FairWork Commission

22 April 2014

Ms Zoe Lenette Mullen
President
The Pharmacy Guild of Australia -Western Australian Branch
by email: reception@wa.guild.org.au

cc: jgodsall@wa.guild.org.au

Dear Ms Mullen,

The Pharmacy Guild of Australia-Western Australian Branch
Financial Report for the year ended 30 June 2013 [FR2013/175]

I acknowledge receipt of the financial report of The Pharmacy Guild of Australia-Western Australian Branch. The documents were lodged with the Fair Work Commission on 25 September 2013.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2014 may be subject to an advanced compliance review.

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. The Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report.

Application of Tier 1 reporting requirements

Item 8 of the Reporting Guidelines states *'it is a requirement that all reporting units apply the Tier 1 reporting requirements as per the Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards'*. I note that this requirement has been met in the 2013 financial report. However, the notes to the financial statements state:

> Since the company is a for-profit private sector entity that does not have public accountability, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the company will take advantage of Tier 2 reporting at a later date.

In future years, please ensure that the reporting unit continues to adhere to item 8 of the Reporting Guidelines.

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

Auditor's statement: declaration regarding going concern

Item 45 of the Reporting Guidelines requires an auditor to include in their statement a declaration that as part of the audit of the financial statements they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statement.

Disclosure of employee expenses and provisions in relation to office holders and other employees

Employee expenses

Item 17 of the Reporting Guidelines sets out the expenses required to be disclosed in the financial statements. Item 18 of the Reporting Guidelines requires that if any of the activities identified in item 17 have not occurred, a statement to this effect be included in the financial statements or notes.

The financial statements disclose expenditure on wages, superannuation, annual and long service leave and other employee expenses for both office holders and employees. I note that no such disclosure has been made for separation and redundancies, as required by item 17(f)(iv) with respect to office holders and item 17(g)(iv) with respect to other employees.

Employee provisions

Item 21 of the Reporting Guidelines sets out the liabilities required to be disclosed in the financial statements. Item 21(c) sets out disclosures with respect to office holders and item 21(d) sets out disclosures with respect to other employees. Item 22 of the Reporting Guidelines requires that if any of the activities identified in item 21 have not occurred in the reporting period, a statement to this effect be included in the financial statements or notes.

Note 10 to the financial statements discloses provisions for annual leave, long service leave and employee incentives, but does not distinguish between provisions for office holders and other employees.

Furthermore, no disclosure has been made for separation and redundancies, as required by item 21(c)(iii) with respect to office holders and item 21(d)(iii) with respect to other employees.

In future years please ensure that expenses and provisions for office holders and other employees are disclosed as required by the Reporting Guidelines.

If you have any queries regarding this letter, please contact me on (03) 8661 7942 or via email at rebecca.lee@fwc.gov.au.

Yours sincerely,

Rebecca Lee
Regulatory Compliance Branch

The Pharmacy Guild of Australia (WA Branch)

Section 268 *Fair Work (Registered Organisations) Act 2009* (RO Act)

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER[1]

I *LENETTE MULLEN* being the *PRESIDENT* of the *PHARMACY GUILD OF AUSTRALIA (WA BRANCH)* certify:

- that the documents lodged herewith are copies of the full report referred to in s.268 of the RO Act for the *Pharmacy Guild of Australia (WA Branch)* for the period ended *30 June 2013*; and

- that the *2013 ANNUAL REPORT AND FINANCIAL* for the year end 30 June 2013 was provided to members of the reporting unit on *19 August 2013* in accordance with s.265 of the RO Act; and

- that the full report was presented to *a general meeting of members* of the reporting unit on *24 September 2013* in accordance with s.266 of the RO Act.

Date	25 September 2013
Signature of prescribed designated officer	
Name of prescribed designated officer	Lenette Mullen
Office held	President

[1] Regulation 162 of the *Fair Work (Registered Organisations) Regulations 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:

(a) the secretary; or

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

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

ANNUAL REPORT PART II
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

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COMMITTEE OF MANAGEMENT STATEMENT

On 16 August 2013 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 2013:

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 General Manager of FWA;

(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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; 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 General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWA; and

vi. There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.

For Committee of Management: Zoe Lenette Mullen

Title of Office Held: President

Signature

Dated: 16 August 2013

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 2013 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 $326,933 (2011: $640,415)
   A review of the activities of the Branch including results of operations during the year is set out in the Presidents and Directors reports in part I of the Annual Report.

4. **Members Advice:**
   a) Under Section 174 of the Fair Work (Registered Organisations) Act 2009, 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 Fair Work (Registered Organisations) Act 2009;
   c) Section 272 of the Fair Work (Registered Organisations) Act 2009 outlines members and the General Manager of FWA's rights to certain prescribed information.

5. **Prescribed and other Information:**
   a) As at 30 June 2013 to which this report relates the number of members of the organisation was 494 including Honorary Life Members;
   b) As at 30 June 2013 the total number of employees employed by the reporting entity was 18.
   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	President
Harry Zafer	National Councillor
Stephen Wragg	Vice President Finance
Natalie Willis	Vice President

OPERATING REPORT CONTINUED

Branch Committee

Bruce Warland	Great Southern Country
Vivien Hudson	North Coast Metro (to 30 September 2011)
Paul Rees	North Coast Metro (from 1 October 2011)
Paul Jardine	South Eastern Metro
Andrew Ngeow	Eastern Country
Paul Rees	Northern Country District (to 30 September 2011)
Anthony Masi	Northern Country District (from 1 October 2011)
Lenette Mullen	Fremantle Melville
Ernie Pirone	Northern Metro
David Manuel	Perth City
Chirag Shah	South Coastal Metro (to 30 September 2011)
Tom Golovoda	South Coastal (from 1 October 2011)
Adrian Staltari	Eastern Metropolitan
Natalie Willis	South Perth Metro
Stephen Wragg	North Eastern Metro
Harry Zafer	West Coast Metro
Linda Keane	South West Country

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.

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: 16 August 2013

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013 $	2012 $
Revenue	2	3,394,116	3,561,980
Employee benefits expense		(1,464,403)	(1,308,800)
Depreciation and amortisation expense		(62,273)	(50,244)
Other expenses		(1,540,508)	(1,562,521)
Profit for the year		326,933	640,415
Other Comprehensive Income			
Revaluation of land and building		-	-
Total Comprehensive Income		326,933	640,415

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	NOTE	2013 $	2012 $
CURRENT ASSETS			
Cash and cash equivalents	4	4,606,408	4,080,247
Trade and other receivables	5	189,754	159,074
Inventories	6	-	-
Other current assets	7	62,919	126,214
Total Current Assets		4,859,081	4,365,535
NON CURRENT ASSETS			
Trade and other receivables	5	-	-
Property, plant and equipment	8	4,358,750	4,373,234
Total Non Current Assets		4,358,750	4,373,234
TOTAL ASSETS		9,217,831	8,738,769
CURRENT LIABILITIES			
Trade and other payables	9	1,301,613	1,272,231
Short term provisions	10	138,271	42,910
Total Current Liabilities		1,439,884	1,315,141
NON CURRENT LIABILITIES			
Long term provisions	10	75,600	48,214
Trade and other payables	9	36,460	36,460
Total Non Current Liabilities		112,060	84,674
TOTAL LIABILITIES		1,551,943	1,399,815
NET ASSETS		7,665,888	7,338,954
EQUITY			
Reserves		3,767,282	3,898,605
Retained earnings		3,898,606	3,440,349
TOTAL EQUITY		7,665,888	7,338,954

The accompanying notes form part of these financial statements.

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Retained Earnings General $	Retained Earnings Special Projects $	Capital Equipment Replacement Reserve $	Capital Building Reserve $	Asset Revaluation Reserve $	Total $
Balance at 30 June 2011	597,202	2,202,732	154,348	516,297	3,227,960	6,698,539
Profit for the year	373,503	266,912	-	-	-	640,415
Transfer from general funds	(500,000)	500,000	-	-	-	-
Transfer to general funds	-	-	-	-	-	-
Balance at 30 June 2012	470,705	2,969,644	154,348	516,297	3,227,960	7,338,954
Profit for the year	8,209	318,724	-	-		326,933
Transfer from general funds						
Transfer to general funds	(200,000)	200,000	-	-	-	
Prior period reclass	-	-	-		-	
Balance at 30 June 2013	278,914	3,488,368	154,348	516,297	3,227,960	7,665,888

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 2013

	NOTE	2013 $	2012 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		3,227,371	3,396,581
Payments to suppliers and employees		(2,789,487)	(3,048,217)
Interest received		136,066	190,327
Net cash provided by operating activities	16	573,950	538,691
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment			-
Purchase of property, plant & equipment		(47,789)	(100,314)
Net cash provided by (used in) investing activities		(47,789)	(100,314)
Net increase/(decrease) in cash held		526,161	438,377
Cash at beginning of the year		4,080,247	3,641,870
Cash at end of year	4	4,606,408	4,080,247

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

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 organization registered under the Fair Work (Registered Organisations) Act 2009. The nature of the operations and the principal activities of the Branch are described in the Operating Report.

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 Fair Work (Registered Organisations) Act 2009.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions 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 Pharmacy Guild of Australia, Western Australia Branch is 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.

c. Property, Plant & Equipment (Cont)

The depreciable amount of plant and equipment is depreciated on a straight line basis over their useful lives to the Organization 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 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.

e. Financial Instruments

Initial Recognition and Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the organization 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.

Impairment

At each reporting date, the Organization 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

e. Financial Instruments (Cont)

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 Organisation 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 Organisation estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g. Employee Benefits

Provision is made for the Organisation'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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

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. Key Estimates

(i) *Impairment*
The Organization 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.

m. Adoption of New and Revised Accounting Standards

During the current year the Organization adopted all of the new and revised Australian Accounting Standards and interpretations applicable to its operations which became mandatory. The adoption of these standards has not materially impacted on the recognition, measurement and disclosure of transactions entered into during the year, nor has it had any material impact on the financial statements of the Organization.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

m. Adoption of New and Revised Accounting Standards (cont)

New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the entity. The entity has decided not to early adopt any of the new and amended pronouncements. The entity's assessment of the new and amended pronouncements that are relevant to the entity but applicable in future reporting periods is set out below:

– AASB 9: *Financial Instruments* (December 2010) and AASB 2010–7: *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).*

  These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

  The key changes made to accounting requirements include:

  - simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
  - simplifying the requirements for embedded derivatives;
  - removing the tainting rules associated with held-to-maturity assets;
  - removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
  - allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
  - requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
  - requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

m. Adoption of New and Revised Accounting Standards (cont)

These Standards were mandatorily applicable for annual reporting periods commencing on or after 1 January 2013. However, AASB 2012–6: *Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures* (issued September 2012) defers the mandatory application date of AASB 9 from 1 January 2013 to 1 January 2015. In light of this change to the mandatory effective date, the company is expected to adopt AASB 9 and AASB 2010–7 for the annual reporting period ending 31 December 2015. Although the directors anticipate that the adoption of AASB 9 and AASB 2010–7 may have a significant impact on the company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010–2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the company is a for-profit private sector entity that does not have public accountability, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the company will take advantage of Tier 2 reporting at a later date.

- AASB 10: *Consolidated Financial Statements*, AASB 11: *Joint Arrangements*, AASB 12: *Disclosure of Interests in Other Entities*, AASB 127: *Separate Financial Statements* (August 2011) and AASB 128: *Investments in Associates and Joint Ventures* (August 2011) (as amended by AASB 2012–10: *Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments*), and AASB 2011–7: *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards* (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: *Consolidated and Separate Financial Statements* (March 2008, as amended) and Interpretation 112: *Consolidation – Special Purpose Entities*. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. This Standard is not expected to significantly impact the company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

m. Adoption of New and Revised Accounting Standards (cont)

AASB 11 replaces AASB 131: *Interests in Joint Ventures* (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed). This Standard is not expected to significantly impact the company's financial statements.

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the company's financial statements.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. The revisions made to AASB 127 and AASB 128 are not expected to significantly impact the company's financial statements.

– AASB 13: *Fair Value Measurement* and AASB 2011–8: *Amendments to Australian Accounting Standards arising from AASB 13* (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) to be measured at fair value.

These Standards are expected to result in more detailed fair value disclosures, but are not expected to significantly impact the amounts recognised in the company's financial statements.

AASB 119: *Employee Benefits* (September 2011) and AASB 2011–10: *Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)* (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The company does not have any defined benefit plans and so is not impacted by the amendment.

m. Adoption of New and Revised Accounting Standards (cont)

AASB 119 (September 2011) also includes changes to:

- require only those benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
  (i) for an offer that may be withdrawn – when the employee accepts;
  (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
  (iii) where the termination is associated with a restructuring of activities under AASB 137: *Provisions, Contingent Liabilities and Contingent Assets*, and if earlier than the first two conditions when the related restructuring costs are recognised.

These Standards are not expected to significantly impact the company's financial statements.

- AASB 2012–2: *Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities* (applicable for annual reporting periods commencing on or after 1 January 2013).

  AASB 2012–2 principally amends AASB 7: *Financial Instruments: Disclosures* to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

  This Standard is not expected to significantly impact the company's financial statements.

- AASB 2012–3: *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities* (applicable for annual reporting periods commencing on or after 1 January 2014).

  This Standard adds application guidance to AASB 132: *Financial Instruments: Presentation* to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

  This Standard is not expected to significantly impact the company's financial statements.

- AASB 2012–5: *Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle* (applicable for annual reporting periods commencing on or after 1 January 2013).

m. Adoption of New and Revised Accounting Standards (cont)

This Standard amends a number of Australian Accounting Standards as a consequence of the issuance of *Annual Improvements to IFRSs 2009–2011 Cycle* by the International Accounting Standards Board, including:

- AASB 1: *First-time Adoption of Australian Accounting Standards* to clarify the requirements in respect of the application of AASB 1 when an entity discontinues and then resumes applying Australian Accounting Standards;
- AASB 101: *Presentation of Financial Statements* and AASB 134: *Interim Financial Reporting* to clarify the requirements for presenting comparative information;
- AASB 116: *Property, Plant and Equipment* to clarify the accounting treatment of spare parts, stand-by equipment and servicing equipment;
- AASB 132 and Interpretation 2: *Members' Shares in Co-operative Entities and Similar Instruments* to clarify the accounting treatment of any tax effect of a distribution to holders of equity instruments; and
- AASB 134 to facilitate consistency between the measures of total assets and liabilities an entity reports for its segments in its interim and annual financial statements.

This Standard is not expected to significantly impact the company's financial statements.

n. Change in Accounting Policy

Traineeship fees paid in advance were accounted for as income received in advance (ie as a liability) for the first time in 2013, which represents a change in accounting policy from prior years. The effect of this change was to reduce profit for the year by approximately $154,000.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

2. REVENUE

	2013 $	2012 $
Operating Activities		
o. General fund revenue	1,217,061	1,430,232
p. Membership Subscriptions	1,198,171	1,136,177
q. Program Income	451,423	462,917
r. Grant Income	10,000	-
s. Special project fund revenue	381,395	342,327
t. Interest received – general fund	78,790	109,773
u. Interest received - special project fund	57,276	80,554
	3,394,116	3,561,980
Non-operating Activities	-	-
Total revenue	3,394,116	3,561,980

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

3. AUDITORS REMUNERATION

	2013 $	2012 $
Remuneration of the auditor for:		
Auditing or reviewing the financial report	14,000	13,000
Other services	4,000	4,000
	18,000	17,000

4. CASH AND CASH EQUIVALENTS

	2013 $	2012 $
Cash at bank and in hand	4,606,408	4,080,247
Short term bank deposits	-	-
	4,606,408	4,080,247

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:-

	2013	2012
Cash and cash equivalents - general	4,589,963	3,850,004
Cash and cash equivalents – special projects fund	16,445	230,243
Bank overdrafts		-
	4,606,408	4,080,247

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

	2013 $	2012 $
5. TRADE AND OTHER RECEIVABLES		
CURRENT		
Subscriptions and other receivables	189,754	159,074
Total current trade and other receivables	189,754	159,074
NON CURRENT		
Loan to Guild Shield Chemists	-	-

Current trade receivables are non-interest bearing and generally are receivable with 90 days. A provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2013 (2011: Nil).

Credit Risk

The Organization 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 Organization is considered to relate to the class of assets described as subscriptions receivable.

The following table details the Organization'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 Organization 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 Organization.

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

	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)			
			< 30	31 - 60	61 - 90	> 90
2013	$	$	$	$	$	$
Subscriptions and other Receivables	189,754	-	128,995	6,452	9,736	44,571
Total	189,754	-	128,995	6,452	9,736	44,571

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

5. TRADE AND OTHER RECEIVABLES (CONT)

Credit Risk (Cont)

2012	$	$	$	$	$	$
Subscriptions and other Receivables	159,074	-	126,195	11,103	1,680	20,096
Total	159,074	-	126,195	1,680	20,096	20,096

The Organization does not hold any financial assets 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.

		2013 $	2012 $
Financial assets classified as loans and receivables			
Trade and other receivables	Note		
- total current	17	189,754	159,074
- total non-current	17	-	-
Total		189,754	159,074

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	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

7. OTHER CURRENT ASSETS

Prepayments	55,619	52,145
Accrued income	7,300	74,069
Accrued GST		-
	62,919	126,214

8. PROPERTY, PLANT & EQUIPMENT

	2013 $	2012 $
Land & buildings		
Opening independent valuation	3,901,105	3,901,105
Revaluation	-	-
Additions	-	-
Closing independent valuation	3,901,105	3,901,105
Office furniture & equipment		
At cost	1,033,028	997,406
Accumulated depreciation	(629,957)	(571,819)
	403,071	425,587
Motor vehicles		
At cost	64,362	58,073
Accumulated amortisation	(9,787)	(11,531)
	54,575	46,542
Total plant & equipment	457,645	472,129
Total property, plant & equipment	4,358,750	4,373,234

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

8. PROPERTY, PLANT & EQUIPMENT (CONT)

The Organization's land & buildings were revalued in the previous 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 Pharmacy Guild of Australia, Western Australia Branch is exempt from income tax under section 50-15 of the Income Tax Assessment Act 1997.

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	3,901,105	425,587	46,542	4,373,234
Additions	-	35,621	44,372	79,993
Disposals	-	-	(27,203)	(27,203)
Depreciation & amortisation expense	-	(58,137)	(9,136)	(67,273)
Carrying amount at the end of year	3,901,105	403,071	54,575	4,358,750

9. TRADE & OTHER PAYABLES

	2013 $	2012 $
CURRENT		
Trade payables	39,400	31,044
Training administration fees	78,540	77,700
Income received in advance	881,812	955,570
Accrued expenses	41,022	88,455
Traineeship fees received in advance	154,832	-
Accrued GST & PAYG withholding	106,007	119,462
	1,301,613	1,272,231
NON CURRENT		
Rental Property Security Deposit	36,450	36,460

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

10. PROVISIONS

	Annual leave $	Long service leave $	Employee Incentive $	Total $
Opening balance at 1 July 2012	42,910	48,214	-	91,124
Additional provisions	46,801	27,386	48,560	122,747
Amounts used	-	-	-	-
Balance at 30 June 2013	89,711	75,600	48,560	213,871

Analysis of total provision	**2013** $
Current	138,271
Non current	75,600
	213,871

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.

Asset Revaluation Reserve
The asset revaluation reserve records revaluations of land and buildings.

12. CAPITAL & LEASING COMMITMENTS

Operating lease commitments

Payable – minimum lease payments	2013 $	2012 $
- not later than 12 months	-	-
- between 12 months & 5 years	-	-
- greater than 5 years	-	-
	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

	2013 $	2012 $
Estimates of the potential effect of contingent Liabilities that may become payable:	-	-

14. EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred subsequent to the reporting date.

15. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions.

During the year the organisation received funding from as well as paid a percentage of membership subscriptions to The Pharmacy Guild of Australia, National Secretariat. Details of these transactions are noted below.

Funds Paid to National Secretariat 2013

	2013 $	2012 $
Total Paid to National Secretariat 2013		
2012 Subscriptions to National Secretariat	759,590	789,595
Re-imbursement Telephone	24,160	20,473
Software & Software Development Re-imbursement	12,926	773
Student Capitations & CPD Accreditation Costs	5,803	825
	802,479	**811,666**

Funds Received from National Secretariat 2013

Total from National Secretariat 2013		
Programme Funding & Grants	492,757	462,917
Re-imbursement of President time to attend meeting etc	7,600	14,220
Re-imbursements of travel associated costs to attend meetings	16,221	85,015
Commissions	-	10,064
	516,578	**572,216**

Balance Receivables/Payable at Year End		
Receivable from National Secretariat	**22,860**	**80,862**
Payable to National Secretariat	**15,147**	**3,948**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

16. CASHFLOW INFORMATION

	2013 $	2012 $
Reconciliation of cash flow from operations with profit from ordinary activities after income tax:		
Profit after income tax	326,933	640,415
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation and amortisation	62,273	50,244
- Net Loss on Disposal of Property Plant and Equipment	-	-
Changes in assets and liabilities		
- (Increase)/decrease in trade and term debtors	(30,680)	24,928
- (Increase)/decrease in prepayments	(3,474)	15,433
- (Increase)/decrease in accrued income	66,769	(64,005)
- (Increase)/decrease in inventories	-	-
- Increase/(decrease) in trade and other payables	42,508	(100,269)
- Increase/(decrease) in employee benefits	122,747	(38,086)
- Increase/(decrease) in accrued GST	(13,126)	10,031
Cash flow from operations	573,950	538,691

17. FINANCIAL RISK MANAGEMENT

Financial risk management policies

The Organization'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:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 $	2012 $
Financial Assets			
Cash and cash equivalents	4	4,606,808	4,080,247
Loans and receivables	5	189,754	159,074
Other current assets	7	7,300	74,069
		4,803,862	4,313,390
Financial Liabilities			
Trade and other payables	9	166,839	233,659
		166,839	233,659

Financial Risk Management Policies

The Organization's Vice President Finance is responsible for, among other issues, monitoring and managing financial risk exposures of the Organization. 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 Organization is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

17. FINANCIAL RISK MANAGEMENT (CONT)

Specific Financial Risk Exposure and Management (Cont)

b. Liquidity risk

Liquidity risk arises from the possibility that the Organization might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Organization 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	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Financial liabilities								
Trade & sundry payables	130,379	197,199	36,460	36,460	-	-	166,839	233,659
Lease liabilities	-	-	-	-	-	-	-	-
Total financial assets	130,379	197,199	36,460	36,460	-	-	166,829	233,659
Financial assets								
Cash & cash equivalents	4,606,408	4,080,247	-	-	-	-	4,606,408	4,080,247
Short-term deposits	-	-	-	-	-	-	-	-
Trade & other receivables	189,754	159,074	-	-	-	-	189,754	159,074
Other current assets	7,300	74,069	-	-	-	-	7,300	74,069
Total financial assets	4,803,862	4,313,390	-	-	-	-	4,803,462	4,313,390

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability. Refer to Note 5 for further details.

c. Foreign exchange risk

The Organization is not exposed to fluctuations in foreign currencies

17. FINANCIAL RISK MANAGEMENT (CONT)

Specific Financial Risk Exposure and Management (Cont)

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 Organization.

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 Organization securing trade or other receivables.

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

e. Price risk
The Organization 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

17. FINANCIAL RISK MANAGEMENT (Cont)

Net Fair Values (Cont)

	Footnote	2013 Net Carrying Value $	2013 Net Fair Value $	2012 Net Carrying Value $	2012 Net Fair Value $
Financial assets					
Cash & cash equivalents	(i)	4,606,408	4,606,408	4,080,247	4,080,247
Trade & other receivables	(i)	189,754	189,754	159,074	159,074
Other current assets	(i)	7,300	7,300	74,069	74,069
Total financial assets		4,803,862	4,803,862	4,313,390	4,313,390
Financial liabilities					
Trade & sundry payables	(i)	166,839	166,839	233,659	233,659
Total financial liabilities		166,839	166,839	233,659	233,659

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, other current assets and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value.

18. ORGANIZATION DETAILS

The registered office of the Organization is:

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

The principal place of business of the Organization is:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

19. SEGMENT REPORTING

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

20. EMPLOYEE BENEFITS

Breakdown of benefits paid during the year to officers and employees as follows:

		2013	2012
		$	$
Officers			
13	Relievers Fees	23,029	21,536
1	Wages	109,384	102,246
1	Superannuation	11,949	11,225
1	Annual & LSL	5,224	16,796
Employees (Other than Officers)			
24	Wages	1,153,452	1,100,577
24	Superannuation	106,320	98,737
23	Annual & LSL	41,577	20,781
2	Motor Vehicle FBT	24,303	22,339

21. DONATIONS OVER $1000

Name of Recipient	Address of recipient of Donation	Amount	Purpose of Donation
Liberal Party	Level 3, 190 St Georges Terrace, Perth, WA 6000	$5,000	State Conference and Business Observers Programme 2012

22. FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009 – SECTION 272 (5) NOTICE

Information to be provided to members or General Manager of FWA.

(1) A member of a reporting unit, or the General Manager, 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 4 to 32;

1. Presents a true and fair view of the financial position of The Pharmacy Guild of Australia Western Australian Branch as at 30 June 2013 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritive 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 16th Day of August 2013

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

MOORE STEPHENS
ACCOUNTANTS & ADVISORS

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE PHARMACY GUILD
OF AUSTRALIA, WESTERN AUSTRALIA BRANCH

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Report on the financial report

We have audited the accompanying financial report of The Pharmacy Guild of Australia, Western Australia Branch (the "Organization"), which comprises the statement of financial position as at 30 June 2013, and the statement of comprehensive income, detailed income and expenditure statement - general fund, detailed income and expenditure statement - special project fund, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes, the statement by the members of the committee and the committee of management statement.

Committees' responsibility for the financial report

The committee of the Organization 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 Fair Work (Registered Organisations) Act 2009. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on 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 directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE PHARMACY GUILD
OF AUSTRALIA, WESTERN AUSTRALIA BRANCH

Auditor's opinion

In our opinion the financial report of The Pharmacy Guild of Australia, Western Australia Branch presents 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*, including:

(i) giving a true and fair view of the Organization's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by the financial reporting guidelines issued by the General Manager of the Fair Work (Registered Organisations) Act 2009.

Moore Stephens

Moore Stephens
Chartered Accountants

Neil Pace

Neil Pace
Partner

Dated this 16th day of August 2013

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013
GENERAL FUND

	2013 $	2012 $
REVENUE		
Operating Activities	-	-
Commission	270,262	196,631
Events & Public Relations Income	-	-
Gold Cross Service Commission	35,883	39,787
Members Services	457,461	503,995
Membership Subscriptions	1,198,171	1,136,177
Pharmacy Industry Training	401,897	642,520
Sundry Income	158,541	182,444
Interest Received	78,790	109,773
Pharmacy Forum	354,441	327,772
TOTAL REVENUE	**2,955,446**	**3,139,099**
EXPENDITURE		
Advertising	-	-
Auditing Fees	15,500	14,500
Bank Fees	9,062	5,477
Branch Committee Expenses	40,666	34,405
Depreciation - Office Equipment	35,958	20,363
- Motor Vehicles	9,136	8,711
Dispatch & Postage	16,813	16,065
EDP Maintenance & Support	41,608	14,200
Insurance	30,693	33,948
Members Services	315,076	354,246
National Council Dues	703,975	670,671
Payroll Tax	79,831	70,586
Power and Light	12,464	14,967
Printing and Stationery	35,749	26,846
Professional Fees	30,290	19,941

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013
GENERAL FUND

	2013 $	2012 $
Salaries – Employees	1,267,608	1,182,741
Agency Temp Staff	-	3,798
Sundry Expenses & Staff Training	136,308	128,839
Superannuation	118,803	109,962
Telephone and Facsimile	21,773	22,785
Training Division Expenses	25,924	12,545
TOTAL EXPENDITURE	**2,947,237**	**2,765,596**
Profit from General Fund for the year	**8,209**	**373,503**

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013
SPECIAL PROJECT FUND

	2013 $	2012 $
REVENUE		
Operating Activities	-	-
Rent and Variable Outgoings Received	156,340	142,048
WA Industrial & Management Service Fee	201,519	198,404
Interest Received	57,276	80,554
Other Income	23,537	1,875
TOTAL REVENUE	**438,671**	**422,881**
EXPENDITURE		
Cleaning Services & Supplies	25,900	28,742
Depreciation	22,179	21,170
Donations	8,818	16,847
Industrial Costs	34,364	31,453
Legal Cover Expenses	2,324	36,065
Rates & Taxes	26,262	21,534
Sundry Expenses	100	158
TOTAL EXPENDITURE	**119,947**	**155,969**
Profit from Special Projects Fund for the year	**318,724**	**266,912**

THE PHARMACY GUILD OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

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INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE PHARMACY GUILD OF AUSTRALIA, WESTERN AUSTRALIA BRANCH

Report on the financial report

We have audited the accompanying financial report of The Pharmacy Guild of Australia, Western Australia Branch (the "Organization"), which comprises the statement of financial position as at 30 June 2013, and the statement of comprehensive income, detailed income and expenditure statement - general fund, detailed income and expenditure statement - special project fund, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes, the statement by the members of the committee and the committee of management statement.

Committees' responsibility for the financial report

The committee of the Organization 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 Fair Work (Registered Organisations) Act 2009. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on 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 directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE PHARMACY GUILD
OF AUSTRALIA, WESTERN AUSTRALIA BRANCH

Auditor's opinion

In our opinion the financial report of The Pharmacy Guild of Australia, Western Australia Branch presents 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*, including:

(i) giving a true and fair view of the Organization's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by the financial reporting guidelines issued by the General Manager of the Fair Work (Registered Organisations) Act 2009.

Moore Stephens

Moore Stephens
Chartered Accountants

Neil Pace
Partner

Dated this 16th day of August 2013