



Mr John Davis  
Secretary  
The Showmen's Guild of Australasia  
PO Box 690  
BEENLEIGH QLD 4207

Dear Mr Davis,

**The Showmen's Guild of Australasia**  
**Financial Reports for Years Ended: 31 December 2004 (FR2004/658)**  
**31 December 2005 (FR2005/631)**  
**31 December 2006 (FR2006/549)**  
**31 December 2007 (FR2007/604)**  
**Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

I refer to the Registry's letter dated 1 April 2008 acknowledging receipt of financial reports of The Showmen's Guild of Australasia for the financial years ending 31 December 2005, 31 December 2006 and 31 December 2007. The 2005 report was lodged in the Registry on 3 March 2008 and the reports for the 2006 and 2007 years were both lodged on 26 March 2008

As foreshadowed in that letter, a comprehensive review of the Guild's financial reports for the four financial years up to 31 December 2007 has now been undertaken in light of continuing problems presented by reports, including qualified audit opinions for each report.

The Guild's Committee of Management is responsible for the preparation and fair presentation of financial reports in accordance with Australian Accounting Standards (which include the Australian Accounting Interpretations) (see section 253 of the RAO Schedule). This responsibility includes establishing and maintaining internal controls relevant to the preparation of the financial report so that the financial report 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.

The financial reports for the four financial years ended 31 December 2004, 2005, 2006 and 2007 were qualified by the auditor due to non-compliance with reporting requirements of the Australian Accounting Standards. In addition, significant deficiencies in the internal control environment caused the auditor to issue various qualifications for each of these years. The internal control weaknesses associated with collecting monies from Poker Machines, and Function and Bar Collection and Cash Floats have resulted in frauds and inhibited the reporting of reliable financial information. Given the various breakdowns in internal controls that have occurred over an extended period of time, there is also a concern that the Committee of Management has not complied with its obligations under the RAO Schedule to prepare proper financial records in accordance with the requirements of section 252.

The fact that the audit reports have been qualified indicates that the Committee of Management have failed to comply with key financial reporting obligations of the RAO Schedule including the requirement to prepare annual financial reports in accordance with Australian Accounting Standards (section 253(1)) and to prepare financial reports that reflect a true and fair view of the financial position and performance of the Guild (section 253(3)) as required by declarations under the Committee of Management Statement.

A significant improvement in relation to internal controls and the reporting process is required to ensure that the Committee of Management complies with its obligations under the Act. The Guild must review its financial reporting processes to ensure that it can comply with the RAO Schedule in future financial years. Further, the Committee must review its internal control environment to ensure that appropriate standards for financial management are implemented, resulting in an effective management reporting system and internal control system. This

includes internal controls to deal with both the effectiveness and the efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information.

Included as Attachment A to this letter is a detailed analysis of our concerns regarding compliance by the Guild with the requirements of the RAO Schedule with respect to the financial documents for 2004 through to 2007.

### **Possible Consequences of Continued Failure to Comply with the RAO Schedule**

I am concerned that, despite assistance from the Registry, the Guild has consistently failed over a number of years to meet its obligations under the RAO Schedule.

I now expect the Guild to implement all of the necessary and appropriate procedures to remedy past deficiencies.

I draw your attention to the power of the Registrar, under section 331 of the RAO Schedule, to conduct an investigation into a possible contravention of the financial reporting requirements of the RAO Schedule, the RAO Regulations or the Reporting Guidelines. The Registrar has power to require the participation of a designated officer or employee of an organisation and of the organisation's auditor(s). Such persons can be required to provide the Registrar with information, records or other documents or to attend before the Registrar to answer questions relating to the investigation (see section 335 of the RAO Schedule). If, at the conclusion of the investigation, the Registrar is satisfied that a contravention has occurred, he may issue a notice requiring rectification of the matter or he may apply to the Federal Court of Australia for an order imposing a civil (financial) penalty upon the organisation or, if appropriate, refer the matter to the Director of Public Prosecutions for action in relation to possible criminal offences.

The Federal Court of Australia has the power to impose a civil (financial) penalty for failure to comply with the RAO Schedule under section 305 of the RAO Schedule. In particular, I draw your attention to subsection 305(2)(w), which provides for the imposition of penalties for breaches of sections 253 and 254 of the RAO Schedule. Section 253 of the RAO Schedule states as follows (emphasis added):

#### **253 Reporting unit to prepare general purpose financial report**

(1) As soon as practicable after the end of each financial year, a reporting unit must cause a general purpose financial report to be prepared, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year.

(2) The general purpose financial report must consist of:

(a) financial statements containing:

- (i) a profit and loss statement, or other operating statement; and
- (ii) a balance sheet; and
- (iii) a statement of cash flows; and
- (iv) any other statements required by the Australian Accounting Standards; and

(b) notes to the financial statements containing:

- (i) notes required by the Australian Accounting Standards; and
- (ii) information required by the reporting guidelines (see section 255); and

(c) any other reports or statements required by the reporting guidelines (see section 255).

(3) The financial statements and notes for a financial year must give a true and fair view of the financial position and performance of the reporting unit. This subsection does not affect the obligation for a financial report to comply with the Australian Accounting Standards.

*Note 1: This section is a civil penalty provision (see section 305).*

*Note 2: The Australian Accounting Standards may be modified for the purposes of this Schedule by the regulations.*

*Note 3: If the financial statements and notes prepared in compliance with the Australian Accounting Standards would not give a true and fair view, additional information must be included in the notes to the financial statements under paragraph (2)(b).*

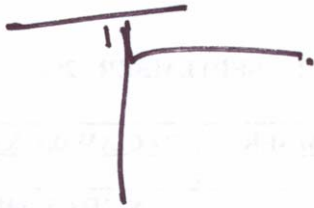
I note that any investigation that may be launched could relate to all of the financial years in question, not just the latest financial year.

In light of the above, your urgent attention to these issues is required. Some recommendations regarding improvements that the Guild may wish to implement are contained in the analysis included as Attachment A. You are urged to seriously consider the observations and recommendations in Attachment A and to immediately introduce appropriate measures.

I recognise that, even if strategies are introduced immediately, it will take some time for the financial accounts to be free of the types of deficiencies that have arisen in the past. While I require remedial measures to be introduced immediately, the financial report for the year ended 31 December 2008 may contain some (albeit fewer) deficiencies than previous years. My firm expectation, however, is that the auditor will be able to report for the year ended 31 December 2008 that steps have been implemented to remedy any such deficiencies or qualifications to the audit report.

If you have any questions in relation to this matter, please contact Ailsa Carruthers on (03) 8661 7767 (except Wednesdays) or by email at [ailsa.carruthers@air.gov.au](mailto:ailsa.carruthers@air.gov.au).

Yours sincerely,

A handwritten signature in dark ink, appearing to be 'Terry Nassios', written over a faint, illegible background.

Terry Nassios  
Deputy Industrial Registrar

7 August 2008

cc: Mr Errol Allan  
KP Business Accountants

**The Showmen's Guild of Australasia  
Detailed Analysis of Compliance of Financial Reports  
– Years Ended 31 December 2004, 2005, 2006 and 2007**

<b>Comment</b>	<b>Key Observations and Recommendations</b>
<p>Financial reports lodged were not in compliance with Australian Accounting Standards as the audit report was qualified for the four financial years ended 31 December 2004 - 2007</p>	<p><b>Key Observations</b></p> <ul style="list-style-type: none"> <li>• Financial reports for the four financial years ended 31 December 2004-2007 were qualified as a result of not complying with various accounting measurement requirements set out in the Australian Accounting Standards. A weak internal control environment has also caused non-compliance with Accounting Standards to continue for the four financial years ended 31 December 2007. Accounting issues that have led to the audit qualifications are discussed below.</li> <li>• The external auditor's management improvement recommendations stated that the Showmen's Guild has difficulty retaining adequate experienced staff to monitor compliance requirements in relation to the RAO Schedule to the Workplace Relations Act 1996 (the Act); the Gaming Machine Act 1991; and the requirement to prepare general purpose financial reports required by Australian Accounting Standards and the additional reporting requirements of the Act. Non-compliance with the Australian Accounting Standards is the major cause for continuing audit qualification for the four financial years ended 31 December 2007.</li> </ul> <p><b>Key Recommendations</b></p> <ul style="list-style-type: none"> <li>• We recommend that the Committee of Management of the Showmen's Guild reviews the entity's financial reporting process, the audit process and the processes for monitoring compliance with applicable laws and regulations.</li> <li>• We recommend that the Committee of Management review its risk management and internal control environment. Risk management and internal control refers to the processes, structures and culture established to identify, assess, treat and monitor risk affecting the financial performance and financial reporting of Showmen's Guild.</li> </ul>
<p>Accounting measurements in relation to valuation and depreciation of Property, Plant and Equipment for the four financial years ended 31 December 2007 did not comply with Australian</p>	<p><b>Key Observations</b></p> <ul style="list-style-type: none"> <li>• It is the policy of Showmen's Guild to revalue its land and building, and plant and equipment every two years. Whilst the land and buildings and plant and equipment are stated in the financial report at fair value, no recent valuations have been undertaken to verify that assets are stated at the correct fair value and these assets are also not being depreciated as required by Australian Accounting Standards.</li> </ul>

Comment	Key Observations and Recommendations
Accounting Standards.	<p><b>Key Recommendations</b></p> <ul style="list-style-type: none"> <li>• In accordance with paragraph 31 of AASB 116 “Property, Plant and Equipment”, assets that are carried at fair value amount shall be subject to revaluation regularly to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Paragraph 34 of AASB 116 provides guidance on frequency of revaluations. The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. For items of property, plant and equipment with only insignificant changes in fair value, it may be necessary to revalue the item only every three or five years; otherwise annual revaluations are required. We recommend that that management reassess its accounting policy on Property, Plant and Equipment to determine the frequency of revaluations for the items of assets stated at fair value.</li> <li>• Assets at fair value are required to be stated in the financial statements at fair value less any subsequent accumulated depreciation and impairment losses. Depreciation begins when it is available for use.</li> <li>• Buildings have a limited useful life and therefore are depreciable assets in accordance with paragraph 51 of AASB 116.</li> <li>• Given that the Guild has not depreciated all its assets in the past, we recommend that the Committee of Management determine the depreciation method for all its assets and commence depreciation. The depreciation method used shall reflect the pattern in which the asset’s future economic benefits are expected to be consumed by the entity.</li> </ul>
Litigation settlements with ACCC were incorrectly disclosed as legal fees for the financial year ended 31 December 2006.	<p><b>Key Observations</b></p> <ul style="list-style-type: none"> <li>• The audit qualification indicated that the Guild has disclosed litigation settlements with ACCC as a legal expense.</li> <li>• This accounting treatment does not comply with the requirement of paragraph 98 of AASB 101 “Presentation of Financial Statements”.</li> <li>• Paragraph 97 of AASB 101 states that when items of income or expense are material; the Guild shall disclose their nature and amount separately</li> </ul> <p><b>Key Recommendations</b></p> <ul style="list-style-type: none"> <li>• A litigation settlement is a type of transaction that requires separate disclosure in accordance with paragraph 98 of AASB 101 “Presentation of Financial Statements”. We recommend that the Guild present an analysis of expenses recognised in profit or loss using a classification based on either their nature or their function within the entity, whichever provides information that is reliable and more relevant. Also, we recommend that the Committee of Management separately disclose the nature and amount</li> </ul>

Comment	Key Observations and Recommendations
	of any items of income or expense that are material in the Income Statement.
<p>The 2005 audit report was qualified due to the auditor being unable to obtain sufficient appropriate audit evidence after examining the records underlying the opening balances. In accordance with the Australian Auditing Standard AUS 510, the auditor is required to obtain sufficient and appropriate audit evidence regarding opening balances.</p>	<p><b>Key Observation</b></p> <ul style="list-style-type: none"> <li>• The prior year financial report was not audited. The financial year ended 31 December 2005 audit report was qualified due to the auditor being unable to obtain sufficient appropriate audit evidence after examining the records underlying the opening balances.</li> <li>• It appears that the lack of sufficient records could be due to poor management reporting systems. Internal control reconciliation processes relate to the regular (i.e. weekly, monthly) reconciliation of Balance Sheet general ledger accounts and key Income Statement general ledger accounts. General ledger control accounts should be reconciled to supporting reports (e.g. accounts receivables aged trial balance) or external documentation. Reconciliation of general ledger accounts is an important internal control process for ensuring the accurate and timely processing of transactions. If reconciliations are not performed on a regular basis there is an increased risk of transaction errors occurring.</li> </ul> <p><b>Key Recommendations</b></p> <ul style="list-style-type: none"> <li>• Implementation of an effective management reporting system should be a priority. We recommend that General ledger reconciliations should be prepared on a regular basis and appropriately reviewed and authorised by management if this has not already occurred.</li> </ul>
<p>Internal controls weakness and insufficient inventory records maintained have resulted in audit qualification for the financial year ended 31 December 2005</p>	<p><b>Key Observation</b></p> <ul style="list-style-type: none"> <li>• Retaining a copy of important accounting records, such as the year end inventory ledger, is an important control process. This observation indicates a control weakness surrounding inventory management.</li> <li>• The breakdown in control surrounding inventory management processes was due to insufficient documentation being maintained in relation to inventory records. Furthermore, it was highlighted by the external auditor that the Guild did not perform yearly inventory physical counts soon after year end. Also, no reconciliation of inventory physical count results to perpetual records is performed. If reconciliations are not performed on a regular basis there is an increased risk of transaction errors occurring. This could result in cost of inventories being incorrectly stated in the financial report.</li> </ul> <p><b>Key Recommendations</b></p> <ul style="list-style-type: none"> <li>• Inventory physical count should be completed once a year at a minimum. Regular inventory physical count is an important control process for ensuring that computer systems are accurately recording inventory, sales and purchases. Regular inventory physical count identifies major discrepancies between perpetual records and physical inventory and can so highlight any system</li> </ul>

Comment	Key Observations and Recommendations
	problems
<p>Poor safeguarding of cash assets at the Poker Machine; Function and Bar Collection and Cash Floats has led to misappropriation of funds, which has resulted in audit qualifications for the three financial years ended 31 December 2007</p>	<p><b>Key Observations</b></p> <ul style="list-style-type: none"> <li>The Guild has poor internal control surrounding safeguarding cash assets, which has resulted in misappropriation of funds. Also, pre-signed cheques increase the risk of fraudulent activity occurring during the normal course of business which may not be detected in a timely manner.</li> </ul> <p><b>Key Recommendations</b></p> <ul style="list-style-type: none"> <li>We recommend that the practice of pre-signing cheques should be stopped as it could result in potential misappropriation of funds, and increases the risk of fraudulent activity occurring during the normal course of business which may not be detected in a timely manner.</li> <li>Cash assets have high susceptibility to misappropriation. Failure to ensure the record keeping and appropriate cash collection procedures are established compromises security of cash assets handled by employees. We recommend that an appropriate person review bank and daily income collection reconciliations and investigate and resolve unusual transactions in a timely manner.</li> <li>Cash assets and related bank accounts should be reconciled at least weekly to general ledger accounts. Cash count at all poker machines should be carried out daily. Reconciliation of cash count results to the general ledger may assist in identifying any unusual transactions.</li> <li>The effective operation of the accounting functions should be a key objective for areas that are more susceptible to misappropriation of funds, so as to ensure the integrity and completeness of all transactions and the protection of its cash assets. While in circumstances where it is impractical to reduce substantially the control risk due to small numbers of employees, an effort should be made where possible to segregate incompatible functions (e.g. the authorisation and processing of transactions).</li> </ul>
<p>Other breaches of Australian Accounting Standards in addition to those identified above for the four financial years ended</p>	<p><b>Key Observations – 31 December 2007</b></p> <ul style="list-style-type: none"> <li>The 31 December 2007 financial report includes both consolidated accounts and accounts for the Guild 2007 and Club 2007. In the financial years ended 31 December 2005 and 31 December 2006, consolidated financial reports have not been prepared. The financial statements that have been prepared for 2007 are confusing and the purpose of preparing consolidated financial</li> </ul>

Comment	Key Observations and Recommendations
31 December 2004-2007	<p>statements when this has not occurred in prior financial years is unclear.</p> <ul style="list-style-type: none"> <li>• The financial statements generally for the 31 December 2007 financial year do not appear to be in accordance with Australian Accounting Standards including the requirement to prepare a Statement of Recognised Income and Expense or a Statement of Changes in Equity and the use of the term Profit and Loss Statement is not in accordance with Australian Accounting Standards.</li> <li>• The accounting policy notes for the 31 December 2007 financial year are completely inadequate and fail to meet reporting and disclosure obligations under various Australian Accounting Standards.</li> <li>• The notes to the financial statements are also inadequate and lack disclosures in relation to related parties, segment reporting and financial instruments.</li> <li>• Whilst the auditor has issued various qualifications in relation to the financial report for the financial year ended 31 December 2007, the auditor has nevertheless issued an opinion that states “except for the matters raised in the qualifications paragraph: the financial statements of the Showmen’s Guild of Australasia Incorporated present a true and fair view...[and] the financial statements are properly drawn up complying with Accounting Standards..”. It is our view that the various deficiencies in the financial report are so numerous that the external auditor of the Showmen’s Guild should have reached the conclusion that a Disclaimer of Opinion was warranted.</li> </ul> <p><b>Key Observations – 31 December 2006</b></p> <ul style="list-style-type: none"> <li>• The 31 December 2006 financial report includes both consolidated accounts and accounts for the Guild 2007 and Club 2007. In the financial years ended 31 December 2005 and 31 December 2006, consolidated financial reports have not been prepared. The financial statements that have been prepared for 2007 are confusing and the purpose of preparing consolidated financial statements when this has not occurred in prior financial years is unclear.</li> <li>• The financial statements generally for the 31 December 2006 financial year do not appear to be in accordance with Australian Accounting Standards including the requirement to prepare a Statement of Recognised Income and Expense or a Statement of Changes in Equity and the use of the term Profit and Loss Statement is not in accordance with Australian Accounting Standards.</li> <li>• There are no accounting policy notes for the 31 December 2006 financial year and the financial statement notes generally are completely inadequate and fail to meet reporting and disclosure obligations under various Australian Accounting Standards.</li> </ul>



Comment	Key Observations and Recommendations
	<ul style="list-style-type: none"> <li>• The notes to the financial statements are also inadequate and lack disclosures in relation to related parties, segment reporting and financial instruments.</li> <li>• Whilst the auditor has issued various qualifications in relation to the financial report for the financial year ended 31 December 2007, the auditor has nevertheless issued an opinion that states “except for the matters raised in the qualifications paragraph: the financial statements of the Showmen’s Guild of Australasia Incorporated present a true and fair view...[and] the financial statements are properly drawn up in accordance with Acceptable Accounting Standards..”. It is our view that the various deficiencies in the financial report of the Showmen’s Guild should have caused the auditor to reach the conclusion that a Disclaimer of Opinion was warranted.</li> </ul> <p><b>Key Observations – 31 December 2005</b></p> <ul style="list-style-type: none"> <li>• The notes to the financial statements are inadequate and lack disclosures in relation to related parties, segment reporting and financial instruments.</li> <li>• Whilst the auditor has issued various qualifications in relation to the financial report for the financial year ended 31 December 2007, the auditor has nevertheless issued an opinion that states “except for the effects of the financial report of the matter referred to in the qualifications paragraphs, the financial report presents fairly in accordance with applicable Accounting Standards..”. It is our view that the various deficiencies in the financial report are so numerous that the external auditor of the Showmen’s Guild should have reached the conclusion that a Disclaimer of Opinion was warranted.</li> </ul> <p><b>Key Observations – 31 December 2004</b></p> <ul style="list-style-type: none"> <li>• The accounting policy notes for the 31 December 2004 financial year are completely inadequate and fail to meet reporting and disclosure obligations under various Australian Accounting Standards.</li> <li>• The notes to the financial statements are also inadequate and lack disclosures in relation to related parties, segment reporting and financial instruments.</li> <li>• As discussed above, the external auditor has issued various qualifications including failure to comply with the Accounting Standards on measurement and disclosure of Accounting Standards.</li> <li>• It appears that the Guild has issued a separate audit report on the Cash Flow Statement and a separate audit report on the balance of the financial statements. This is also inconsistent with Australian Accounting Standards, and the Cash Flow Statement should form part of the financial statements.</li> <li>• Whilst the auditor has issued various qualifications in relation to the financial report for the financial year ended 31 December</li> </ul>

Comment	Key Observations and Recommendations
	<p>2004 the auditor has nevertheless issued an opinion that states “except for the matters raised in the qualifications paragraph: the financial statements of the Showmen’s Guild of Australasia Incorporated present a true and fair view... [and] the financial statements are properly drawn up complying with Accounting Standards”. It is our view that the various deficiencies in the financial report are so numerous that the external auditor of the Showmen’s Guild should have reached the conclusion that a Disclaimer of Opinion was warranted.</p>



ABN 75 134 664 816

## **The Showmen's Guild of Australasia**

● Guild House ● 4 Turner Avenue ● Yatala Q. 4207 ●

**20 March 2008**

**Our Ref: G162**


**Attention: Alisa Carruthers  
Australian Industrial Registry  
GPO Box 1994S  
MELBOURNE VIC 3001**

**Dear Alisa,**

**RE: 2007 General Purpose Financial Report (GPFR)  
2006 General Purpose Financial Report (GPFR)**

**Please find enclosed our GPFR for the 2007, 2006 year.**

**Yours sincerely,  
*THE SHOWMENS GUILD OF AUSTRALASIA***

  
.....  
**John Davis  
Secretary**



**Designated Officer's Certificate**

s268 of Schedule 1 of the workplace Relations Act 1996

I Leslie John Davis being the Secretary of The Showmen's Guild of Australia certify:

- That the document lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 17<sup>th</sup> March 2008; and
- That the full report was presented to a general meeting of members of the reporting unit on 17<sup>th</sup> March 2008; in accordance with section 266 of the RAO.

Signature 

Date: 20.03.2008

**The Showmen's Guild of Australasia**

**Financial Statements  
For the year ended 31 December 2006**

**KP Business Accountants**

Suite 22 / Level 2

149 Wickham Terrace Qld 4000

Phone: 07 38392533 Fax: 07 38313689

Email: [christie@kpbiz.com.au](mailto:christie@kpbiz.com.au)

# **The Showmen's Guild of Australasia**

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**'The Showmen's Guild of Australasia ABN 75 134 664 816**  
**Detailed Profit and Loss Statement**  
**For the year ended 31 December 2006**

	Guild '2006 \$	Club '2006 \$	Consolidated 2006 \$	Consolidated 2005 \$
<b>Income</b>				
Function Centre Income	0.00	316066.95	316066.95	316025.00
Cost of Goods Sold	0.00	-150758.44	-150758.44	-142886.00
<b>Gross Margin</b>	<b>0.00</b>	<b>165308.51</b>	<b>165308.51</b>	<b>173139.00</b>
		<b>0.52</b>	<b>0.52</b>	<b>0.55</b>
Canberra Benevolent Monies	5653.80		5653.80	5272.73
'Commissions received		628.81	628.81	887.00
Donations	12183.40		12183.40	3738.36
Ground Admin Fees	207287.70		207287.70	255367.68
Ground Transfer	1320.00		1320.00	0.00
Parking Income		4000.00	4000.00	0.00
Insurance Claims	6478.79		6478.79	0.00
Interest received	775.80		775.80	323.10
Joining Fees	9931.50		9931.50	6819.85
Other income	737.23	212.37	949.60	3225.07
Legal Recoveries	152.06		152.06	3952.19
Maitland Camps	1613.55		1613.55	0.00
Rebates and refunds		189.66	189.66	0.00
Rents received	3000.00	2744.80	5744.80	0.00
Show Income			0.00	282157.77
Speers Point Shortfall	25504.00		25504.00	0.00
Subscriptions	103170.21		103170.21	103216.20
Townsville	8636.36		8636.36	0.00
Vehicle & Gate Passes	7903.96		7903.96	7785.18
<b>Total income</b>	<b>394348.36</b>	<b>173084.15</b>	<b>567432.51</b>	<b>845884.13</b>
<b><u>Poker Machines</u></b>				
Net Income		198562.07	198562.07	220200.00
<b><u>Less Expenses</u></b>				
Operating Costs		34671.43	34671.43	21260.00
Govt Levy & Tax		33411.00	33411.00	33248.00
<b>Net Poker Machines</b>		<b>130479.64</b>	<b>130479.64</b>	<b>165692.00</b>
<b>Net Keno Income</b>		<b>-1757.81</b>	<b>-1757.81</b>	<b>9534.00</b>
Sundry Income			0.00	0.00
<b>Total Income</b>	<b>394348.36</b>	<b>301805.98</b>	<b>696154.34</b>	<b>1021110.13</b>

	<b>Guild 2006</b>	<b>Club 2006</b>	<b>Consolidated 2006</b>	<b>Consolidated 2005</b>
<b>Operating Expenses</b>				
Abnormal Expense		119.45	119.45	-50129.57
Accountancy	28432.65		28432.65	24853.00
Advertising and promotion	6505.74	6772.94	13278.68	18055.10
Bank Fees And Charges	3959.17	7971.15	11930.32	10411.81
Cleaning/rubbish removal	1050.62	22092.22	23142.84	15844.43
Clunhouse Supplies		2537.88	2537.88	2543.00
Commissions		30.10	30.10	0.00
Computer Expenses	390.91	915.46	1306.37	1141.00
Consultants fees	2000.00		2000.00	29458.64
Donations	20000.00		20000.00	1809.76
Electricity and Gas	114.00	29326.61	29440.61	58522.13
Entertainment		10247.45	10247.45	0.00
Evaluation Fees (Bld and Equipment)	872.73		872.73	0.00
Fees & charges	220.00		220.00	0.00
First Aid			0.00	3500.00
Freight & Cartage		408.50	408.50	842.21
General Expense		308.26	308.26	0.00
Generator Diesel			0.00	20756.93
Gifts			0.00	332.54
Hire/rent of Plant & Equipment	1053.96	6661.73	7715.69	20119.82
Insurance	16397.50	-105.60	16291.90	22731.58
Interest - Australia		1980.59	1980.59	15963.40
Interest - D & B Brown	9466.03		9466.03	0.00
Interest - Westpac	336.83		336.83	0.00
Lease payments		19616.11	19616.11	19166.00
Legal fees	114890.82		114890.82	6869.39
Licenses & fees		1177.99	1177.99	55.00
Maitland Camps Unpaid	1466.86			0.00
Materials & supplies		258.95	258.95	0.00
Meeting			0.00	2912.00
Misappropriated funds		8455.19	8455.19	39298.00
M/V commercial - Depreciation				718.00
M/V commercial - Fuel & oil	281.05	774.71	1055.76	2328.00
M/V commercial - Reg/Insurance	616.95		616.95	576.00
Pavier Police	20856.00		20856.00	0.00
Postage	1820.72	98.63	1919.35	1705.53
Printing & stationery	10363.38	1247.56	11610.94	23309.89
<b>Carried Forward</b>	<u>241095.92</u>	<u>120895.88</u>	<u>360524.94</u>	<u>293693.59</u>



	<b>Guild 2006</b>	<b>Club 2006</b>	<b>Consolidated 2006</b>	<b>Consolidated 2005</b>
<b>Brought Forward</b>	<u>241095.92</u>	<u>120895.88</u>	<u>360524.94</u>	<u>293693.59</u>
Rates & land taxes	3613.29		3613.29	3009.80
Rental Show Societies Paid	3000.00		3000.00	0.00
Repairs & maintenance	20596.93	6468.06	27064.99	11521.88
Security	867.91	1176.65	2044.56	9363.91
Shows			0.00	121688.83
Staff amenities			0.00	5246.00
Staff training	154.55	1750.00	1904.55	722.73
Subscriptions	2928.16	2829.75	5757.91	1671.56
Sundry expenses			0.00	3436.44
Superannuation	2687.18	13871.62	16558.80	14196.03
Telephone	10229.05		10229.05	9730.67
Townsville	7186.18		7186.18	0.00
Travel, accom & conference	9896.47		9896.47	28185.07
Wages	32473.83	163604.82	196078.65	157338.38
Water, Rates and taxes			0.00	692.24
Workers compensation		1399.03	1399.03	499.00
<b>Total expenses</b>	<u>334729.47</u>	<u>311995.81</u>	<u>645258.42</u>	<u>660996.13</u>
<b>'Profit from Ordinary Activities before income tax</b>	<u>59618.89</u>	<u>-10189.83</u>	<u>49429.06</u>	<u>360114.00</u>
<b>Net Margin</b>	<b>15.12%</b>	<b>(Loss)</b>	<b>7.10%</b>	<b>35.27%</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

**The Showmen's Guild of Australasia ABN 75 134 664 816**  
**Balance Sheet As At 31 December 2006**

	Note	Guild '2006 \$	Club '2006 \$	Consolidated '2006	Consolidated '2005
<b>Members' Funds</b>					
Accumulated Funds brought forward		1088248.19	-95487.19	992761	632649.00
Reserves	1	816,352.00	-36,576.00	779776.00	779776.00
Net Surplus (deficit) for year		59,618.89	-10,189.83	49,429.06	360114.00
<b>Total Equity</b>		<b><u>1,964,219.08</u></b>	<b><u>-142,253.02</u></b>	<b><u>1821966.06</u></b>	<b><u>1772539.00</u></b>
<b>Non-Current Assets</b>					
Receivables	2	135,885.87		135,885.87	
Property, plant and equipment	3	<u>1,733,362.61</u>	<u>53,077.45</u>	<u>1,786,440.06</u>	<u>1777472.00</u>
<b>Total Non-Current Assets</b>		<b><u>1,869,248.48</u></b>	<b><u>53,077.45</u></b>	<b><u>1,922,325.93</u></b>	<b><u>1777472.00</u></b>
<b>Current Assets</b>					
Cash assets	4	140,782.05	7,518.80	148,300.85	261254.00
Receivables	2	87,343.80		87,343.80	79517.00
Other		5,000.00		5,000.00	5000.00
Inventory	5		<u>13,490.00</u>	<u>13,490.00</u>	<u>13850.00</u>
<b>Total Current Assets</b>		<b><u>233,125.85</u></b>	<b><u>21,008.80</u></b>	<b><u>254,134.65</u></b>	<b><u>359621.00</u></b>
<b>Total Assets</b>		<b><u>2,102,374.33</u></b>	<b><u>74,086.25</u></b>	<b><u>2,176,460.58</u></b>	<b><u>2137093.00</u></b>
<b>Current Liabilities</b>					
Payables	6	29,887.34	15,299.07	45,186.41	58529.00
Interest-bearing liabilities	7	9,339.35	49,233.78	58,573.13	43231.00
Current tax liabilities	8	9,107.53	6,254.46	15,361.99	21428.00
Provisions	9		<u>974.81</u>	<u>974.81</u>	<u>1390.00</u>
<b>Total Current Liabilities</b>		<b><u>48,334.22</u></b>	<b><u>71,762.12</u></b>	<b><u>120,096.34</u></b>	<b><u>124579.00</u></b>
<b>Non-Current Liabilities</b>					
Interest-bearing liabilities	7	79,821.03	144,577.15	224,398.18	229974.00
Provisions	9	<u>10,000.00</u>		<u>10,000.00</u>	<u>10000.00</u>
<b>Total Non-Current Liabilities</b>		<b><u>89,821.03</u></b>	<b><u>144,577.15</u></b>	<b><u>234,398.18</u></b>	<b><u>239974.00</u></b>
<b>Total Liabilities</b>		<b><u>138,155.25</u></b>	<b><u>216,339.27</u></b>	<b><u>354,494.52</u></b>	<b><u>364553.00</u></b>
<b>Excess of Assets over Liabilities</b>		<b><u>1,964,219.08</u></b>	<b><u>-142,253.02</u></b>	<b><u>1,821,966.06</u></b>	<b><u>1772539.00</u></b>

**The Showmen's Guild of Australasia ABN 75 134 664 816**  
**Statement of Cash Flows**  
**For the year ended 31 December 2006**

	2006	2005
	\$	\$
<b>Cash Flow From Operating Activities</b>		
Receipts from customers	964,244	1,303,804
Payments to Suppliers and employees	-911,483	-1,067,004
Interest received	775	323
Interest and other costs of finance	-31,399	-35,129
Net cash provided by (used in) operating activities (note 2)	<u>22,137</u>	<u>201,994</u>
<b>Cash Flow From Investing Activities</b>		
<b>Payment for:</b>		
Other Assets	2707	
Payments for Property, plant and equipment	-8967	-8,545
<b>Proceeds from disposal of:</b>		
Loans to shareholders		10,726
Net cash provided by (used in) investing activities	<u>-6260</u>	<u>2,181</u>
<b>Cash Flow From Financing Activities</b>		
Proceeds of borrowings		75,854
Repayment of borrowings	-144,175	-54,979
Net cash provided by (used in) financing activities	<u>-144,175</u>	<u>20,874</u>
Net increase (decrease) in cash held	-128,298	225,049
Cash at the beginning of the year	223,022	-2,027
Cash at the end of the year (note 1)	<u>94,724</u>	<u>223,022</u>

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**Note 1. Reconciliation Of Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash At Bank Guild - General 83-0168	-9,339	17,493
Cash At Bank Guild - Levy 12-9566	33,928	36,794
Cash At Bank Guild - GST 20-7632	3,282	3,715
Cash At Bank Guild - Legal A/c 207624	92,568	125,210
Cash At Bank Guild - Members A/c 22-9516	11,002	44,699
Guild - Credit Card		-2,713
Cash At Bank Club - Pokies 13/6880	23	16,097
Cash At Bank Club - ATM A/c 22-7465	677	2,630
Cash At Bank Club - Keno A/c 24-4636	1,675	10,503
ATM Machine	4,760	3,140
Cash At Bank Club A/c 13/8956	-49,233	-40,519
Cash At Bank Club - Kitchen A/c 272346	332	
Kitchen Cash Held	49	973
Short Term Deposit	5,000	5,000
	<b>94,724</b>	<b>223,022</b>

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## Note 2. Reconciliation Of Net Cash Provided

### By/Used In Operating Activities To Net Profit

Operating profit (loss) after tax	49,429	360,114
Depreciation		718
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	-7,827	18,919
(Increase) decrease in closing stock	360	
Increase (decrease) in trade creditors and accruals	-13,342	3,407
Increase (decrease) in lease liabilities		-11,280
Increase (decrease) in employee entitlements	-416	-9,588
Increase (decrease) in sundry provisions	-6,067	-160,296
<b>Net cash provided by operating activities</b>	<b>22,137</b>	<b>201,994</b>

The Showmen's Guild of Australasia ABN 75 134 664 816

Notes to the Financial Statements

For the year ended 31 December 2006

	<u>Guild '2006</u>	<u>Club '2006</u>	<u>Consolidated '2006</u>	<u>Consolidated '2005</u>
<b>Note 1: Reserves</b>				
Balance at the beginning year				
- Assets revaluation reserve	156182.00	-36576.00	119606.00	
- General reserve	660170.00		660170.00	660170.00
	<u>816352.00</u>	<u>-36576.00</u>	<u>779776.00</u>	<u>660170.00</u>
Increase (decrease) in reserves during the year:				
- Assets revaluation reserve			0.00	119606.00
			<u>0.00</u>	<u>119606.00</u>
Balance at the year				
- Assets revaluation reserve	156182.00	-36576.00	119606.00	119606.00
- General reserve	660170.00		660170.00	660170.00
	<u>816352.00</u>	<u>-36576.00</u>	<u>779776.00</u>	<u>779776.00</u>
<b>Note 2: Receivables</b>				
<b>Current</b>				
Trade debtors	87343.80		87343.80	79517.00
Provision for doubtful debts				
	<u>87343.80</u>		<u>87343.80</u>	<u>79517.00</u>
<b>Non-Current</b>				
Amounts receivable from				
- the Showmen's Club	135885.87		135885.87	
	<u>135885.87</u>		<u>135885.87</u>	
<b>Note 3: Property, Plant and Equipment</b>				
Freehold land:				
- At independent valuation	700000.00		700000.00	700000.00
	<u>700000.00</u>		<u>700000.00</u>	<u>700000.00</u>
Buildings:				
- At independent valuation	830000.00		830000.00	830000.00
	<u>830000.00</u>		<u>830000.00</u>	<u>830000.00</u>
Plant and equipment:				
- At cost	125902.61		125902.61	117730.00
- Less: Accumulated depreciation				
	<u>125902.61</u>		<u>125902.61</u>	<u>117730.00</u>
Other plant and equipment:				
- At cost	77460.00	53077.45	130537.45	127460.00
- Less: Accumulated depreciation				
	<u>77460.00</u>	<u>53077.45</u>	<u>130537.45</u>	<u>127460.00</u>
Motor vehicles:				
- At cost				3000.00
- Less: Accumulated depreciation				-718.00
				<u>2282.00</u>
	<u>1733362.61</u>	<u>53077.45</u>	<u>1786440.06</u>	<u>1777472.00</u>

	<u>Guild '2006</u>	<u>Club '2006</u>	<u>Consolidated '2006</u>	<u>Consolidated '2005</u>
<b>Note 4: Cash assets</b>				
Bank accounts:				
- Cash At Bank Guild - General 83-0168				17493.00
- Cash At Bank Guild - Levy 12-9566	33928.55		33928.55	36793.00
- Cash At Bank Guild - GST 20-7632	3282.59		3282.59	3715.00
- Cash At Bank Guild - Legal A/c 207624	92568.72		92568.72	125210.00
- Cash At Bank Guild - Members A/c 22-9516	11002.19		11002.19	44699.00
- Cash At Bank Club - Pokies 13/6880		23.26	23.26	16097.00
- Cash At Bank Club - ATM A/c 22-7465		677.81	677.81	2630.00
- Cash At Bank Club - Keno A/c 24-4636		1675.78	1675.78	10503.00
- Cash At Bank Club - Kitchen A/c 272346		332.10	332.10	0.00
Other cash items:				
- Kitchen Cash Held		49.85	49.85	973.00
- ATM Machine		4760.00	4760.00	3140.00
	<u>140782.05</u>	<u>7518.80</u>	<u>148300.85</u>	<u>261254.00</u>

**Note 5: Inventories**

**Current**

Closing stock		<u>13490.00</u>	<u>13490.00</u>	<u>13850.00</u>
		<u>13490.00</u>	<u>13490.00</u>	<u>13850.00</u>

**Note 6: Payables**

Unsecured:

- Trade creditors	<u>5687.34</u>	<u>15299.07</u>	<u>20986.41</u>	<u>34329.00</u>
	<u>5687.34</u>	<u>15299.07</u>	<u>20986.41</u>	<u>34329.00</u>

Secured:

- Trade creditors	<u>24200.00</u>		<u>24200.00</u>	<u>24200.00</u>
	<u>24200.00</u>		<u>24200.00</u>	<u>24200.00</u>
	<u>29887.34</u>	<u>15299.07</u>	<u>45186.41</u>	<u>58529.00</u>

	<u>Guild '2006</u>	<u>Club '2006</u>	<u>Consolidated '2006</u>	<u>Consolidated '2005</u>
<b>Note 7: Interest-Bearing Liabilities</b>				
<b>Current Secured*:</b>				
- Bank overdrafts	<u>9339.35</u>	<u>49233.78</u>	<u>58573.13</u>	<u>43231.00</u>
	<u>9339.35</u>	<u>49233.78</u>	<u>58573.13</u>	<u>43231.00</u>
	<u>9339.35</u>	<u>49233.78</u>	<u>58573.13</u>	<u>43231.00</u>
<b>Non-Current Unsecured:</b>				
- Loans from D & B Brown and SGA Members	79821.03		79821.03	193355.00
- Bank loans		8691.28	8691.28	36620.00
- Loans from the Showmen's Guild		135885.87	135885.87	
	<u>79821.03</u>	<u>144577.15</u>	<u>224398.18</u>	<u>229974.00</u>
	<u>79821.03</u>	<u>144577.15</u>	<u>224398.18</u>	<u>229974.00</u>
<b>* Total Current and Non-Current Secured Liabilities</b>				
Bank overdrafts	<u>9339.35</u>	<u>49233.78</u>	<u>58573.13</u>	<u>43231.00</u>
	<u>9339.35</u>	<u>49233.78</u>	<u>58573.13</u>	<u>43231.00</u>
<b>Note 8: Tax Liabilities</b>				
<b>Current</b>				
GST payable control account	18037.31	-0.09	18037.22	31650.00
Input tax credit control account	-10885.32	-1303.98	-12189.30	-12523.00
GST clearing	1874.54	6148.05	8022.59	
Amounts withheld from salary and wages	81.00	1410.48	1491.48	2301.00
	<u>9107.53</u>	<u>6254.46</u>	<u>15361.99</u>	<u>21428.00</u>
<b>Note 9: Provisions</b>				
<b>Current</b>				
Employee entitlements*		974.81	974.81	1390.00
		<u>974.81</u>	<u>974.81</u>	<u>1390.00</u>
<b>Non Current</b>				
Sundry provisions	<u>10000.00</u>		<u>10000.00</u>	<u>10000.00</u>
	<u>10000.00</u>		<u>10000.00</u>	<u>10000.00</u>
* Aggregate employee entitlements liability		974.81	974.81	1390.00
There were 8 employees at the end of the year				

**These notes should be read in conjunction with the attached financial report.**



**The Showmen's Guild of Australasia**  
**A.B.N. 75 134 664 816**  
**Committee's Report**  
**For the year ended 31 December 2006**

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Your committee members submit the financial accounts of The Showmen's Guild of Australasia for the financial year ended 31 December 2006.

### **Committee Members**

The names of the committee members at the day of this report are:

- W.D. Davis (Billy) – President
- L.J Davis (John) - Secretary
- G.E. Pink (George) - Treasurer
- Peter Short – Trustee
- Gail Flaherty - Trustee
- Noel McGregor OAM – Vice President
- Paul Hennessy – Vice President
- Gary Johnson – Vice President
- Clayton Taylor – Vice President
- Broderick Pavier – Vice President
- Shane Blades – Vice President
- John Roberts - Vice President
- William Wood (Billy) - Vice President
- Mick Allan - Vice President
- Luke Chambers – Committee
- Tom Baker – Committee
- Anthony Laurie – Committee
- Frank Laurie (Boy) – Committee
- Dave Allan – Committee
- Stewart Watkins – Committee
- R. Miller – Committee
- Terry Nilon – Committee
- Nita Karaitiana – Committee
- B. Gilmore – Committee
- Charlie Pink – Committee

### **Operating Result**

The profit of The Showmen's Guild of Australasia for the financial year after providing for income tax amounted to:

Year ended	Year ended
31 December 2006	31 December 2005
\$	\$
49,429	360,114

**The Showmen's Guild of Australasia**  
**A.B.N. 75 134 664 816**  
**Committee's Report**  
**For the year ended 31 December 2006**

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**Principal Activities**

The principal activities of The Showmen's Guild of Australasia during the course of the year were to support member and the community in relation to Exhibitions and Shows.

**Significant Changes in the State of Affairs**

No significant changes in The Showmen's Guild of Australasia state of affairs occurred during the financial year.

**After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of The Showmen's Guild of Australasia, the results of those operations, or the state of affairs of The Showmen's Guild of Australasia in subsequent financial years.

**Future Developments**

The Showmen's Guild of Australasia expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.


**Indemnifying Officer or Auditor**

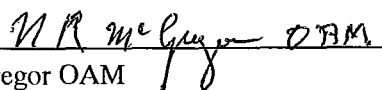
No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of The Showmen's Guild of Australasia.

**Committee of Management Statement**

It was agreed to prepare a committee of management statement in accordance with the WR Act (RAO Schedule).

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

  
\_\_\_\_\_  
L J Davis  
Secretary

  
\_\_\_\_\_  
Noel McGregor OAM  
Vice President

Dated: 25/2/08

### **Committee of Management Statement**

On 25<sup>th</sup> February 2008 the Committee of Management of The Showmen's Guild of Australasia passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 2006. 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; and RAO Schedule of the WR Act.
- (b) The financial statements and notes comply with the reporting guidelines of the Industrial Registrar; except for the depreciation policy of the committee, which is in breach of AASB 116.
- (c) After taking into consideration the uncommon depreciation policy adopted by the committee, the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of The Showmen's Guild of Australasia for the financial year to 31<sup>st</sup> December 2006.
- (d) There are reasonable grounds to believe that The Showmen's Guild of Australasia 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. except for comments in clause (b) above, there has been compliance with the reporting of unit under section 273 of the RAO Schedule during the period.

**For Committee of Management: Leslie John Davis**  
**Title of Office held: Secretary**

Signature:



Date: 25/2/08

# Operating Report for year ended 31st December 2006 - s254

## Principal Activities

The **principal activities** of The Showmen's Guild of Australasia during the reporting period were to provide support to members and the community in relation to exhibitions and shows and if required industrial and organizing services to the members consistent with the objects of The Showmen's Guild of Australasia and particularly the object of protecting and improving the interests of the members. s254(2)(a).

The Showmen's Guild of Australasia's principal activities **resulted** in maintaining and improving the exhibition and shows services to members and improve the conditions of employment to the membership, negotiated by this organisation. s254 (2) (a).

There have been no **significant changes** in the nature of The Showmen's Guild of Australasia principle activities or financial affairs during the financial year ended 31st December 2006. s254 (2)(a).

## Manner of Resignation

**Members may resign from The Showmen's Guild of Australasia in accordance with rule 11, which reads as follows: s254(2)(c)**

"A member may resign their membership by notifying the Secretary in writing, addressed and delivered to that officer.

A notice of resignation from membership takes effect

- a) Where the member ceases to be eligible to become a member of the organization:
  - i. on the day on which the notice is received by the organization; or
  - ii. (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member,whichever is later, or
- b) in any other case:
  - i. at the end of two weeks, after the notice is received by the organization; or
  - ii. on the day specified in the notice;whichever is later.

Any dues payable but not paid by a former member of the organization, in relation to a period before the member's resignation from the organization took effect, may be sued for and recovered in the name of the organization, in a court of competent jurisdiction, as a debt due to the organization.

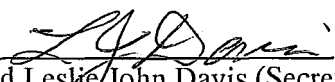
A notice delivered to the Secretary shall be taken to have been received by the organization when it is delivered.

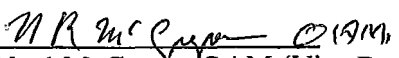
- Tom Baker – Committee
- Anthony Laurie – Committee
- Frank Laurie (Boy) – Committee
- Dave Allan – Committee
- Stewart Watkins – Committee
- R. Miller – Committee
- Terry Nilon – Committee
- Nita Karaitiana – Committee
- B. Gilmore – Committee
- Charlie Pink – Committee

**Operating Result**

The profit of The Showmen's Guild of Australasia for the financial year after providing for income tax amounted to:

Year ended	Year ended
31 December 2006	31 December 2005
\$	\$
49,429	360,114

  
 Signed Leslie John Davis (Secretary)

  
 Signed Noel McGregor OAM (Vice President)

Date 25/2/08

**The Showmen's Guild of Australasia**  
**Compilation Report to The Showmen's Guild of Australasia year ended 31/12/2006**

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On the basis of the information provided by the officers and staff of The Showmen's Guild of Australasia, we have compiled, in accordance with APS 9: Statement on Compilation of Financial Reports the general purpose financial report (GPFR) of The Showmen's Guild of Australasia for the period ended 31st December 2006, comprising the attached Statement of Financial Performance , Statement of Financial Position and Statement of Cash Flows

The specific purpose for which the general purpose financial report has been prepared is set out in the WR Act ( RAO Schedule). The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have been used are in accordance with the requirements of the WR Act ( RAO Schedule) and the following applicable Accounting Standards and Urgent Issues Group Interpretations AASB 3 ,AASB 101 , AASB 107 , AASB 108 , AASB 110 , AASB 116 ,AASB 117 , AASB 124, AASB 137 , AASB 1031 and AASB 1048

The executive officers and staff of the Showmen's Guild of Australasia are solely responsible for the information contained in the general purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of the WR Act ( RAO Schedule) ,The Showmen's Guild of Australasia's constitution and are appropriate to meet the needs of the executive and members of the Showmen's Guild.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the executive and staff provided into a financial report .Our procedures do not include verification or validation procedures.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Showmen's Guild of Australasia may suffer arising from any negligence on our part.No person other than members of the Showmen's Guild of Australasia should rely on the general purpose financial report without having an audit or review conducted.

The general purpose financial report was prepared for the benefit of the Executive and Members of The Showmen's Guild of Australasia , the WR Act (RAO Schedule) requirements and the purpose identified above. We do not accept responsibility to any other person for the contents of the general purpose financial report.

Suite 22 / Level 2  
149 Wickham Terrace Qld

KP Business Accountants



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24 February, 2008

**The Showmen's Guild of Australasia**  
**Independent Auditor Report for year ended 31st December 2006**

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**Scope**

We have audited the attached financial statement and reports being a general purpose financial report (GPFR) of the Showmen's Guild of Australasia Incorporated for the year ended 31st December 2006. The Showmen's Guild of Australasia is Incorporated as an organization under Section 27 of the Workplace Relations Act 1996 and reports in accordance with standards of the RAO Schedule (Registration and Accountability of Organisations Schedule - Schedule 1 to Workplace Relations Act 1996) . Its registration number is 169 V. The Showmens Guild's management committee is responsible for preparation of the financial statements and have determined the accounting policy used and described in notes to the financial statements are appropriate to meet the needs of the members. No opinion is expressed as to whether the accounting policies used to prepare the financial statements are appropriate to meet the needs of the members.

The audited financial report has been prepared for distribution to the management committee and members of the Showmen's Guild for the purpose of fulfilling the committee's financial reporting requirements under the Workplace Relations Act 1996 ( The RAO Schedule) We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the committee and members of the Showmen's Guild.

Our audit has been conducted in accordance with Australian Auditing Standards and the RAO Schedule Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with acceptable accounting standards and other mandatory professional requirements, WR Act and RAO Schedule and other statutory requirements, so as to present a view which is consistent with our understanding of the Showmen's Guild's financial position, and performance as represented by the results of its operations and its cash flows.

**Qualifications**

- 1/ It is a policy of the Showmen's Guild to have an Independent valuation carried out every two years on all Land and Buildings and Plant and Equipment used to operate the Showman's Club . These assets are not depreciated An Independent valuation of these assets is carried out at Current Fair Market Value once every two years.
- 2/ In 2006 there was no Depreciation taken up in the financials and AASB 116 has been breached.
- 3/ There was no change for provision for bad debts. This has remained at \$10000
- 4/ During December 2005 and January 2006 misappropriation occurred and funds were stolen. The amount believed to be stolen in January 2006 was \$8455.19. Person responsible for misappropriation was dismissed on 16th January 2006
- 5/ Due to the long term business culture majority of the Income derived by the Showmen's Guild is of a nature that full control of receipts cannot be maintained until the amount is banked and recorded in the Guild's books and records. therefore we are unable to confirm that all receipts have been properly recorded
- 6/ An extraordinary amount of \$114890.82 classified as legal fees was incurred during the year. It is to be noted that \$100000 of this expense was paid to the Australian Competition and Consumer Commission (ACCC) as final payment to settle the ongoing litigation with ACCC.
- 7/ In our opinion, due to the turnover of club managers and staff at the club it has been difficult to retain adequate skilled staff to carry out the required level of monitoring and control in accordance with the standards required by the Gaming Machine Act 1991. We strongly recommend appointment of adequately skilled people to carry out these functions to reduce the level of errors and negative variances.

The audit opinion expressed in the report has been formed on the above basis.

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**The Showmen's Guild of Australasia**  
**Independent Auditor Report for year ended 31st December 2006**


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**Audit opinion**

In our opinion, except for the matters raised in the qualification paragraphs;

1. The financial statement of the Showmen's Guild of Australasia Incorporated
  - (a) presents a true and fair view of the Guild's financial position as at 31 December 2006 and of its performance for the year ended on that date in accordance with applicable accounting standard WR Act ( RAO Schedule) and other mandatory professional reporting requirements.
  - (b) the financial statements are properly drawn up in accordance with Acceptable Accounting Standards( AASB), the provisions of the WR Act ( RAO Schedule) ,Associations Incorporations Act 1981 and the Industrial Relations Act 1999.

Signed at Brisbane on 25th February 2008



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**Peter Johnson, ( Chartered Accountant)Registered Company Auditor (No 5986)**

KP Business Accountants

c/- Suite 22 / Level 2 149 Wickham Terrace Brisbane Qld 4000

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29 November 2007

ABN 26 009 935 353

Australian Industrial Registry  
GPO Box 1994  
MELBOURNE VIC 3001

Attention: Ailsa Carruthers

Dear Ailsa

I wish to advise that I attended a meeting with the Executive Staff of The Showmen's Guild of Australasia on Friday 23<sup>rd</sup> November 2007, and they have agreed to take the steps recommended by your Department which were listed in your letter dated 29<sup>th</sup> October 2007.

On behalf of the Showmen's Guild Executive Committee I lodge below a detailed Plan of action which will address the Deputy Industrial Registrar's requirement.

Our firm has been engaged by the Showmen's Guild to implement and monitor the following:-

**Steps to be taken**

1 to 4

5 & 6

7 & 8

**Completion Date**

4<sup>th</sup> February 2008

18<sup>th</sup> February 2008

Before 14 days after 18<sup>th</sup> March 2008

Please note that it will be a major task to present all the amended documents to a general meeting. The Executive Committee of the Showmen's Guild has agreed to adhere to the Deputy Industrial Registrar's request and is confident that all these amendments will be completed within a reasonable time frame, given the Christmas and New Year holiday breaks.

It only makes economic sense to also prepare the 31<sup>st</sup> December 2007 Reports in the requested format and it is the intention of the Executive Committee to present both the 2007 Audited Financials and the Amended 2006 Audited Financials to the Committee of Management and to a General Meeting of Members as required by S266 of the RAO Schedule. This meeting will be held on 18<sup>th</sup> March 2008.

Therefore, whilst it has been planned to have the amended 2006 Audited Financials completed by 4<sup>th</sup> February 2008 and the 2007 Audited Financials by 14<sup>th</sup> February 2008, these documents will not be presented to a General Meeting of Members until 18<sup>th</sup> March 2008.

The Secretary of the Showmen's Guild will not be able to lodge the Amended 2006 Audited Financials and the 2007 Audited Financials before 18<sup>th</sup> March 2008.

Yours faithfully

**ERROL ALLAN**  
for KP BUSINESS ACCOUNTANTS



Suite 22 / Level 2 Morris Towers  
149 Wickham Terrace, Brisbane Qld 4000  
PO Box 10181, Brisbane Adelaide Street Qld 4000  
Email: errol@kpbiz.com.au  
christie@kpbiz.com.au  
Telephone: (07) 3839 2533 Facsimile: (07) 3831 3689



Mr L J Davis  
Secretary  
The Showmen's Guild of Australasia  
PO Box 690  
BEENLEIGH QLD 4207

Dear Mr Davis,

**The Showmen's Guild of Australasia  
Financial Reports for Years Ended 31<sup>st</sup> December 2005 and 2006  
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

I refer to the Guild's accountability obligations to its members arising under the RAO Schedule in relation to the finances and financial administration of the Guild.

I am concerned that the Guild has not fully met these obligations with respect to financial reports since commencement of the RAO Schedule on 12<sup>th</sup> May 2003, that is, the financial reports of the Guild for its last 3 financial years:

- **Year ended 31<sup>st</sup> December 2006** (FR2006/549) - the deficiencies that exist in the financial report lodged in the Registry on 15 May 2007 are unacceptable. The documents lodged have not been filed. These deficiencies are detailed in Attachment A.
- **Year ended 31<sup>st</sup> December 2005** (FR2005/631) - the Registry has no record of lodgment of an audited financial report.
- **Year ended 31<sup>st</sup> December 2004** (FR2004/658) - the opinion of the auditor was qualified in respect to 7 issues.

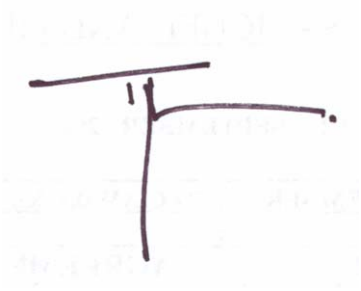
While the Registry has sought to assist the Guild in meeting its obligations over the years, it is disappointing that such deficiencies continue to occur. Nevertheless, before I might resort to measures of a more punitive nature I am prepared to extend to the Guild a final opportunity to properly address its accountability obligations to members in relation to the finances and financial administration of the Guild as follows:

1. The audited financial report of the Guild for year ended 31<sup>st</sup> December 2005 should be lodged in the Registry without further delay.
2. The Guild must prepare and have audited to the standard required by the RAO Schedule a completely new financial report for the financial year ended 31<sup>st</sup> December, 2006. The new report must be progressed through the various steps of the financial reporting process set out in the RAO Schedule.

I require that you provide me **by close of business on 16<sup>th</sup> November 2007** a detailed plan of action to address within a reasonable timeframe the requirements I have enumerated above.

If you have any questions in relation to this matter, please contact Ailsa Carruthers by email at [ailsa.carruthers@air.gov.au](mailto:ailsa.carruthers@air.gov.au) or by telephone on 03 8661 7767 on a Monday, Wednesday or Thursday.

Yours sincerely,

A handwritten signature in dark ink, appearing to be 'Terry Nassios', written over a faint grid background. The signature consists of a horizontal line at the top, a vertical line extending downwards from the center, and a horizontal line extending to the right from the middle of the vertical line.

Terry Nassios  
Deputy Industrial Registrar

29<sup>th</sup> October 2007

**DEFICIENCIES IN LODGED DOCUMENTS** for year ended 31<sup>st</sup> December 2006 (FR2006/549)

In preparing a new report, there are a number of deficiencies in the lodged documents that must be addressed:

- **Preparation of Special Purpose Financial Report:** the financial report does not contain any statement regarding the basis of its preparation or any statement of accounting policies. The only mention of the basis of preparation is in the Auditor's Report, which indicates that the financial report is a Special Purpose Financial Report (SPFR) rather than a General Purpose Financial Report (GPFR). The only suggestion of the report being a GPFR is in the covering letter attaching the financial report for lodgement.

The preparation of a SPFR is not consistent with the requirements of the RAO Schedule. Section 253 of the Schedule expressly requires the Guild to prepare a GPFR. That GPFR must then be audited and the auditor must state whether, in his or her opinion, the GPFR is presented fairly in accordance with Australian Accounting Standards and the requirements of the RAO Schedule. The RAO Schedule makes no provision of any kind for the use of SPFRs. While section 270 of the RAO Schedule does make provision for reduced reporting requirements, this only applies to whole registered organisations that have a total income of less than \$100,000.

In particular, the Guild must address the requirements of section 252, 253 and 254 of the RAO Schedule when preparing a financial report. A copy of these sections is included at Attachment B. The Guild must also address the reporting guidelines issued by the Industrial Registrar under section 255.

- **Breach of Accounting Standards:** the disclosure requirements of all Australian Accounting Standards must be addressed in preparation of a financial report. In particular, the report must address the requirements of AASB 116 Property Plant & Equipment (refer below to the first and second qualifications to the Auditor's Report, which indicate that this Australian Standard has been breached); AASB 101 Presentation of Financial Statements; AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors; AASB 124 Related Party Disclosures; AASB 3 Business Combinations; and AASB 137 Provisions, Contingent Liabilities and Contingent Assets.
- **Deficient Auditor's Report:** the Auditor's Report indicates in its 'Scope' paragraphs that the financial report has been prepared to fulfil the requirements of the Workplace Relations Act 1996 (WR Act), Associations Incorporation Act 1981 and the Industrial [Relations] Act 1999. The Audit Opinion paragraphs, however, only refer to the Associations Incorporation Act 1981 and the Industrial Relations Act 1999 and make no reference to the WR Act or the RAO Schedule.

As an organisation that has been federally registered pursuant to the provisions of the WR Act, it is the requirements of that Act (which includes the RAO Schedule) that the Guild must address in preparing its financial reports. Whether or not the financial reports address the requirements of other (State) legislation (such as the Associations Incorporation Act 1981 and the Industrial Relations Act 1999) is not a matter for consideration by the Industrial Registry.

The Auditor's Report is deficient in that it has failed both to address the requirements of a GPFR and to form an opinion regarding the requirements of the WR Act and the RAO Schedule.

- **Qualified Auditor's Report:** The auditor has listed seven qualifications, namely:

*1/ It is a policy of the Showmen's Guild to have an Independent valuation carried out every two years on all Land and Buildings and Plant and Equipment held by the Showman's Club.*

*These assets are not depreciated since the Guild's Committee value these assets at it's Current Fair Market Value.*

*2/ In 2006 there was no amount taken up in the financials for Depreciation.*

*3/ There was no change for provision for bad debts. This has remained at \$10000.*

*4/ During December 2005 and January 2006 misappropriation occurred and funds were stolen. The amount believed to be stolen in January 2006 was \$8455.19. Person responsible for misappropriation was dismissed on 16<sup>th</sup> January 2006.*

*5/ Due to the long term business culture, majority of the Income derived by the Showmen's Guild is of a nature that full control of receipts cannot be maintained until the amount is banked and recorded in the Guild's books and records. Therefore we are unable to confirm that all receipts have been properly recorded.*

*6/ An extraordinary amount of \$114890.82 classified as legal fees were incurred during the year. It is to be noted that \$100000 of this expense was paid to the Australian Competition and Consumer Commission (ACCC) as final payment to settle the ongoing litigation with ACCC.*

*7/ In our opinion, due to the turnover of club managers and staff at the club it has been difficult to retain adequate skilled staff to carry out the required level of monitoring and control in accordance with the standards required by the Gaming Machine Act 1991. We strongly recommend appointment of adequately skilled people to carry out these functions to reduce the level of errors and negative variances.*

- **Missing Documents:** there are a number of missing documents that must be included in a GPFR. These documents are:
  - Statement of Cash Flows: section 253(2)(a)(iii) of the RAO Schedule requires a GPFR to include a statement of cash flows;
  - Committee of Management Statement: section 253(2)(c) of the RAO Schedule, together with the Reporting Guidelines that have been issued by the Industrial Registrar, require the Guild to prepare a Committee of Management statement each financial year. An example statement is included as Attachment C for your assistance;
  - Secretary's Certificate: section 268 of the RAO Schedule requires the Guild to lodge a Secretary's Certificate (which is usually signed by the Secretary, but which can also be signed by another 'designated officer' – see section 243 of the RAO Schedule). The certificate must be prepared within 14 days of the meeting at which the financial documents are presented and must state that the documents are copies of those documents that were provided to members and presented to a meeting in accordance with section 266 of the RAO Schedule. An example certificate is included as Attachment D for your assistance;
- **Deficient Operating Report:** the Operating Report that has been lodged (which is titled 'Committee's Report') fails to meet the legislative requirements to such an extent that it must be reissued. In order properly to meet the requirements of section 254 of the RAO Schedule and Regulation 159 of the Workplace Relations (Registration and Accountability of Organisations) Regulations (RAO Regulations), an operating report must also provide the following further information:
  - the report is undated. All reports must be dated as a matter of course in order to be satisfied that the relevant timeframe requirements have been met;
  - the report must give details of the right of members to resign from the Guild as set out in section 174 of the RAO Schedule. For your assistance, a copy of section 174 is included at Attachment E;

- the report is required to state whether any officer or member is a trustee of a superannuation entity (or a director of a company that is a trustee of a superannuation entity). In the event that no officer or member is a trustee or director of a superannuation entity, the Operating Report should include a statement to this effect;
- the report must state the number of persons who were, at the end of the financial year, recorded in the register of members;
- the report must state the number of persons who were employees of the Guild as at the end of the financial year. This number must include both full-time employees and part-time employees measured on a full-time equivalent basis. It is not sufficient that Note 9 states elsewhere in the financial documents that there were 8 employees at the end of the financial year; and
- the report must state the 'period for which' each committee of management member held office. The Committee's Report only provided the names of committee members 'at the day (sic) of this report'. It is therefore necessary, for instance, to state that all committee members held office for the financial year or to provide the dates upon which committee members assumed, or ceased to hold, office.

A sample Operating Report is included as Attachment F.

## **OTHER COMMENTS REGARDING LODGED DOCUMENTS**

In preparing a new financial report, you are also requested to address these further, less substantial, issues:

### **Disclosure of Expenditure**

When preparing a GPFR, section 253(2) of the RAO Schedule requires a reporting unit to provide information that is specified in the Industrial Registrar's Reporting Guidelines. In particular, Guideline 11 sets out in detail those items of expense that must be disclosed by a reporting unit either in the notes to, or on the face of, a financial statement. Included are such items as:

- employment benefits paid to office holders (11(g));
- employment benefits paid to employees (other than office holders) (11(h));
- fees and/or allowances paid for attendance at conferences (11(i));
- conference and meeting expenses (11(k));

Each of these items must be *separately* disclosed. It is therefore insufficient to group employment benefits paid to holders of office and to employees under the one item (as has occurred for the 'Wages' item on page 7). In the event that employment benefits only relate to one category of persons (whether *office holders* or *employees*) the accounts should clearly indicate which category applies.

Similarly, it is insufficient to provide one figure for 'Travel, accom & conference' as this figure must be divided up into fees and/or allowances paid for attendance at conferences and conference and meeting expenses. The expense for 'Meeting' should therefore be reclassified as 'conference and meeting expenses'.

### **Notice under Sections 272(1), (2) and (3)**

The Notes to the GPFR are required to include a notice drawing attention to the fact that information that is prescribed by the RAO Regulations is available to members on request (see Guideline 8(c) of the Reporting Guidelines, which requires disclosure of the notice required by section 272(5) of the RAO Schedule).

Specifically, the GPFR is required to include a copy of subsections 272(1), (2) and (3) as follows:

**272 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).*

**Statement of Loans, Grants and Donations**

Page 6 itemises an operating expense for Donations of \$20,000. Our records do not, however, show that the organisation has lodged a Statement of Loans, Grants and Donations as required by section 237 of the RAO Schedule. Subsection (1) requires the Guild to lodge a Statement within 90 days of the end of the financial year (that is, by 31<sup>st</sup> March 2007) setting out the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made during the financial year.

Should any of the amounts exceed the \$1,000 threshold, you are requested to lodge a Statement of Loans, Grants and Donations as soon as possible. A pro-forma statement is included as Attachment G for your assistance.

**STEPS THAT ARE NOW REQUIRED TO BE TAKEN**

The Guild is now required to prepare a GPFR for the year ended 31<sup>st</sup> December, 2006, which will require the following steps in order to meet the requirements of the RAO Schedule:

1. Prepare a new Profit and Loss Statement, Balance Sheet and Statement of Cash Flows (and accompanying Notes) for the year ended 31<sup>st</sup> December, 2006;
2. Prepare a Committee of Management statement in accordance with a Committee of Management resolution;
3. Have the above documents audited in accordance with the requirements of the RAO Schedule. Specifically, the audit report must be prepared under section 257 of the RAO Schedule and address the requirements of a GPFR prepared under section 253 of the RAO Schedule;
4. Prepare a new Operating Report for the year ended 31<sup>st</sup> December, 2006;
5. Provide copies of all of the above documents (including the Auditor's Report) to Guild members at least 21 days before a meeting of members (unless the documents are to be presented to a meeting of the Committee of Management);
6. Present all documents to a general meeting of members as required by section 266 of the RAO Schedule;
7. Within 14 days of the general meeting, lodge with the Australian Industrial Registry copies of all documents under cover of a Secretary's Certificate as discussed above; and
8. If necessary, also lodge a Statement of Loans, Grants and Donations.

The full text of the following documents can be viewed on the AIRC website at [www.airc.gov.au](http://www.airc.gov.au) – select *Organisations* and then select *Registration and Accountability*.

- WR Act;
- RAO Schedule
- RAO Regulations
- Reporting Guidelines issued by the Industrial Registrar



**Extracts from Schedule 1 of the Workplace Relations Act 1996  
- Registration and Accountability of Organisations (RAO Schedule)**

**252 Reporting unit to keep proper financial records**

(1) A reporting unit must:

- (a) keep such financial records as correctly record and explain the transactions and financial position of the reporting unit, including such records as are prescribed; and
- (b) keep its financial records in such a manner as will enable a general purpose financial report to be prepared from them under section 253; and
- (c) keep its financial records in such a manner as will enable the accounts of the reporting unit to be conveniently and properly audited under this Part.

(2) Where an organisation consists of 2 or more reporting units, the financial records for each of the reporting units must, as far as practicable, be kept in a consistent manner.

*Note 1: This would involve, for example, the adoption of consistent accounting policies and a common chart of accounts for all reporting units in the organisation.*

*Note 2: This requirement is subject to subsection (4) which allows reporting units to keep some records on a cash basis.*

(3) Financial records of an organisation may, so far as they relate to the income and expenditure of the organisation, be kept on a cash basis or accrual basis, at the option of the organisation.

(4) If an organisation keeps the financial records referred to in subsection (1) on an accrual basis, it may keep the financial records for its membership subscriptions separately on a cash basis.

(5) An organisation must retain the financial records kept under subsection (1) for a period of 7 years after the completion of the transactions to which they relate.

**253 Reporting unit to prepare general purpose financial report**

(1) As soon as practicable after the end of each financial year, a reporting unit must cause a general purpose financial report to be prepared, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year.

(2) The general purpose financial report must consist of:

(a) financial statements containing:

- (i) a profit and loss statement, or other operating statement; and
- (ii) a balance sheet; and
- (iii) a statement of cash flows; and
- (iv) any other statements required by the Australian Accounting Standards; and

(b) notes to the financial statements containing:

- (i) notes required by the Australian Accounting Standards; and
- (ii) information required by the reporting guidelines (see section 255); and

(c) any other reports or statements required by the reporting guidelines (see section 255).

(3) The financial statements and notes for a financial year must give a true and fair view of the financial position and performance of the reporting unit. This subsection does not affect the obligation for a financial report to comply with the Australian Accounting Standards.

*Note 1: This section is a civil penalty provision (see section 305).*

*Note 2: The Australian Accounting Standards may be modified for the purposes of this Schedule by the regulations.*

*Note 3: If the financial statements and notes prepared in compliance with the Australian Accounting Standards would not give a true and fair view, additional information must be included in the notes to the financial statements under paragraph (2)(b).*

## **254 Reporting unit to prepare operating report**

(1) As soon as practicable after the end of each financial year, the committee of management of a reporting unit must cause an operating report to be prepared in relation to the financial year.

(2) The operating report must:

(a) contain a review of the reporting unit's principal activities during the year, the results of those activities and any significant changes in the nature of those activities during the year; and

(b) give details of any significant changes in the reporting unit's financial affairs during the year; and

(c) give details of the right of members to resign from the reporting unit under section 174; and

(d) give details (including details of the position held) of any officer or member of the reporting unit who is:

(i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or

(ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

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; and

(e) contain any other information that the reporting unit considers is relevant; and

(f) contain any prescribed information.

(3) To avoid doubt, the operating report may be prepared by the committee of management or a designated officer.

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

## **Subdivision B—Reporting guidelines**

### **255 Reporting guidelines**

(1) The Industrial Registrar must, by written determination published in the *Gazette*, issue reporting guidelines for the purposes of sections 253 and 270.

(2) The reporting guidelines for the purposes of section 253 must provide:

(a) the manner in which reporting units must disclose the total amount paid by the reporting unit during a financial year to employers as consideration for the employers making payroll deductions of membership subscriptions; and

(b) the manner in which reporting units must disclose the total amount of legal costs and other expenses related to litigation or other legal matters paid by the reporting unit during a financial year; and

(c) details of any information required for the purposes of subparagraph 253(2)(b)(ii) (information in notes to general purpose financial reports); and

(d) the form and content of any reports or statements that are required for the purposes of paragraph 253(2)(c) (other reports or statements forming part of the general purpose financial reports).

(3) The reporting guidelines for the purposes of section 270 must provide:

(a) the manner in which reporting units must disclose the total amount paid by the reporting unit during a financial year to employers as consideration for the employers making payroll deductions of membership subscriptions; and

(b) details of the form and content of the general purpose financial report to be prepared under subsection 270(4).

(4) Reporting guidelines may also contain such other requirements in relation to the disclosure of information by reporting units as the Industrial Registrar considers appropriate.

(5) Section 147 of the Workplace Relations Act does not apply in relation to reporting guidelines or the issuing of reporting guidelines.

**Committee of Management Statement**

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*: 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 organisation 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 organisation 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 organisation consists of 2 or more reporting units, the financial records of the reporting unit have been\* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; 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: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

*\* Where compliance or full compliance has not been attained - set out details of non compliance instead.*

*# Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period.")*

**Designated Officer's Certificate**<sup>1</sup>

s268 of Schedule 1 of the Workplace Relations Act 1996

I [name] being the [title of office]<sup>1</sup> of the [name of the organisation] certify:

- that the documents lodged herewith are copies of the full report [and the concise report]<sup>2</sup>, referred to in s268 of the RAO Schedule; and
- that the [full report **OR** concise report]<sup>3</sup> was provided to members on [insert date]; and
- that the full report was presented to [a general meeting of members **OR** the last of a series of general meetings of members **OR** a meeting of the committee of management]<sup>3</sup> of the reporting unit on [insert date]; in accordance with section 266 of the RAO Schedule.

Signature

Date:

<sup>1</sup>RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 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.

<sup>2</sup>Only applicable where a concise report is provided to members.

<sup>3</sup>Insert whichever is applicable.

**Extracts from Schedule 1 of the Workplace Relations Act 1996  
- Registration and Accountability of Organisations (RAO Schedule)**

**174 Resignation from membership**

(1) A member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

*Note: The notice of resignation can be given electronically if the organisation's rules allow for this (see section 9 of the Electronic Transactions Act 1999).*

(2) A notice of resignation from membership of an organisation takes effect:

(a) where the member ceases to be eligible to become a member of the organisation:

(i) on the day on which the notice is received by the organisation; or

(ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later; or

(b) in any other case:

(i) at the end of 2 weeks, or such shorter period as is specified in the rules of the organisation, after the notice is received by the organisation; or

(ii) on the day specified in the notice;

whichever is later.

(3) Any dues payable but not paid by a former member of an organisation, in relation to a period before the member's resignation from the organisation took effect, may be sued for and recovered in the name of the organisation, in a court of competent jurisdiction, as a debt due to the organisation.

(4) A notice delivered to the person mentioned in subsection (1) is taken to have been received by the organisation when it was delivered.

(5) A notice of resignation that has been received by the organisation is not invalid because it was not addressed and delivered in accordance with subsection (1).

(6) A resignation from membership of an organisation is valid even if it is not effected in accordance with this section if the member is informed in writing by or on behalf of the organisation that the resignation has been accepted.

*Note: Regulations may require employers who offer payroll deduction facilities to inform employees that cessation of payroll deduction by an employee does not constitute resignation (see section 359).*

## XYZ INDUSTRIAL ASSOCIATION

# Operating Report for year ended 31<sup>st</sup> December 2006 - s254

## Principal activities

The **principal activities** of the Association during the reporting period were to provide industrial and organising services to the members consistent with the objects of the Association and particularly the object of protecting and improving the interests of the members. s254(2)(a)

The Associations' principal activities **resulted** in maintaining and improving the wages and conditions of employment of the membership, particularly for those members in collective enterprise agreements negotiated by the Association. s254(2)(a)

There were no **significant changes** in the nature of the Association's principal activities during the reporting period. s254(2)(a)

**OR details of significant changes** in the Association's **financial affairs** are [*insert details*]: s254(2)(b)

## Manner of resignation

**Members may resign from the Association in accordance with rule rule** [*insert rule number xx*], **which reads as follows:** s254(2)(c)

"xx A member may resign their membership by notifying the Secretary in writing, addressed and delivered to that officer.

A notice of resignation from membership takes effect

- (a) where the member ceases to be eligible to become a member of the organisation:
  - (i) on the day on which the notice is received by the organisation; or
  - (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later; or
- (b) in any other case:
  - (i) at the end of two weeks, after the notice is received by the organisation; or
  - (ii) on the day specified in the notice;

whichever is later.

Any dues payable but not paid by a former member of the organisation, in relation to a period before the member's resignation from the organisation took effect, may be sued for and recovered in the name of the organisation, in a court of competent jurisdiction, as a debt due to the organisation.

A notice delivered to the Secretary shall be taken to have been received by the organisation when it is delivered.

A notice of resignation that has been received by the organisation is not invalid because it was not addressed and delivered to the Secretary.

A resignation from membership is valid even if it is not effected in accordance with this Rule if the member is informed in writing by or on behalf of the organisation that the resignation has been accepted."

**Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254(2)(d)**

The following officers of the Association held preserved positions in the following entities

Earnest Farr-Jones (Secretary) is a Trustee of the Able Superannuation Fund, by virtue of the deed of that Fund preserving one Trustee position for the serving Secretary of the Association.

Julia Makanka (Vice President) is a Director of EST Pty Ltd, a trustee company that is the trustee of SiksUPER, an exempt public sector superannuation scheme.

Pierre Cardigani is the staff elected representative on the ABC Board

**Number of members** RAO reg 159(a)

The number of persons who, at the end of the reporting period, were recorded on the Register of Members of the Association was **44,855**

**Number of employees** RAO reg 159(b)

The number of persons who were, at the end of the reporting period, employees of the Association was **23** (includes **4** part-time employees measured on a full time equivalent basis)

**Members of Committee of Management** RAO reg 159(c)

The persons who held office as members of the Committee of Management of the Association during the reporting period are:

- Brian Jones (President), resigned 11<sup>th</sup> November 2006 and replaced by John Smith, appointed 15<sup>th</sup> November 2006
- Julia Makanka (Vice President)
- Earnest Farr-Jones (Secretary)
- Angelo Nickaloe (Assistant Secretary)
- Dimitra Dochievski (Treasurer)
- Geraldine Flynn-O'Hanlon (Committee Member)
- David Truscott (Committee Member)
- Vincenzo Calabria (Committee Member)
- Thuie Nyugen (Committee Member)
- Khofi Ngobe (Committee Member)
- Pierre Cardigani (Committee Member)
- John Smith (Committee Member), appointed as President from 15<sup>th</sup> November 2006, replaced by Brigitte O'Malley.

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signed Earnest Farr-Jones (Secretary)

Date / /





# Statement of loans, grants and donations exceeding \$1,000 for financial year ending / /

Please refer to section 237 of the Registration and Accountability of Organisations Schedule (RAO Schedule) when completing this form. This statement when lodged in the Industrial Registry may only be viewed by a member of the organisation. Use of this form is optional.

## Organisation's details

### Name of organisation including division or branch

### Postal Address

Postcode

### Details of officer completing the statement

#### Name

#### Name of office held in organisation

(An officer of the organisation should complete the statement)

#### Postal Address

Postcode

#### Telephone number (BH)

#### Facsimile number

#### Email

I certify that the information contained in this statement and its attachments is true and complete.

#### Signature

#### Date

**An organisation must lodge this statement within 90 days of the end of its financial year.**

Enquiries and statements should be addressed to:

INDUSTRIAL REGISTRAR  
 AUSTRALIAN INDUSTRIAL REGISTRY  
 GPO BOX 1994  
 MELBOURNE VIC 3001  
 Tel: (03) 8661 7777  
 Fax: (03) 9654 0410  
 Email: riateam3@air.gov.au

*Australian Industry Registry***LOANS, GRANTS AND DONATIONS EXCEEDING \$1,000 MADE BY ORGANISATION**

(if insufficient space, please attach separate sheet)

**LOANS**

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan

**Note:** where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

**GRANTS**

Name of Recipient of Grant	Address	Amount	Purpose of Grant

**Note:** where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

**DONATIONS**

Name of Recipient of Donation	Address	Amount	Purpose of Donation

**Note:** where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.



ABN 75 134 664 816

## The Showmen's Guild of Australasia

● Guild House ● 4 Turner Avenue ● Yatala Q. 4207 ●

FR2006/549

lodged  
approx 15 May 07

10 May 2007.

Our Ref: 025

Attention: Margaret Williams  
Australian Industrial Registry  
GPO Box 1994S  
MELBOURNE VIC 3001


entered in CMS

Dear Margaret,

RE: 2006 General Purpose Financial Report (GPFR)

Please find enclosed our GPFR for the 2006 year.

Yours faithfully,

  
.....  
Leslie John Davis  
Secretary

# **The Showmen's Guild of Australasia**

## **Financial Statements For the year ended 31 December 2006**

### **KP Business Accountants**

Suite 22 /Level 2

149 Wickham Terrace, Brisbane, QLD 4000

Phone: 07 3839 2533 Fax: 07 3831 3689

Email: [christie@kpbiz.com.au](mailto:christie@kpbiz.com.au)

# The Showmen's Guild of Australasia

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Committee Report

Detailed Profit and Loss Statement

Detailed Balance Sheet

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**The Showmen's Guild of Australasia**  
**A.B.N. 75 134 664 816**  
**Committee's Report**  
**For the year ended 31 December 2006**

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Your committee members submit the financial accounts of The Showmen's Guild of Australasia for the financial year ended 31 December 2006.

### **Committee Members**

The names of the committee members at the daye of this report are:

L J Davis  
 G E Pink  
 N McGregor  
 P Short  
 G Flaherty  
 P Hennessy  
 G Johnson  
 W Wood  
 S Blades  
 I Baker  
 W Davis  
 B Pavier  
 C Taylor  
 M Allan  
 A Laurie  
 R Miller  
 T Nilon  
 D Allan  
 S Watkins  
 C Pink  
 F Laurie  
 N Karaitiana  
 L Chambers  
 J Roberts  
 B Gilmore

### **Operating Result**

The profit from Guild and Club 's activities after providing for gaming tax amounted to:

Year ended 31 December 2006	Year ended 31 December 2005
\$	\$
49,429.06	360,114.00

**The Showmen's Guild of Australasia**

**A.B.N. 75 134 664 816**

**Committee's Report**

**For the year ended 31 December 2006**

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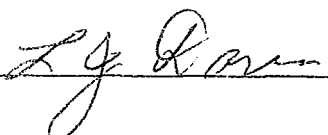
**Principal Activities**

The principal activities of the association during the financial year were to support member and the community in relation to Exhibitions and Shows.

**Significant Changes**

No significant changes in the nature of these activities occurred during the year.

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

  
\_\_\_\_\_  
L J Davis  
Secretary

  
\_\_\_\_\_  
G E Pink  
Treasurer

Dated:

The Showmen's Guild of Australasia ABN 76 134 864 816

**Detailed Profit and Loss Statement  
For the year ended 31 December 2006**

	Guild '2006	Club '2006	Consolidated 2006	Consolidated 2005
	\$	\$	\$	\$
<b>Income</b>				
Function Centre Income	0.00	316066.95	316066.95	316025.00
Cost of Goods Sold	0.00	-150758.44	-150758.44	-142886.00
<b>Gross Margin</b>	<b>0.00</b>	<b>165308.51</b>	<b>165308.51</b>	<b>173139.00</b>
		<b>0.52</b>	<b>0.52</b>	<b>0.55</b>
Camberra Benevolent Monies	5653.80		5653.80	5272.73
Commissions received		628.81	628.81	887.00
Donations	12183.40		12183.40	3738.36
Ground Admin Fees	207287.70		207287.70	255367.68
Ground Transfer	1320.00		1320.00	0.00
Parking Income		4000.00	4000.00	0.00
Insurance Claims	6478.79		6478.79	0.00
Interest received	775.80		775.80	323.10
Joining Fees	9931.50		9931.50	6819.85
Other income	737.23	212.37	949.60	3225.07
Legal Recoveries	152.06		152.06	3952.19
Maitland Camps	1613.55		1613.55	0.00
Rebates and refunds		189.66	189.66	0.00
Rents received	3000.00	2744.80	5744.80	0.00
Show Income			0.00	282157.77
Speers Point Shortfall	25504.00		25504.00	0.00
Subscriptions	103170.21		103170.21	103216.20
Townsville	8636.36		8636.36	0.00
Vehicle & Gate Passes	7903.96		7903.96	7785.18
<b>Total income</b>	<b>394348.36</b>	<b>173084.15</b>	<b>567432.51</b>	<b>845884.13</b>
<b>Poker Machines</b>				
Net Income		198562.07	198562.07	220200.00
<b>Less Expenses</b>				
Operating Costs		34671.43	34671.43	21260.00
Govt Levy & Tax		33411.00	33411.00	33248.00
<b>Net Poker Machines</b>		<b>130479.64</b>	<b>130479.64</b>	<b>165692.00</b>
<b>Net Keno Income</b>		<b>-1757.81</b>	<b>-1757.81</b>	<b>9534.00</b>
Sundry Income			0.00	0.00
<b>Total Income</b>	<b>394348.36</b>	<b>301805.98</b>	<b>696154.34</b>	<b>1021110.13</b>



<b>Operating Expenses</b>	<b>Guild 2006</b>	<b>Club 2006</b>	<b>Consolidated 2006</b>	<b>Consolidated 2005</b>
Abnormal Expense		119.45	119.45	-50129.57
Accountancy	28432.65		28432.65	24853.00
Advertising and promotion	6505.74	6772.94	13278.68	18055.10
Bank Fees And Charges	3959.17	7971.15	11930.32	10411.81
Cleaning/rubbish removal	1050.62	22092.22	23142.84	15844.43
Clunhouse Supplies		2537.88	2537.88	2543.00
Commissions		30.10	30.10	0.00
Computer Expenses	390.91	915.46	1306.37	1141.00
Consultants fees	2000.00		2000.00	29458.64
Donations	20000.00		20000.00	1809.76
Electricity and Gas	114.00	29326.61	29440.61	58522.13
Entertainment		10247.45	10247.45	0.00
Evaluation Fees (Bid and Equipment)	872.73		872.73	0.00
Fees & charges	220.00		220.00	0.00
First Aid			0.00	3500.00
Freight & Cartage		408.50	408.50	842.21
General Expense		308.26	308.26	0.00
Generator Diesel			0.00	20756.93
Gifts			0.00	332.54
Hire/rent of Plant & Equipment	1053.96	6661.73	7715.69	20119.82
Insurance	16397.50	-105.60	16291.90	22731.58
Interest - Australia		1980.59	1980.59	15963.40
Interest - D & B Brown	9466.03		9466.03	0.00
Interest - Westpac	336.83		336.83	0.00
Lease payments		19616.11	19616.11	19166.00
Legal fees	114890.82		114890.82	6869.39
Licenses & fees		1177.99	1177.99	55.00
Maitland Camps Unpaid	1466.86			0.00
Materials & supplies		258.95	258.95	0.00
Meeting			0.00	2912.00
Misappropriated funds		8455.19	8455.19	39298.00
M/V commercial - Depreciation				718.00
M/V commercial - Fuel & oil	281.05	774.71	1055.76	2328.00
M/V commercial - Reg/insurance	616.95		616.95	576.00
Pavier Police	20856.00		20856.00	0.00
Postage	1820.72	98.63	1919.35	1705.53
Printing & stationery	10363.38	1247.56	11610.94	23309.89
<b>Carried Forward</b>	<u>241095.92</u>	<u>120895.88</u>	<u>360524.94</u>	<u>293693.59</u>

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	<u>Guild 2006</u>	<u>Club 2006</u>	<u>Consolidated 2006</u>	<u>Consolidated 2005</u>
<b>Brought Forward</b>	<u>241095.92</u>	<u>120895.88</u>	<u>360524.94</u>	<u>293693.59</u>
Rates & land taxes	3613.29		3613.29	3009.80
Rental Show Societies Paid	3000.00		3000.00	0.00
Repairs & maintenance	20596.93	6468.06	27064.99	11521.88
Security	867.91	1176.65	2044.56	9363.91
Shows			0.00	121688.83
Staff amenities			0.00	5246.00
Staff training	154.55	1750.00	1904.55	722.73
Subscriptions	2928.16	2829.75	5757.91	1671.56
Sundry expenses			0.00	3436.44
Superannuation	2687.18	13871.62	16558.80	14196.03
Telephone	10229.05		10229.05	9730.67
Townsville	7186.18		7186.18	0.00
Travel, accom & conference	9896.47		9896.47	28185.07
Wages	32473.83	163604.82	196078.65	157338.38
Water, Rates and taxes			0.00	692.24
Workers compensation		1399.03	1399.03	499.00
<b>Total expenses</b>	<u>534729.47</u>	<u>311995.81</u>	<u>645258.42</u>	<u>660996.13</u>
<b>'Profit from Ordinary Activities before income tax</b>	<u>59618.89</u>	<u>-10189.83</u>	<u>49429.06</u>	<u>360114.00</u>
<b>Net Margin</b>	<b>15.12%</b>	<b>(Loss)</b>	<b>7.10%</b>	<b>35.27%</b>

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**The Showmen's Guild of Australasia ABN 75 134 664 816**

**Balance Sheet As At 31 December 2006**

	Note	Guild '2006 \$	Club '2006 \$	Consolidated '2006	Consolidated '2005
<b>Members' Funds</b>					
Accumulated Funds brought forward		1088248.19	-95487.19	992761	632649.00
Reserves	1	816,352.00	-36,576.00	779776.00	779776.00
Net Surplus (deficit) for year		59,618.89	-10,189.83	49,429.06	360114.00
<b>Total Equity</b>		<b>1,964,219.08</b>	<b>-142,253.02</b>	<b>1821966.06</b>	<b>1772539.00</b>
<b>Non-Current Assets</b>					
Receivables	2	135,885.87		135,885.87	
Property, plant and equipment	3	1,733,362.61	53,077.45	1,786,440.06	1777472.00
<b>Total Non-Current Assets</b>		<b>1,869,248.48</b>	<b>53,077.45</b>	<b>1,922,325.93</b>	<b>1777472.00</b>
<b>Current Assets</b>					
Cash assets	4	140,782.05	7,518.80	148,300.85	261254.00
Receivables	2	87,343.80		87,343.80	79517.00
Other		5,000.00		5,000.00	5000.00
Inventory	5		13,490.00	13,490.00	13850.00
<b>Total Current Assets</b>		<b>233,125.85</b>	<b>21,008.80</b>	<b>254,134.65</b>	<b>359621.00</b>
<b>Total Assets</b>		<b>2,102,374.33</b>	<b>74,086.25</b>	<b>2,176,460.58</b>	<b>2137093.00</b>
<b>Current Liabilities</b>					
Payables	6	29,887.34	15,299.07	45,186.41	58529.00
Interest-bearing liabilities	7	9,339.35	49,233.78	58,573.13	43231.00
Current tax liabilities	8	9,107.53	6,254.46	15,361.99	21428.00
Provisions	9		974.81	974.81	1390.00
<b>Total Current Liabilities</b>		<b>48,334.22</b>	<b>71,762.12</b>	<b>120,096.34</b>	<b>124579.00</b>
<b>Non-Current Liabilities</b>					
Interest-bearing liabilities	7	79,821.03	144,577.15	224,398.18	229974.00
Provisions	9	10,000.00		10,000.00	10000.00
<b>Total Non-Current Liabilities</b>		<b>89,821.03</b>	<b>144,577.15</b>	<b>234,398.18</b>	<b>239974.00</b>
<b>Total Liabilities</b>		<b>138,155.25</b>	<b>216,339.27</b>	<b>354,494.52</b>	<b>364553.00</b>
<b>Excess of Assets over Liabilities</b>		<b>1,964,219.08</b>	<b>-142,253.02</b>	<b>1,821,966.06</b>	<b>1772539.00</b>

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**The Showmen's Guild of Australasia ABN 75 134 664 816**

**Notes to the Financial Statements**

**For the year ended 31 December 2006**

	<u>Guild '2006</u>	<u>Club '2006</u>	<u>Consolidated '2006</u>	<u>Consolidated '2005</u>
<b>Note 1: Reserves</b>				
Balance at the beginning year				
- Assets revaluation reserve	156182.00	-36576.00	119606.00	
- General reserve	660170.00		660170.00	660170.00
	<u>816352.00</u>	<u>-36576.00</u>	<u>779776.00</u>	<u>660170.00</u>
Increase (decrease) in reserves during the year:				
- Assets revaluation reserve			0.00	119606.00
			<u>0.00</u>	<u>119606.00</u>
Balance at the year				
- Assets revaluation reserve	156182.00	-36576.00	119606.00	119606.00
- General reserve	660170.00		660170.00	660170.00
	<u>816352.00</u>	<u>-36576.00</u>	<u>779776.00</u>	<u>779776.00</u>
<b>Note 2: Receivables</b>				
<b>Current</b>				
Trade debtors	87343.80		87343.80	79517.00
Provision for doubtful debts				
	<u>87343.80</u>		<u>87343.80</u>	<u>79517.00</u>
<b>Non-Current</b>				
Amounts receivable from				
- the Showmen's Club	135885.87		135885.87	
	<u>135885.87</u>		<u>135885.87</u>	
<b>Note 3: Property, Plant and Equipment</b>				
Freehold land:				
- At independent valuation	700000.00		700000.00	700000.00
	<u>700000.00</u>		<u>700000.00</u>	<u>700000.00</u>
Buildings:				
- At independent valuation	830000.00		830000.00	830000.00
	<u>830000.00</u>		<u>830000.00</u>	<u>830000.00</u>
Plant and equipment:				
- At cost	125902.61		125902.61	117730.00
- Less: Accumulated depreciation				
	<u>125902.61</u>		<u>125902.61</u>	<u>117730.00</u>
Other plant and equipment:				
- At cost	77460.00	53077.45	130537.45	127460.00
- Less: Accumulated depreciation				
	<u>77460.00</u>	<u>53077.45</u>	<u>130537.45</u>	<u>127460.00</u>
Motor vehicles:				
- At cost				3000.00
- Less: Accumulated depreciation				-718.00
				<u>2282.00</u>
	<u>1733362.61</u>	<u>53077.45</u>	<u>1786440.06</u>	<u>1777472.00</u>

	<u>Guild '2006</u>	<u>Club '2006</u>	<u>Consolidated '2006</u>	<u>Consolidated '2005</u>
<b>Note 4: Cash assets</b>				
Bank accounts:				
- Cash At Bank Guild - General 83-0168				17493.00
- Cash At Bank Guild - Levy 12-9566	33928.55		33928.55	36793.00
- Cash At Bank Guild - GST 20-7632	3282.59		3282.59	3715.00
- Cash At Bank Guild - Legal A/c 207624	92568.72		92568.72	125210.00
- Cash At Bank Guild - Members A/c 22-9516	11002.19		11002.19	44699.00
- Cash At Bank Club - Pokies 13/6880		23.26	23.26	16097.00
- Cash At Bank Club - ATM A/c 22-7465		677.81	677.81	2630.00
- Cash At Bank Club - Keno A/c 24-4636		1675.78	1675.78	10503.00
- Cash At Bank Club - Kitchen A/c 272346		332.10	332.10	0.00
Other cash items:				
- Kitchen Cash Held		49.85	49.85	973.00
- ATM Machine		4760.00	4760.00	3140.00
	<u>140782.05</u>	<u>7518.80</u>	<u>148300.85</u>	<u>261254.00</u>
<b>Note 5: Inventories</b>				
<b>Current</b>				
Closing stock		13490.00	13490.00	13850.00
		<u>13490.00</u>	<u>13490.00</u>	<u>13850.00</u>
<b>Note 6: Payables</b>				
<b>Unsecured:</b>				
- Trade creditors	5687.34	15299.07	20986.41	34329.00
	<u>5687.34</u>	<u>15299.07</u>	<u>20986.41</u>	<u>34329.00</u>
<b>Secured:</b>				
- Trade creditors	24200.00		24200.00	24200.00
	<u>24200.00</u>		<u>24200.00</u>	<u>24200.00</u>
	<u>29887.34</u>	<u>15299.07</u>	<u>45186.41</u>	<u>58529.00</u>

	<u>Guild '2006</u>	<u>Club '2006</u>	<u>Consolidated '2006</u>	<u>Consolidated '2005</u>
<b>Note 7: Interest-Bearing Liabilities</b>				
<b>Current</b>				
<b>Secured*:</b>				
- Bank overdrafts	<u>9339.35</u>	<u>49233.78</u>	<u>58573.13</u>	<u>43231.00</u>
	<u>9339.35</u>	<u>49233.78</u>	<u>58573.13</u>	<u>43231.00</u>
	<u>9339.35</u>	<u>49233.78</u>	<u>58573.13</u>	<u>43231.00</u>
<b>Non-Current</b>				
<b>Unsecured:</b>				
- Loans from D & B Brown and SGA Members	79821.03		79821.03	193355.00
- Bank loans		8691.28	8691.28	36620.00
- Loans from the Showmen's Guild		135885.87	135885.87	
	<u>79821.03</u>	<u>144577.15</u>	<u>224398.18</u>	<u>229974.00</u>
	<u>79821.03</u>	<u>144577.15</u>	<u>224398.18</u>	<u>229974.00</u>
<b>* Total Current and Non-Current Secured Liabilities</b>				
Bank overdrafts	<u>9339.35</u>	<u>49233.78</u>	<u>58573.13</u>	<u>43231.00</u>
	<u>9339.35</u>	<u>49233.78</u>	<u>58573.13</u>	<u>43231.00</u>

**Note 8: Tax Liabilities**

**Current**

GST payable control account	18037.31	-0.09	18037.22	31650.00
Input tax credit control account	-10885.32	-1303.98	-12189.30	-12523.00
GST clearing	1874.54	6148.05	8022.59	
Amounts withheld from salary and wages	81.00	1410.48	1491.48	2301.00
	<u>9107.53</u>	<u>6254.46</u>	<u>15361.99</u>	<u>21428.00</u>

**Note 9: Provisions**

**Current**

Employee entitlements*		<u>974.81</u>	<u>974.81</u>	<u>1390.00</u>
		<u>974.81</u>	<u>974.81</u>	<u>1390.00</u>

**Non Current**

Sundry provisions	<u>10000.00</u>		<u>10000.00</u>	<u>10000.00</u>
	<u>10000.00</u>		<u>10000.00</u>	<u>10000.00</u>

* Aggregate employee entitlements liability		974.81	974.81	1390.00
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There were 8 employees at the end of the year

**These notes should be read in conjunction with the attached financial report.**

## **The Showmen's Guild of Australasia Independent Auditor Report**

### **Scope**

We have audited the attached financial statement of the Showmen's Guild of Australasia Incorporated for the year ended 31st December 2006. The Showmen's Guild of Australasia is Incorporated as an organization under Section 27 of the Workplace Relations Act 1996. Its registration number is 169 V. The Guild's management committee is responsible for preparation of the financial statements and has determined the accounting policy used and described in notes to the financial statements. This accounting policy is appropriate to meet the needs of the members. No opinion is expressed as to whether the accounting policies used to prepare the financial statements are appropriate to meet the needs of the members.

The audited financial report has been prepared for distribution to the management committee and members of the Showmen's Guild for the purpose of fulfilling the committee's financial reporting requirements under the Workplace Relations Act 1996, the Associations Incorporations Act 1981 and the Industrial Act 1999. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the committee and members of the Showmen's Guild.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with acceptable accounting standards and other mandatory professional requirements, and statutory requirements, so as to present a view which is consistent with our understanding of the Guild's financial position, and performance as represented by the results of its operations and its cash flows.

### **Qualifications**

1/ It is a policy of the Showmen's Guild to have an Independent valuation carried out every two years on all Land and Buildings and Plant and Equipment held by the Showman's Club. These assets are not depreciated since the Guild's Committee value these assets at it's Current Fair Market Value

2/ In 2006 there was no amount taken up in the financials for Depreciation

3/ There was no change for provision for bad debts. This has remained at \$10000

4/ During December 2005 and January 2006 misappropriation occurred and funds were stolen. The amount believed to be stolen in January 2006 was \$8455.19. Person responsible for misappropriation was dismissed on 16th January 2006

5/ Due to the long term business culture, majority of the Income derived by the Showmen's Guild is of a nature that full control of receipts cannot be maintained until the amount is banked and recorded in the Guild's books and records. Therefore we are unable to confirm that all receipts have been properly recorded

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**The Showmen's Guild of Australasia  
Independent Auditor Report**

6/ An extraordinary amount of \$114890.82 classified as legal fees were incurred during the year. It is to be noted that \$100000 of this expense was paid to the Australian Competition and Consumer Commission (ACCC) as final payment to settle the ongoing litigation with ACCC.

7/ In our opinion, due to the turnover of club managers and staff at the club it has been difficult to retain adequate skilled staff to carry out the required level of monitoring and control in accordance with the standards required by the Gaming Machine Act 1991. We strongly recommend appointment of adequately skilled people to carry out these functions to reduce the level of errors and negative variances.

. The audit opinion expressed in the report has been formed on the above basis.

**Audit opinion**

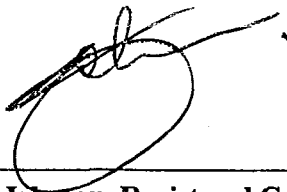
In our opinion, except for the matters raised in the qualification paragraphs;

1. The 2006 financial statements of the Showmen's Guild of Australasia Incorporated

(a) present a true and fair view of the Guild's financial position as at 31 December 2006 and of its performance for the year ended on that date in accordance with applicable accounting standards and other mandatory professional reporting requirements.

(b) The financial statements are properly drawn up in accordance with the provisions of the Associations Incorporations Act 1981 and the Industrial Relations Act 1999.

Signed at Brisbane on 31 March, 2007:



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**Peter R Johnson, Registered Company Auditor (No 5986)**  
KP Business Accountants  
c/- Suite 22 / Level 2 149 Wickham Terrace Brisbane Qld 4000



**THE SHOWMEN'S GUILD OF AUSTRALASIA**  
**EXECUTIVE COMMITTEE 2006**

<b><u>POSITION</u></b>	<b><u>NAME</u></b>	<b><u>ADDRESS</u></b>	<b><u>PHONE No.</u></b>
President:	Mr William Davis	C/- PO Box 690 Beenleigh Qld 4207	██████████
Secretary:	Leslie John Davis	C/- PO Box 690 Beenleigh Qld 4207	██████████
Treasurer:	George Pink	C/- PO Box 690 Beenleigh Qld 4207	██████████
Trustees:	Gail Flaherty	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Peter Short	C/- PO Box 690 Beenleigh Qld 4207	██████████
Vice President:	Paul Hennessy	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Gary Johnson	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Clayton Taylor	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Noel McGregor OAM	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Broderick Pavier	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Shane Blades	C/- PO Box 690 Beenleigh Qld 4207	██████████
	John Roberts	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Lewis Osbourne	C/- PO Box 690 Beenleigh Qld 4207	██████████
	William Wood	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Mick Allan	C/- PO Box 690 Beenleigh Qld 4207	██████████
Committee:	Luke Chambers	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Tom Baker	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Anthony Laurie	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Frank Laurie	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Dave Allan	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Stewart Watkins	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Bruce Miller	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Terry Nilon	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Nita Karaitiana	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Dick Watkins	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Charlie Pink	C/- PO Box 690 Beenleigh Qld 4207	██████████
	Grant Johnson	C/- PO Box 690 Beenleigh Qld 4207	██████████