

Australian Hotels Association (Queensland Branch)

Financial Statements

For the year ended 31 December 2020

Australian Hotels Association (Queensland Branch)

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Australian Hotels Association (Queensland Branch)

Committees' Report

Your Committee Members present this report on the Australian Hotels Association (Queensland Branch) for the financial year ended 31 December 2020.

Committee Members

The names of Committee Members at the date of this report are:

- Tom McGuire
- Richard Deery
- Rachel Johnson
- Brad Fitzgibbons
- Scott Armstrong
- Matthew Coorey

Principal Activities

The principal activities of the Association during the financial year were: link the Federal and State Hotel Associations to best serve the needs of the paying members.

Significant Changes

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

Operating Result

The profit for the year amounted to \$nil (2019: \$nil).

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



Tom McGuire

Chairman

18 March 2021

Australian Hotels Association (Queensland Branch)

Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2020

	2020	2019
	\$	\$
Income		
Capitation fees - QHA Union of Employers	193,871	193,871
Total Income	<u>193,871</u>	<u>193,871</u>
Expenses		
Capitation Levy - AHA (Org code 024N)	<u>(193,871)</u>	<u>(193,871)</u>
Operating profit/(loss)	<u>-</u>	<u>-</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes form part of these financial statements.

Australian Hotels Association (Queensland Branch)
Statement of Financial Position as at 31 December 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Trade and other debtors	3	<u>1</u>	<u>1</u>
Total Current Assets		<u>1</u>	<u>1</u>
TOTAL ASSETS		<u>1</u>	<u>1</u>
NET ASSETS		<u>1</u>	<u>1</u>
Equity			
Retained profits		<u>1</u>	<u>1</u>
TOTAL EQUITY		<u>1</u>	<u>1</u>

The accompanying notes form part of these financial statements.

Australian Hotels Association (Queensland Branch)

Statement of Changes in Equity for the year ended 31 December 2020

	Retained Earnings \$	Total \$
Balance at 1 January 2019	1	1
Profit/(Loss) for the year	-	-
Other comprehensive income	-	-
Balance at 31 December 2019	1	1
Profit/(Loss) for the year	-	-
Other comprehensive income	-	-
Balance at 31 December 2020	1	1

The accompanying notes form part of these financial statements.

Australian Hotels Association (Queensland Branch)

Statement of Cash Flows for the year ended 31 December 2020

	2020 \$ Inflows (Outflows)	2019 \$ Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	193,871	193,871
Payments to suppliers and employees	<u>(193,871)</u>	<u>(193,871)</u>
Net cash provided by / (used in) operating activities	<u>-</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents held	-	-
Cash and cash equivalents at beginning of financial year	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of financial year	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes form part of these financial statements.

Australian Hotels Association (Queensland Branch)

Notes to the Financial Statements for the year ended 31 December 2020

Note 1: Statement of Significant Accounting Policies

These financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, Australian Hotels Association (Queensland Branch) is a not-for-profit entity.

The financial report has been prepared on an accruals basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

(a) Income tax

Australian Hotels Association (Queensland Branch) is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997.

(b) Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(c) Revenue

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

Capitation fees and levies are to be recognised on an accruals basis and recorded as a revenue and/or expense in the year to which it relates.

(d) Expenses

Expenses incurred as consideration for employers making payroll deductions of membership subscriptions are recognised on an accruals basis and recorded as an expense in the year to which they relate. There were no such transactions for the year ended 31 December 2020.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

Australian Hotels Association (Queensland Branch)

Notes to the Financial Statements for the year ended 31 December 2020

Note 1: Statement of Significant Accounting Policies (cont'd)

(f) Future Australian Accounting Standards Requirements

There are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and none are applicable to the future reporting period that are expected to have a future financial impact on Australian Hotels Association (Queensland Branch).

(g) Critical Accounting Estimates and Judgements

The Committee Members evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Australian Hotels Association (Queensland Branch). There were no material accounting estimates or judgements applied for the year ended 31 December 2020 that have not otherwise been disclosed elsewhere in these financial statements.

Note 2: Information to be provided to Members or Commissioner

- (1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit 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 entity must comply with an application made under subsection (1) above.
- (4) The Commissioner may only make an application under subsection (1) at the request of a member of the reporting unit concerned, and the Commissioner must provide to a member information received because of an application made at the request of the member.
- (5) A general purpose financial report prepared under section 253, a concise report prepared under section 265 and a report prepared under subsection 270(4) must include a notice drawing attention to subsections (1), (2) and (3) of this section and setting out those subsections.
- (6) Without limiting the information that may be prescribed under subsection (1), the information prescribed must include details (including the amount) of any fees paid by the reporting unit for payroll deduction services provided by a person who is an employer of:
 - (a) the member making the application for information; or
 - (b) the member at whose request the application was made.

Australian Hotels Association (Queensland Branch)

Notes to the Financial Statements for the year ended 31 December 2020

Note 3: Receivables

	2020	2019
	\$	\$
Loan - Queensland Hotels Association Union of Employers	1	1
	1	1

Note 4: Going Concern

Australian Hotels Association (Queensland Branch) ability to continue as a going concern is not reliant upon any other entity, nor has Australian Hotels Association (Queensland Branch) agreed to provide financial support to another reporting unit to underpin its ability to operate as a going concern. Australian Hotels Association (Queensland Branch) has not acquired an asset or a liability as a result of amalgamation, restructure, or the development of an alternative reporting structure in the reporting period.

Note 5: Revenue from other reporting units and sources

Apart from membership subscriptions, as disclosed in the face of the income statement as capitation fees, Australian Hotels Association (Queensland Branch) has not raised or received any revenue from compulsory levies, voluntary contributions, donations or grants. No revenue has been derived from undertaking recovery of wage activity during the reporting.

Note 6: Expenses from other reporting units and sources

Apart from capitation fees paid to the Australian Hotels Association National Office, as disclosed in the face of the income statement, Australian Hotels Association (Queensland Branch) has not incurred any expenses related to employees, paid any fees or levies to an affiliated political party or similar entity, raised or paid any compulsory levies, or paid any grants or donations to support another reporting unit or any other organisation. Australian Hotels Association (Queensland Branch) has not paid any employee expenses, including wages and salaries, superannuation, or other material expenses to any holders of office or employees of Australian Hotels Association (Queensland Branch) in the reporting period.

Australian Hotels Association (Queensland Branch) has not paid any fees or allowances to any persons related to attendance at meetings or conferences, has not incurred any expenses incurred in holding meetings of members or similar events, has not incurred any legal expenses related to litigation or other matters, and has not expended funds on any penalties imposed under the *Fair Work (Registered Organisations) Act 2009* with respect to conduct of Australian Hotels Association (Queensland Branch) in the reporting period.

Note 7: Auditor's Remuneration

	2020	2019
	\$	\$
Audit fees paid to the auditor of the Association	nil	nil
	nil	nil

Australian Hotels Association (Queensland Branch)

Notes to the Financial Statements for the year ended 31 December 2020

Note 7: Auditor's Remuneration (cont'd)

The auditor is remunerated by the Queensland Hotels Association Union Of Employers (QHA). The total audit fees paid by the QHA for the year ended 31 December 2020 were \$14,550 (2019: \$14,550). Included within this amount is a fee for compilation of financial reports of \$4,050 (2019: \$4,050).

Note 8: Contingent Liabilities

Australian Hotels Association (Queensland Branch) has not declared a liability payable or a receivable or other right to receive cash resulting from a transaction(s) with another reporting entity of the organisation in the reporting period.

Australian Hotels Association (Queensland Branch) has no undeclared liabilities to employers, employees, payables for legal or litigation costs, or employee provisions of any kind, including to office holders and employees in the reporting period.

Note 9: Changes in Equity

Other than the general fund which is reported in the financial statements, Australian Hotels Association (Queensland Branch) has not declared or operated any accounts or funds in respect of compulsory levies, investment accounts, or any other non-disclosed funds or accounts in the reporting period.

Note 10: Cash flow information

A source of cash flow to Australian Hotels Association (Queensland Branch) is a capitation levy revenue stream from the Queensland Hotels Association Union of Employers which is disclosed in the Australian Hotels Association (Queensland Branch) statement of cash flows. No other revenue sources from any other reporting unit or controlled entity have occurred in the reporting period.

Note 11: Employment expenses

Australian Hotels Association (Queensland Branch) has undertaken no recovery of wages activity or any derived revenues from such activity in the reporting period.

Note 12: Related parties

The financial accounts of Australian Hotels Association (Queensland Branch) are administered by the Queensland Hotels Association Union of Employers under informal arrangements. No fees, payments or other remuneration is paid for these services.

Note 13: Events after the reporting period

As a result of the evolving nature of the COVID-19 outbreak and the rapidly evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the Australian Hotels Association (Queensland Branch) is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the Association. Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Association, the results of those operations, or the state of affairs of the reporting unit in subsequent financial periods.

Australian Hotels Association (Queensland Branch)

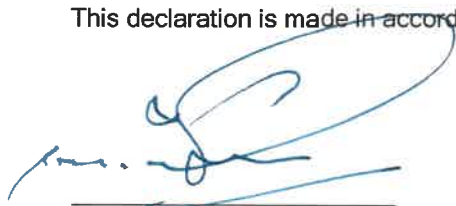
Statement by Members of the Committee for the year ended 31 December 2020

On the 18th day of March 2021 the Committee of Management of Australian Hotels Association (Queensland Branch) passed the following resolution in relation to the general purpose financial report for the year ended 31 December 2020.

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009 (the RO Act)*;
- (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; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation 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 RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the Committee of Management.



Tom McGuire, Chairman

Dated: 18 March 2021

Australian Hotels Association (Queensland Branch)

Independent Auditor's Report

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Hotels Association (Queensland Branch) (the Association), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee of Management statement and the subsection 255(2A) report.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Hotels Association (Queensland Branch) as at 31 December 2020, and its financial performance and its cash flows for the year ended on that date in accordance with:

- (i) the Australian Accounting Standards; and
- (ii) any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009 (the RO Act)*.

We declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the auditor independence requirements of the *Fair Work (Registered Organisations) Act 2009* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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Australian Hotels Association (Queensland Branch)

Independent Auditor's Report

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Emphasis of Matter - Coronavirus Pandemic

We draw our attention to Note 13 of the financial report, which describes the directors' assessment of the coronavirus (SARS-CoV-19) pandemic. At the time of this report, the coronavirus pandemic continues to spread and have a significant economic effect on global and local economies, for example due to restrictions in production, trade and consumption or due to travel bans and social distancing.

The future impact on the Association is unable to be predicted at this time due to the evolving nature of the pandemic. Our opinion is not modified in respect of this matter.

Committee of Management's Responsibility for the Financial Report

The Committee Members of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Committee Members determine is necessary to enable the fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

Australian Hotels Association (Queensland Branch)

Independent Auditor's Report

Auditor's Responsibility for the Audit of the Financial Report (Cont'd)

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee Members.
- Conclude on the appropriateness of the Committee Member's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the reporting unit audit. I remain solely responsible for my audit opinion.

Australian Hotels Association (Queensland Branch)

Independent Auditor's Report

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

I declare that I am an auditor registered under the RO Act.

Prosperity Audit Services

PROSPERITY AUDIT SERVICES

LUKE MALONE

LUKE MALONE
Partner

19 March 2021
Brisbane

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