work Australia within 14 days of its presentation to an appropriate meeting.

From the information available, the Committee of Management Statement and Operating Report dated 11 September 2009 were supplied to the Auditor and an Auditor's Report dated 10 September 2009 was then supplied to the Branch prior to its distribution to members.

If the dates on the documents are correct, it would appear that the Auditor could not have taken into consideration the Committee of Management Statement and Operating Report dated 11 September 2009.

Under these circumstances, Fair Work Australia cannot file the report. Moreover, if the dates on the documents are accurate, I advise the Branch will need to repeat certain steps in the reporting process.

Audit Report

Auditor's Opinion

The Audit Report contained the following opinion:

"In our opinion:

The financial report of The Pharmacy Guild of Australia, Western Australian Branch is in accordance with the Workplace Relations Act 1996 including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2009 and of its performance and its cash flows for the year ended on that date; and*
- ii. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996."*

The term "true and fair view" was used in the superseded legislation. Subsection 257(5) of the Act sets out the matters upon which an auditor is required to make an opinion on whether the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the Act. The following wording in the auditor's opinion would satisfy the requirements:

"In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009."

Designated Officer's certificate

The financial report of the Branch did not contain a designated officer's certificate in accordance with section 268 of the Act. Section 268(c) of the Act requires a reporting unit to lodge with Fair Work Australia "a certificate by a prescribed designated officer that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266." I have included a link to a sample certificate that the Branch may wish to use - http://www.fwa.gov.au/documents/organisations/factsheets/RO_sampledoc_2.doc.

Further action required

1. As indicated in "Timescale Requirements" above the date of the Audit Report (10 September 2009) predates the resolutions made on 11 September 2009 and contained in the Committee of Management statement. If these dates are correct the Auditor will be required to reaudit the report taking into account the documentation dated 11 September 2009, provide the revised report to the Branch for redistribution to members and presentation of the full report to a subsequent Committee of Management meeting.
2. If the date contained on the Audit Report was in fact an error and the report was produced after consideration of the documentation dated 11 September 2009 then, the Auditor is required to include in the introductory paragraph that the Audit Report has taken into account the documentation dated 11 September 2009.

Further to the matters listed above I request that the Branch:

3. obtain from the Auditor a revised Audit Opinion;
4. prepare a designated officer's certificate

and lodge the documentation with FWA. Once this documentation is provided further action can be taken to finalise the report.

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

Yours sincerely

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

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

COMMITTEE OF MANAGEMENT STATEMENT

On 11 September 2009 the Committee of Management of The Pharmacy Guild of Australia WA 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 2009:

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 reporting unit for the financial year to which they relate;
- (d) 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;
- (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 organization including the rules of a branch concerned; and
 - ii. The financial affairs of the reporting unit have been managed in accordance with the rules of the organization including the rules of a branch concerned; and
 - iii. The financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - iv. Where the organization consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organization; and
 - v. The information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - vi. There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: Zoe Lenette Mullen

Title of Office Held: President



Signature

Dated: 11 September 2009

THE PHARMACY GUILD OF AUSTRALIA WESTERN AUSTRALIAN BRANCH

OPERATING REPORT

I, ZOE LENETTE MULLEN, being the designated officer responsible for preparing this report for the financial year ended 30 June 2009 of The Pharmacy Guild of Australia Western Australian Branch, report as follows:

1. Principal Activities:

- a) The Pharmacy Guild of Australia Western Australian Branch is an employers' organisation servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.
- b) The Pharmacy Guild of Australia Western Australian 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.
- c) Included in the Annual Report are the various reports compiled by The Pharmacy Guild of Australia Western Australian Branch's President and Director outlining the activities for the year. There were no significant changes in the nature of these activities during the year under review.

2. Significant financial changes:

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

3. Operating Results

The profit for the year amounted to \$148,016.

4. Members Advice:

- a) Under Section 174 of the Registration and Accountability of Organisations schedule, (RAO), a member may resign from a membership by written notice addressed and delivered to the Branch Director (Rule 36 of the Constitution);
- b) The register of members of the organization was maintained in accordance with the RAO;
- c) Section 272 of the RAO outlines members and the registrar's rights to certain prescribed information.

5. Prescribed and other Information:

- a) As at 30 June 2009 to which this report relates the number of members of the organisation was 451 including Honorary Life Members;
- b) As at 30 June 2009 the total number of employees employed by the reporting entity was 16.
- c) The persons who have been members of the committee of management of The Pharmacy Guild of Australia Western Australian Branch during the reporting period are:

Branch Executive
Zoe Lenette Mullen
Harry Zafer

Stephen Wragg
Natalie Willis

President
Vice President
National Councillor
Vice President Finance
Alternate National Councillor

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

OPERATING REPORT CONTINUED

Branch Committee

Bruce Warland	Great Southern Country
Vivien Hudson	North Coast Metro
Paul Jardine	South Eastern Metro
Andrew Ngeow	Eastern Country
Ross McKay	Northern Country District
Lenette Mullen	Fremantle Melville
Ernie Pirone	Northern Metro
David Manuel	Perth City
Chirag Shah	South Coastal Metro
Adrian Staltari	Eastern Metropolitan
Natalie Willis	South Perth Metro
Stephen Wragg	North Eastern Metro
Harry Zafer	West Coast Metro
Linda Keane	South West Country

6. Insurance of Officers:

During the financial year, The Pharmacy Guild of Australia Western Australian Branch paid insurance to cover all officers of The Pharmacy Guild of Australia Western Australian Branch. The officers of The Pharmacy Guild of Australia Western Australian Branch covered by the insurance policy include all the committees of management. Other officers covered by the contract are the management of The Pharmacy Guild of Australia Western Australian 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 Western Australian Branch



ZOE LENETTE MULLEN

Date: 11 September 2009

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	2009 \$	2008 \$
Revenue	2	3,317,141	3,093,374
Employee benefits expense	3	(773,558)	(692,924)
Depreciation and amortisation expense	3	(43,755)	(48,261)
Other expenses	3	(2,351,812)	(2,271,272)
		<hr/>	<hr/>
Profit for the year		148,016	80,917
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

BALANCE SHEET
AS AT 30 JUNE 2009

	NOTE	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,681,601	1,569,040
Trade and other receivables	6	96,661	129,708
Inventories	7	1,993	5,353
Other current assets	8	109,017	136,594
		<hr/>	<hr/>
Total Current Assets		1,889,272	1,840,695
		<hr/>	<hr/>
NON CURRENT ASSETS			
Trade and other receivables	6	10,000	10,000
Property, plant and equipment	9	2,201,270	2,182,130
		<hr/>	<hr/>
Total Non Current Assets		2,211,270	2,192,130
		<hr/>	<hr/>
TOTAL ASSETS		4,100,542	4,032,825
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade and other payables	10	624,561	714,843
Short term provisions	11	53,480	34,730
		<hr/>	<hr/>
Total Current Liabilities		678,041	749,573
		<hr/>	<hr/>
NON CURRENT LIABILITIES			
Long term provisions	11	9,635	54,862
Trade and other payables	10	36,460	-
		<hr/>	<hr/>
Total Non Current Liabilities		46,095	54,862
		<hr/>	<hr/>
TOTAL LIABILITIES		724,136	804,435
		<hr/>	<hr/>
NET ASSETS		3,376,406	3,228,390
		=====	=====
EQUITY			
Reserves		1,344,280	1,267,771
Retained earnings		2,032,126	1,960,619
		<hr/>	<hr/>
TOTAL EQUITY		3,376,406	3,228,390
		=====	=====

The accompanying notes form part of these financial statements.

**THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2009**

	Retained Earnings General	Retained Earnings Special Projects	Capital Equipment Replacement Reserve	Capital Building Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2007	549,708	1,350,079	64,726	30,000	1,152,960	3,147,473
Profit for the year	(51,823)	132,740	-	-	-	80,917
Transfer from general funds	-	(30,000)	-	30,000	-	-
Transfer to general funds	9,916	-	(9,916)	-	-	-
Revaluation decrement	-	-	-	-	-	-
Balance at 30 June 2008	507,801	1,452,819	54,810	60,000	1,152,960	3,228,390
Profit for the year	(1,477)	149,493	-	-	-	148,016
Transfer from general funds	-	(87,500)	25,000	62,500	-	-
Transfer to general funds	-	10,990	-	(10,990)	-	-
Balance at 30 June 2009	506,324	1,525,802	79,810	111,510	1,152,960	3,376,406

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		3,292,610	3,441,426
Payments to suppliers and employees		(3,216,247)	(3,091,777)
Interest received		71,753	81,076
		<hr/>	<hr/>
Net cash provided by operating activities	17	148,116	430,725
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment		119	-
Purchase of property, plant & equipment		(62,894)	(9,917)
		<hr/>	<hr/>
Net cash provided by (used in) investing activities		(62,775)	(9,917)
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Training Fee Adjustment		(9,240)	-
Loan repayment received		-	-
Security Deposit - Rental		36,460	-
		<hr/>	<hr/>
Net cash provided by (used in) financing activities		27,220	-
		<hr/>	<hr/>
Net increase/(decrease) in cash held		112,561	420,808
Cash at beginning of the year		1,569,040	1,148,232
		<hr/>	<hr/>
Cash at end of year	5	1,681,601	1,569,040
		=====	=====

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

The financial report covers The Pharmacy Guild of Australia, Western Australian Branch as an individual entity. The Pharmacy Guild of Australia, Western Australian Branch is an association incorporated in Western Australia under the Workplace Relations Act 1996.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

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

a. Income Tax

The association does not provide for tax as only non-member income of the association is assessable for tax. Member income is excluded from tax assessment under the principal of mutuality.

b. Inventories

Inventories consist of stock of unsold product, measured at the lower of cost or net realisable value. The cost of inventories includes all direct costs of acquisition. Costs are assigned on the basis of weighted average cost.

c. Property, plant & equipment

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

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

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

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

The depreciable amount of plant and equipment is depreciated on a straight line basis over their useful lives to the association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Office equipment	15%
Office furniture	10%
Motor vehicles	15%
Computer equipment	33 1/3%
Structural improvements	2.5%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

The asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

d. Leases

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

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

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

e. Financial Instruments

Initial Recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the association becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and Subsequent Measurement

Financial assets at fair value through profit and loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in the fair value are included in profit or loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as such or that are not classified in any other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Impairment

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

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f. Impairment of assets

At each reporting date, the association 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 assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

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

g. Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

h. Training administration fee

The training administration fee liability represents the amount refundable to employer members for the training administration fee originally charged to employer members.

i. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

J. Revenue and other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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

k. 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 Australian Taxation 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. Where applicable receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l. Comparative Figures

Where requested by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Treatment of Reserve allocations was changed in the 2009 year. Previously, movement between Reserve accounts and Retained Profits was recorded through the Income Statement utilising an expense account to record funds allocated to future building and capital projects. This transaction was a non-cash entry. From 2009 these transfers are being recognised as movements between equity accounts only. The resultant effect on the 2008 comparatives is to decrease Special Project expenses by \$30,000, increasing Special Project profit by \$30,000 and to decrease General Fund income by \$9,916, decreasing General Fund profit by \$9,916. The net effect is to increase profit for the year ended 30 June 2008 to \$80,917.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

m. Key Estimates

(i) *Impairment*

The association assesses impairment at each reporting date by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

n. New Accounting Standards for Application In Future Periods

The AASB has issued new, revised and amended Standards and Interpretations that have mandatory application dates for future reporting periods and which the association has decided not to early adopt. A discussion of those future requirements and their impact on the association is as follows:

- AASB 3: Business Combinations, AASB 127: Consolidates and Separate Financial Statements, AASB 2008-3: Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASB Standards 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 and 139 and Interpretations 9 and 107] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2008-7: Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 and AASB 136] (applicable for annual reporting periods commencing from 1 January 2009). These Standards are applicable prospectively and so will only affect relevant transactions and consolidations occurring from the date of application. Neither of these Standards are currently applicable to the association.
- AASB 8: Operating Segments and AASB 2007-3: Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB127, AASB 134, AASB 136, AASB 1023 and AASB 1038] (applicable for annual reporting periods commencing from 1 January 2009). This Standard replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the group's board for the purposes of decision making. Whilst the impact of this Standard cannot be assessed at this stage, there is potential for more segments to be identified. Given the lower economic level at which segments may be defined, and the fact that cash generating units cannot be bigger than operating segments, impairment calculations may be affected. Management presently do not believe impairment will result however.
- AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefine the composition of the financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the association. If an entity has made prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.

THE PHARMACY GUILD OF AUSTRALIA WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

- AASB 123: Borrowing Costs and AASB 2007-6: Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 and AASB 138 and Interpretations 1 and 12] (applicable for annual reporting periods commencing 1 January 2009). The revised AASB 123 has removed the option to expense all borrowing costs and will therefore require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. Management has determined that there will be no effect on the association as a policy of capitalising qualifying borrowing costs has been maintained by the association.
- AASB 2008-1: Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations [AASB 2] (applicable for annual reporting periods commencing 1 January 2009). This amendment to AASB 2 clarifies that vesting conditions consist of service and performance conditions only. Other elements of a share-based payment transaction should therefore be considered for the purpose of determining fair value. Cancellations are also required to be treated in the same manner whether the cancelled by the entity or by another party. This Standard is not currently applicable to the association.
- AASB 2008-2: Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132 and AASB 139 and Interpretation 2] (applicable for annual reporting periods commencing 1 January 2009). These amendments introduce an exception to the definition of a financial liability, to classify as equity instruments certain puttable financial instruments and certain other financial instruments that impose an obligation to deliver a pro rata share of net assets only upon liquidation.
- AASB 2008-5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) and AASB 2008-6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the association.
- AASB 2008-8: Amendments to Australian Accounting Standards – Eligible Hedged Items [AASB 139] (applicable for annual reporting periods commencing 1 January 2009). This amendment clarifies how the principles determine whether a hedged risk or portion of cash flows is eligible for designation as a hedged item should be applied in particular situations and is not expected to materially affect the association.
- AASB 2008-13: Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 and AASB 101] (applicable for annual reporting periods commencing 1 January 2009). This amendment requires that non-current assets held for distribution to owners be measured at the lower of carrying value and fair value, less costs to distribute.

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- AASB Interpretation 15: Agreements for the Construction of Real Estate (applicable for annual reporting periods commencing 1 January 2009). Under the interpretation, agreements for the construction of real estate shall be accounted for in accordance with AASB 111 where the agreement meets the definition of 'construction contract' per AASB 111 and when the significant risks and rewards of ownership of the work in progress transfer to the buyer continuously as construction progresses. Where the recognition requirements in relation to construction are satisfied but the agreement does not meet the definition of 'construction contract', revenue is to be accounted for in accordance with AASB 118. This policy is not currently applicable to the association.

- AASB Interpretation 16: Hedges of a Net Investment in a Foreign Operation (applicable for annual reporting periods commencing 1 October 2008). Interpretation 16 applies to entities that hedge foreign currency risk arising from net investments in foreign operations and that want to adopt hedge accounting. The Interpretation provides clarifying guidance on several issues in accounting for the hedge of a net investment in a foreign operation and is not expected to impact the association.

- AASB Interpretation 17: Distributions of Non-cash Assets to Owners (applicable for annual reporting periods commencing 1 January 2009). This guidance applies prospectively only and clarifies that non-cash dividends payable should be measured at the fair value of the net assets to be distributed, where the difference between the fair value and carrying value of the assets is recognised in profit or loss.

The association does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the association's financial statements.

2. REVENUE

	2009	2008
	\$	\$
Operating Activities		
Revenue – General Fund		
Administration Expenses Recovered	813,958	714,847
Commission	165,395	188,430
Events & Public Relations Income	2,231	6,264
Gold Cross Service Commission	42,679	44,635
Members Services	466,088	561,398
Membership Subscriptions	766,955	681,244
Pharmacy Industry Training	647,002	541,787
Sundry Income	9,214	13,375
Interest Received	47,710	54,560
	2,961,232	2,806,540
Total Revenue – General Fund	2,961,232	2,806,540

THE PHARMACY GUILD OF AUSTRALIA
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FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
Revenue – Special Projects		
Rent and Variable Outgoings Received	189,356	131,317
WA Industrial & Management Service Fee	142,511	129,001
Interest Received	24,043	26,516
	<hr/>	<hr/>
Total Revenue – Special Projects	355,910	286,834
	<hr/>	<hr/>
Operating Activities	3,317,141	3,093,374
	<hr/>	<hr/>
Non-operating Activities	-	-
	<hr/>	<hr/>
Total revenue	3,317,141	3,093,374
	<hr/> <hr/>	<hr/> <hr/>

3. EXPENDITURE

Expenditure – General Fund

Advertising	4,793	2,793
Accounting Fees	0	0
Auditing Fees	7,160	7,900
Bad Debts	0	(1,069)
Bank Fees	3,154	3,923
Branch Committee Expenses	97,826	186,804
Depreciation – Office Equipment	18,327	22,803
– Motor Vehicles	12,580	12,580
Dispatch & Postage	21,710	19,824
EDP Maintenance & Support	21,517	11,962
Entertainment	347	765
Events & Public Relations Expenses	32,056	59,677
Insurance	26,093	24,199
Meeting Expenses	13,405	5,274
Members Services	616,748	630,547
Motor Vehicle	6,825	12,100
National Council Dues	455,772	382,511
Office Expenses	5,094	4,257
Payroll Tax	62,800	55,646
Parking/Taxi Expenses	527	860
Power and Light	12,436	11,433
Printing and Stationery	37,426	37,978
Professional Fees	200	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
Provision for Holiday Pay	0	1,900
Provision for Long Service Leave	0	32,786
Rent & Variable Outgoings	58,415	59,328
Repairs & Maintenance	620	0
Salaries – Employees	626,018	547,619
Staff Recruitment & Agency Temp Staff	34,516	8,705
Subscriptions & Seminars	3,201	6,846
Sundry Expenses & Staff Training	19,011	9,941
Superannuation	113,024	101,914
Telephone and Facsimile	32,674	30,066
Training Division Expenses	600,622	553,348
Travelling Expenses	17,812	12,763
Uniforms for Staff	0	380
	<hr/>	<hr/>
Total Expenditure – General Fund	2,962,709	2,858,363
	<hr/>	<hr/>
Expenditure – Special Projects		
Cleaning Services & Supplies	19,541	20,744
Depreciation	12,848	12,878
Donations	11,541	7,700
Insurance	0	4,475
Legal Cover Expenses	69,394	20,487
Rates & Taxes	18,100	16,851
Reimburse of Administration Costs	66,012	62,736
Repairs & Maintenance	4,339	5,556
Security/Alarm System	4,642	2,303
Sundry Expenses	0	364
	<hr/>	<hr/>
Total Expenditure – Special Projects	206,417	154,094
	<hr/>	<hr/>
Total Expenditure	3,169,126	3,012,457
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
4. AUDITORS REMUNERATION		
Remuneration of the auditor for:		
Auditing or reviewing the financial report	7,160	7,900
Other services	-	-
	7,160	7,900
	7,160	7,900

5. CASH AND CASH EQUIVALENTS

Cash at bank and in hand	1,681,601	1,569,040
Short term bank deposits	-	-
	1,681,601	1,569,040
	1,681,601	1,569,040

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:-

Cash and cash equivalents - general	1,073,120	1,142,380
Cash and cash equivalents – special projects fund	608,481	426,660
Bank overdrafts	-	-
	1,681,601	1,569,040
	1,681,601	1,569,040

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
6. TRADE AND OTHER RECEIVABLES		
CURRENT		
Subscriptions Receivable	-	-
Other Receivables	96,661	129,708
	<hr/>	<hr/>
Total current trade and other receivables	96,661	129,708
	<hr/>	<hr/>
NON CURRENT		
Loan to Guild Shield Chemists	10,000	10,000
	<hr/>	<hr/>

Current trade receivables are non-interest bearing loans and generally are receivable with 90 days. A provision for impairment is recognised against subscriptions where there is objective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2009 (2008: Nil).

Credit Risk

The entity has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 6. The main source of credit risk to the entity is considered to relate to the class of assets described as subscriptions receivable.

The following table details the entity's subscriptions receivable exposed to credit risk with aging analysis and impairment provided thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the association and the member or counterparty to the transactions. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the entity.

The balance of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31 - 60	61 - 90	> 90	
	\$	\$	\$	\$	\$	\$	\$
2009							
Subscriptions Receivable	1,385	-	1,385	-	-	-	-
Other Receivables	105,276	-	-	-	-	-	105,276
Total	106,661	-	1,385	-	-	-	105,276
2008							
Subscriptions Receivable	-	-	-	-	-	-	-
Other Receivables	139,708	-	-	-	-	-	139,708
Total	139,708	-	-	-	-	-	139,708

The entity does not hold any financial asserts whose terms have been renegotiated, but which would otherwise be past due or impaired.

Collateral held as security

No collateral is held as security for any of the trade or other receivable balances.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

		2009 \$	2008 \$
Financial assets classified as loans and receivables			
Trade and other receivables	Note		
- total current	18	96,661	129,708
- total non-current	18	10,000	10,000
		106,661	139,708
Total		106,661	139,708

Collateral pledged

No collateral has been pledged for any of the trade and other receivable balances.

7. INVENTORIES

CURRENT

Stocks of stationery, packaging and signs	1,993	5,353
	1,993	5,353

8. OTHER CURRENT ASSETS

Prepayments	29,904	43,134
Accrued income	75,679	93,460
Accrued GST	3,434	0
	109,017	136,594
	109,017	136,594

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
9. PROPERTY, PLANT & EQUIPMENT		
Land & buildings		
Opening independent valuation	1,825,000	1,825,000
Revaluation	0	0
	1,825,000	1,825,000
Closing independent valuation	1,825,000	1,825,000
	1,825,000	1,825,000
Office furniture & equipment		
At cost	809,431	747,136
Accumulated depreciation	(467,677)	(437,102)
	341,754	310,034
Motor vehicles		
At cost	83,865	83,865
Accumulated amortisation	(49,349)	(36,769)
	34,516	47,096
Total plant & equipment	376,270	357,130
Total property, plant & equipment	2,201,270	2,182,130

The association's land & buildings were revalued in the 2007 financial year by independent valuers. Valuations were made on the basis of open market value. The revaluation surplus was credited to an asset revaluation reserve in the equity section of the balance sheet. No deferred tax was provided on the revaluation as the association is exempt from taxation under the principle of mutuality.

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NOTES TO THE FINANCIAL STATEMENTS
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Movement in carrying amounts

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

	Land & buildings \$	Office furniture & equipment \$	Motor vehicles \$	Total \$
Balance at the beginning of year	1,825,000	310,034	47,096	2,182,130
Additions	-	62,895	-	62,895
Disposals	-	-	-	-
Revaluation decrement	-	-	-	-
Depreciation & amortisation expense	-	(31,175)	(12,580)	(43,755)
Carrying amount at the end of year	<u>1,825,000</u>	<u>341,754</u>	<u>34,516</u>	<u>2,201,270</u>

2009	2008
\$	\$

10. TRADE & OTHER PAYABLES
CURRENT

Trade payables	49,879	3,969
Training administration fees	11,760	21,000
Income received in advance	363,692	607,412
Accrued expenses	199,230	76,205
Accrued GST	0	6,257
	<u>624,561</u>	<u>714,843</u>

NON CURRENT

Rental Property Security Deposit	<u>36,460</u>	-
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The Income received in advance amount includes \$294,885 membership fees for the 2009/2010 year. Of this figure, \$148,796 is forwarded to the National office after 01.07.09, being the portion of membership fees collected by the Western Australian branch attributable to the Pharmacy Guild of Australia, National branch.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

11. PROVISIONS

	Annual leave \$	Long service leave \$	Total \$
Opening balance at 1 July 2008	43,861	45,731	89,592
Additional provisions	69,557	5,007	74,564
Amounts used	(73,406)	(27,635)	(101,041)
	40,012	23,103	63,115
	40,012	23,103	63,115
Analysis of total provision			2009 \$
Current			53,480
Non current			9,635
			63,115
			63,115

Provision for long term employee benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

12. RESERVES

General Reserves

The capital equipment replacement reserve and the capital building reserve record funds set aside for future expansion of the association.

Financial Assets Reserve

The asset revaluation reserve records revaluation of financial assets.

13. CAPITAL & LEASING COMMITMENTS

Operating lease commitments

	2009 \$	2008 \$
Payable – minimum lease payments		
- not later than 12 months	6,326	5,869
- between 12 months & 5 years	-	-
- greater than 5 years	-	-
	6,326	5,869
	6,326	5,869

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS		
Estimates of the potential effect of contingent liabilities that may become payable:	-	-
	=====	=====
15. EVENTS AFTER THE BALANCE SHEET DATE		
No significant events have occurred subsequent to the reporting date.		
16. RELATED PARTY TRANSACTIONS		
There have been no material transactions with key management personnel or related parties.		
17. CASHFLOW INFORMATION		
Reconciliation of cash flow from operations with profit from ordinary activities after Income tax:		
Profit after income tax	148,016	80,917
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation and amortisation	43,755	48,261
- Net loss/(profit) on disposal of plant and equipment	(119)	0
- Depreciation adjustments	0	0
Changes in assets and liabilities		
- (Increase)/decrease in trade and term debtors	33,047	(115,903)
- (Increase)/decrease in prepayments	13,230	34,820
- (Increase)/decrease in accrued income	17,781	(93,460)
- (Increase)/decrease in inventories	3,360	(3,242)
- Increase/(decrease) in trade and other payables	(74,786)	438,697
- Increase/(decrease) in employee benefits	(26,477)	34,687
- Increase/(decrease) in accrued GST	(9,691)	5,948
	-----	-----
Cash flow from operations	148,116	430,725
	=====	=====

**THE PHARMACY GUILD OF AUSTRALIA
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

18. FINANCIAL RISK MANAGEMENT

Financial risk management policies

The association's financial instruments consist mainly of deposits with banks, short term instruments, accounts receivable and 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:

	Note	2009 \$	2008 \$
Financial Assets			
Cash and cash equivalents	5	1,681,601	1,569,040
Loans and receivables	6	106,661	139,708
Other current assets	8	109,017	136,594
		1,897,279	1,845,342
		1,897,279	1,845,342
Financial Liabilities			
Trade and other payables	10	661,021	714,843
		661,021	714,843
		661,021	714,843

Financial Risk Management Policies

The association's Vice President Finance is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The Vice President Finance monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, financial risk and interest rate risk. The overall risk management strategy seeks to ensure that the association meets its financial targets, whilst minimising potential cash flow shortfalls.

Specific Financial Risk Exposure and Management

The main risks the association is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

a. Interest rate risk

The association is not exposed to any significant interest rate risk since cash balances are maintained at variable rates and borrowings of the association are not considered significant.

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b. Liquidity risk

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

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions.

The table below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect management's expectations as to the timing of realisation. Actual timing may therefore differ from that disclosed.

Financial liability and financial assets maturity analysis

	Within 1 year		1 to 5 years		Over 5 years		Total	
	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$
Financial liabilities								
Trade & sundry payables	624,561	714,843	36,460	-	-	-	661,021	714,843
Lease liabilities	-	-	-	-	-	-	-	-
Total financial liabilities	<u>624,561</u>	<u>714,843</u>	<u>36,460</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>661,021</u>	<u>714,843</u>
Financial assets								
Cash & cash equivalents	1,681,601	1,569,040	-	-	-	-	1,681,601	1,569,040
Short-term deposits	-	-	-	-	-	-	-	-
Trade & other receivables	96,661	129,708	10,000	10,000	-	-	106,661	139,708
Total financial assets	<u>1,778,262</u>	<u>1,698,748</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>1,788,262</u>	<u>1,708,748</u>

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability. Refer to Note 13 for further details.

c. Foreign exchange risk

The association is not exposed to fluctuations in foreign currencies.

d. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the association.

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Credit risk is managed through maintaining procedures ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness. All subscriptions receivable are past due. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

Credit risk exposure

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet.

There is no collateral held by the association securing trade or other receivables.

The association has no significant concentration of credit risk with any single counterparty or group of counterparties.

e. Price risk

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

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Areas of judgement and the assumptions used have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	Footnote	2009		2008	
		Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
		\$	\$	\$	\$
Financial assets					
Cash & cash equivalents	(i)	1,681,601	1,681,601	1,569,040	1,569,040
Trade & other receivables	(i)	106,661	106,661	139,708	139,708
Total financial assets		<u>1,788,262</u>	<u>1,788,262</u>	<u>1,708,748</u>	<u>1,708,748</u>
Financial liabilities					
Trade & sundry payables	(i)	661,021	661,021	714,843	714,843
Lease liabilities	(ii)	-	-	-	-
Total financial liabilities		<u>661,021</u>	<u>661,021</u>	<u>714,843</u>	<u>714,843</u>

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual leave which is not considered a financial instrument.
- (ii) These liabilities are fixed interest leases carried at amortised cost. Differences between carrying value and net fair value represent decreases in market interest rates.

19. ASSOCIATION DETAILS

The registered office of the association is:

The Pharmacy Guild of Australia WA Branch
1322 Hay Street
West Perth WA 6005

The principal place of business of the association is:

The Pharmacy Guild of Australia WA Branch
1322 Hay Street
West Perth WA 6005

THE PHARMACY GUILD OF AUSTRALIA
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

20. SEGMENT REPORTING

The association operates predominately in one business and geographical segment, being the pharmaceutical sector, providing industrial representative services to members of the association in Western Australia.

21. WORKPLACE RELATIONS ACT 1996 – SECTION 272 SCHEDULE 1B

Information to be provided to members or Registrar.

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

Note: This subsection is a civil penalty provision (see section 305).

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

STATEMENT BY THE MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages 20 to 46;

1. Presents a true and fair view of the financial position of The Pharmacy Guild of Australia Western Australian Branch as at 30 June 2009 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that The Pharmacy Guild of Australia Western Australian Branch will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



ZOE LENETTE MULLEN
President



STEPHEN WRAGG
Vice President of Finance

Dated this 11th day of September 2009

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PHARMACY GUILD OF AUSTRALIA, WESTERN
AUSTRALIAN BRANCH

Report on the Financial Report

We have audited the accompanying financial report of The Pharmacy Guild of Australia, Western Australian Branch which comprises the balance sheet as at 30 June 2009 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. 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; 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 amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 opinion.

Independence

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

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PHARMACY GUILD OF AUSTRALIA, WESTERN
AUSTRALIAN BRANCH

Auditor's Opinion

In our opinion:

The financial report of The Pharmacy Guild of Australia, Western Australian Branch is in accordance with the Workplace Relations Act 1996 including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2009 and of its performance and its cash flows for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996.



Francis A Jones Pty Ltd
Mario Natale Cattalini CPA
Registered Company Auditor
154 High Street
Fremantle WA 6160

Date this 10th day of September 2009