

Queensland Hotels Association Union Of Employers

ABN 54 878 166 941

Financial Statements

For the year ended 31 December 2022

Queensland Hotels Association Union Of Employers

Contents

Committee Report	3
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Committee Members' Declaration	17
Independent Auditor's Report to the Members'	18

Queensland Hotels Association Union Of Employers

Committee Report

Your Committee Members present this report on the Queensland Hotels Association Union of Employers for the financial year ended 31 December 2022.

Committee

The names of each person who has been a Committee Member at any time during or since the end of the year are:

- Tom McGuire (*resigned 3 January 2023*)
- Richard Deery
- Rachel Johnson
- Brad Fitzgibbons
- Scott Armstrong
- Matthew Coorey

Committee Members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Result

The loss for the financial year amounted to of \$387,550 (2021 profit: \$661,309).

Principal Activities

The principal activities of the Association during the course of the year were to promote the hotel and hospitality industry, to lobby for outcomes which benefit all members and to assist individual businesses and groups to ensure a prosperous future for the hotel and hospitality industry.

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

Significant Changes in the State of Affairs

No significant changes in the Association's state of affairs occurred during the financial year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Future Developments

The Association expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Queensland Hotels Association Union Of Employers

Committee Report

Environmental Issues

The Association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

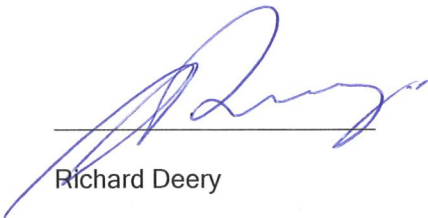
Indemnifying Officer or Auditor

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 Association.

Proceedings on Behalf of the Association

No person has applied for leave of Court to bring proceedings on behalf of the Association or intervene in any proceedings to which the Association is a party for the purpose of taking responsibility on behalf of the Association for all or any part of those proceedings. The Association was not a party to any such proceedings during the year.

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



Richard Deery

Chairman

15 March 2023

Queensland Hotels Association Union Of Employers

Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2022

	Note	2022 \$	2021 \$
Revenue	3	3,825,159	4,211,936
Other income	3	255,927	305,729
Employee benefits expenses		(1,992,445)	(1,865,972)
Depreciation and amortisation expense		(124,356)	(119,225)
Finance costs		(77,183)	(65,095)
Operating expenses		<u>(2,274,652)</u>	<u>(1,806,064)</u>
Operating (loss)/profit		<u>(387,550)</u>	<u>661,309</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive (loss)/income		<u>(387,550)</u>	<u>661,309</u>

The accompanying notes form part of these financial statements.

Queensland Hotels Association Union Of Employers

Statement of Financial Position as at 31 December 2022

	Note	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	4	285,290	119,882
Trade and other debtors		292,231	297,399
Other current assets		96,802	111,574
Right-of-use asset		<u>51,761</u>	<u>46,469</u>
Total Current Assets		<u>726,084</u>	<u>575,324</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	3,803,677	3,905,930
Financial assets		<u>3,586,853</u>	<u>3,749,077</u>
Total Non-Current Assets		<u>7,390,530</u>	<u>7,655,007</u>
TOTAL ASSETS		<u>8,116,614</u>	<u>8,230,331</u>
CURRENT LIABILITIES			
Trade and other payables	6	262,490	253,047
Provisions		128,317	210,960
Membership fees received in advance		339,464	284,238
Lease liability		<u>18,076</u>	<u>11,365</u>
Total Current Liabilities		<u>748,346</u>	<u>759,610</u>
NON-CURRENT LIABILITIES			
Financial liabilities	7	2,009,000	1,699,000
Provisions		87,046	111,031
Lease liability		<u>34,128</u>	<u>35,048</u>
Total Non-Current Liabilities		<u>2,130,174</u>	<u>1,845,079</u>
TOTAL LIABILITIES		<u>2,878,522</u>	<u>2,604,689</u>
NET ASSETS		<u>5,238,092</u>	<u>5,625,642</u>
EQUITY			
Retained profits		<u>5,238,092</u>	<u>5,625,642</u>
TOTAL EQUITY		<u>5,238,092</u>	<u>5,625,642</u>

The accompanying notes form part of these financial statements.

**Queensland Hotels Association Union Of Employers
Statement of Changes in Equity for the year ended 31 December 2022**

	Retained Earnings \$	Total \$
Balance at 1 January 2021	4,964,333	4,964,333
Profit for the year	<u>661,309</u>	<u>661,309</u>
Balance at 31 December 2021	5,625,642	5,625,642
Loss for the year	<u>(387,550)</u>	<u>(387,550)</u>
Balance at 31 December 2022	<u><u>5,238,092</u></u>	<u><u>5,238,092</u></u>

The accompanying notes form part of these financial statements.

Queensland Hotels Association Union Of Employers
Statement of Cash Flows for the year ending 31 December 2022

	2022	2021
	\$	\$
Note	Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customer	4,555,629	5,437,196
Payments to suppliers, employees and other	(4,763,659)	(4,148,973)
Interest received	-	-
Finance costs	<u>(77,183)</u>	<u>(63,399)</u>
Net cash (used in)/provided by operating activities	11 <u>(285,213)</u>	<u>1,224,824</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	-	15,500
Proceeds from (purchase of) investments	162,224	(513,333)
Payments for property, plant and equipment	<u>(3,805)</u>	<u>(13,445)</u>
Net cash provided by/(used in) investing activities	<u>158,419</u>	<u>(511,278)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loans	-	(645,000)
Proceeds from loans	310,000	-
Payments for leases	<u>(17,799)</u>	<u>(4,696)</u>
Net cash provided by/(used in) financing activities	<u>292,201</u>	<u>(649,696)</u>
Net increase in cash held	165,408	63,850
Cash at beginning of financial year	<u>119,882</u>	<u>56,032</u>
Cash at end of financial year	4 <u><u>285,290</u></u>	<u><u>119,882</u></u>

The accompanying notes form part of these financial statements.

Queensland Hotels Association Union Of Employers

Notes to the Financial Statements for the year ended 31 December 2022

Note 1: Summary of Significant Accounting Policies

The financial report covers Queensland Hotels Association Union of Employers as an individual entity, incorporated in Queensland under the *Queensland Industrial Relations Act 2016*, and domiciled in Queensland, Australia.

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 *Queensland Industrial Relations Act 2016*. For the purpose of preparing the general-purpose financial statements Queensland Hotels Association Union of Employers is a not-for-profit entity.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Income Tax

Pursuant to Section 50-5 of the Income Tax Assessment Act 1997, Queensland Hotels Association Union of Employers is exempt from paying income tax as a not-for-profit entity.

(b) Property, Plant and Equipment

Each class of property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation and impairment losses.

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

Depreciation

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

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

Buildings	2%
Office equipment	5-20%
Motor vehicles	15-20%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss.

Queensland Hotels Association Union Of Employers

Notes to the Financial Statements for the year ended 31 December 2022

Note 1: Summary of Significant Accounting Policies

(c) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial assets are primarily comprised of the Association's investment in the MLC Master Key Unit Trust.

Financial instruments are initially measured at fair value plus transaction costs.

Classification and subsequent measurement

Financial assets are subsequently measured at fair value. Financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the Association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

(d) Impairment of Assets

At the end of each reporting period, the Association assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

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

(e) Employee entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages, salaries and annual leave which will be settled after one year, have been measured at their nominal amount.

Contributions are made by the Association to a superannuation fund, as chosen by the employee, and are charged as expenses when incurred.

Queensland Hotels Association Union Of Employers

Notes to the Financial Statements for the year ended 31 December 2022

Note 1: Summary of Significant Accounting Policies

(e) Employee entitlements (cont'd)

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. The Association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(f) Cash and cash equivalents

For the purpose of the statement of cash flows, cash includes cash on hand and in all call deposits with banks or financial institutions, net of bank overdrafts.

(g) Revenue and other income

The Association has applied AASB15: *Revenue from Contracts with Customers* and AASB1058: *Income of Not-for-Profit Entities*.

Member subscription and accommodation levy income is recognised in the period to which the membership relates. Where this income is received in advance it is accrued as a liability.

Awards and function income and sponsorship income is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement by the Association in those goods.

Rental income is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

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

Investment income is recognised as revenue when the right to receive the return/dividend has been confirmed, usually on receipt.

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

(h) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Queensland Hotels Association Union Of Employers

Notes to the Financial Statements for the year ended 31 December 2022

(i) Leases

The Association as lessee

At inception of a contract, the Association assesses if the contract contains a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Association where the Association is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Queensland Hotels Association Union Of Employers

Notes to the Financial Statements for the year ended 31 December 2022

Note 1: Summary of Significant Accounting Policies

(k) Comparative Figures

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

(l) 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 Association.

Classification of building premises as property, plant and equipment.

Notwithstanding the receipt of rental income from some sections of the building premises, the Committee Members have determined that the building premises is most appropriately classified as property, plant and equipment due to the use of the premises primarily on an owner-occupied basis.

(m) Key judgements - lease term and option to extend under AASB16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also, periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the Association will make. The Association determines the likelihood to exercise the options on a lease-by-lease basis, looking at various factors such as which assets are strategic and which are key to future strategy of the Association.

(n) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 31 December 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

Note 2: Going Concern

For the year ended 31 December 2022, the Association recognised a net operating loss of \$387,550 (2021 profit: \$661,309), net cash flows used in operations of \$285,213 (2021 net cash flows provided by operations: \$1,224,824) and a net current liability position of \$22,262 (2021 net current liability: \$184,286).

The Committee believe that the 2023 budget and future operating position indicate the Association can pay its debts as when they fall due. Thus, the financial statements have been prepared on a going concern basis.

Queensland Hotels Association Union Of Employers

Notes to the Financial Statements for the year ended 31 December 2022

Note 3: Revenue and Other Income

	2022	2021
	\$	\$
Revenue:		
Awards and functions	388,594	261,633
Insurance commission	1,361	8,126
Member subscriptions	1,256,465	1,243,594
Accommodation Levies	312,561	233,454
Rental income	271,250	274,000
Sponsorships	1,128,369	1,090,916
Training and consulting income	632,839	547,746
Investment income	(262,224)	413,333
Other income	95,944	139,134
	<u>3,825,159</u>	<u>4,211,936</u>
Other income:		
QHA Review Publication	255,927	218,779
JobKeeper Subsidy	-	86,950
	<u>255,927</u>	<u>305,729</u>

Note 4: Cash and cash equivalents

	2022	2021
	\$	\$
Deposit accounts	273,520	107,852
Cheque accounts	11,370	11,630
Cash on hand	400	400
	<u>285,290</u>	<u>119,882</u>

Queensland Hotels Association Union Of Employers

Notes to the Financial Statements for the year ended 31 December 2022

Note 5: Property, Plant and Equipment

	2022	2021
	\$	\$
Freehold land and buildings - at cost	5,000,000	5,000,000
Less: Accumulated depreciation	<u>(1,200,000)</u>	<u>(1,100,000)</u>
	<u>3,800,000</u>	<u>3,900,000</u>
Office Equipment - at cost	476,535	472,730
Less: Accumulated depreciation	<u>(472,858)</u>	<u>(466,800)</u>
	<u>3,677</u>	<u>5,930</u>
Total property, plant & equipment	<u><u>3,803,677</u></u>	<u><u>3,905,930</u></u>

Note 6: Trade and other payables

	2022	2021
	\$	\$
Trade creditors	25,420	17,144
Other creditors	157,001	119,009
Goods and services tax (GST)	63,086	86,858
Pay as you go tax (PAYG)	<u>16,983</u>	<u>30,036</u>
	<u><u>262,490</u></u>	<u><u>253,047</u></u>

Note 7: Financial Liabilities

	2022	2021
	\$	\$
Non-current		
Bank loans	2,005,000	1,695,000
Security deposit	<u>4,000</u>	<u>4,000</u>
	<u><u>2,009,000</u></u>	<u><u>1,699,000</u></u>

The Association entered into a business finance agreement with Westpac on 8 May 2020 and obtained approved variations on 24 November 2021. The bank loan facility has a maximum limit of \$2.54 million and is secured by a registered first mortgage over the freehold property. The facility expires on 29 November 2024 with repayments principal and interest.

The committee decided to put the Association's surplus funds into loan off-set account to reduce the interest costs. As at 31 December 2022, \$565,000 has been allocated to the loan off-set account.

Queensland Hotels Association Union Of Employers

Notes to the Financial Statements for the year ended 31 December 2022

Note 7: Financial Liabilities (cont'd)

Covenants imposed by the bank require the Association to provide financial reports on an annual basis. There are no other covenants that the Association is required to comply with. The Association complied with all covenants during the year end up to the date of the signing of these financial statements.

Note 8: Auditors' Remuneration

The remuneration of the auditor of the Association (Prosperity Audit Services) for auditing the financial statements is \$16,500 (2021: \$15,000).

Note 9: Events Subsequent to the Reporting Date

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Note 10: Contingent Liabilities

The Association did not have any other contingencies at the reporting date.

Note 11: Cash Flow Information

Reconciliation of Cash Flows from Operating Activities with Profit after Income Tax:

	2022	2021
	\$	\$
(Loss) / Profit for the year	(387,550)	661,309
Non-Cashflows and Non-Operating Cashflows in profit / (loss)		
Depreciation	106,058	113,882
Lease amortisation	18,298	4,354
Gain on disposal of fixed asset	-	(15,500)
		<u>764,045</u>
Change in assets and liabilities:		
Decrease in trade debtors	5,168	137,592
Decrease/(Increase) in other current assets	14,771	(54,490)
Increase/(Decrease) in trade creditors	9,443	66,678
Increase in other liabilities	55,226	264,244
Increase/(Decrease) in provision for employee entitlements	(106,628)	46,755
		<u>407,172</u>
Cash flow from operations	<u>(285,213)</u>	<u>1,224,824</u>

Queensland Hotels Association Union Of Employers

Committee Members' Declaration

The members of the committee of Queensland Hotels Association Union of Employers declare that:

1. the financial statements and notes are in accordance with the *Queensland Industrial Relations Act 2016*, and:
 - (a) comply with the Accounting Standards; and,
 - (b) present fairly, in all material respects, the financial position of Queensland Hotels Association Union of Employers as at 31 December 2022 and of its performance for the year ended on that date.
2. in the Committee Members' opinion, there are reasonable grounds to believe that Queensland Hotels Association Union of Employers will be able to pay its debts as and when they become due and payable.

The Committee Members are responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

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



Richard Deery

Chairman

15 March 2023

Queensland Hotels Association Union Of Employers Independent Auditor's Report

Report on the Audit of the Financial Report

We have audited the accompanying financial report of Queensland Hotels Association Union of Employers (the Association), which comprises the Committee Members' Declaration, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity, a summary of significant accounting policies and other explanatory notes for the financial year ended 31 December 2022.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 31 December 2022 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the *Queensland Industrial Relations Act 2016*.

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 *Queensland Industrial Relations Act 2016* 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.

Committee Members' Responsibility for the Financial Report

The Committee Members of the Association are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Queensland Industrial Relations Act 2016* and for such internal control as the Committee Members determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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, 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 Members' 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.

We communicate with the Trustees 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.

Other Matters

In our opinion, the accompanying financial report of Queensland Hotels Association Union of Employers (the Association) for the year ended 31 December 2022 complies with:

- The Tier 1 reporting requirements of the Australian Accounting Standards.

Other Matters (Cont'd)

- The Reporting Guidelines made by the Registrar under section 765 of the *Queensland Industrial Relations Act 2016*.
- The requirements of Part 11, Chapter 1s2 of the *Queensland Industrial Relations Act 2016*.

Prosperity Audit Services

PROSPERITY AUDIT SERVICES



ALEX HARDY
Director

15 March 2023
Brisbane



QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

REGISTER OF LOANS, GRANTS AND DONATIONS

Pursuant to the provisions of s 748 of the *Industrial Relations Act 2016 (Qld)*

Register commencing from 1 January 2022 and open until 31 December 2022

Date of payment	Recipient of loan, grant or donation	Reason for payment or repayment terms	Value of spend (exceeding \$1,000)	Name of entity making payment
24.01.2022	Liberal National Party of Queensland	Fundraising contribution	\$5,000.00	QHA Union of Employers
02.03.2022	Liberal National Party of Queensland	Gift	\$5,000.00	QHA Union of Employers
09.03.2022	Liberal National Party of Queensland	Fundraising contribution	\$1,200.00	QHA Union of Employers
11.05.2022	Australian Labor Party (QLD)	Fundraising contribution	\$1,500.00	QHA Union of Employers
11.05.2022	Australian Labor Party (QLD)	Fundraising contribution	\$2,500.00	QHA Union of Employers
18.05.2022	Australian Labor Party (QLD)	Gift	\$10,000.00	QHA Union of Employers
10.06.2022	Australian Labor Party (QLD)	Fundraising contribution	\$418.00	QHA Union of Employers
28.07.2022	Liberal National Party of Queensland	Fundraising contribution	\$1,150.00	QHA Union of Employers

Notes:

1. Address of the organisation's website is: www.qha.org.au

Queensland Hotels Association Union of Employers

OPERATING REPORT

for the year ended 31 December 2022

The Committee of Management presents its operating report on the Reporting Unit for the year ended 31 December 2022.

Principal objects and activities of the Association

The principal objects and activities of the Association Branch during the reporting year were to:

- Promote and represent the interests and objectives of the members of the Queensland Hotels Association and its entities;
- Provide industrial support to members including advice on legal and legislative matters, contractual obligations, regulatory compliance, and industrial award interpretation and application;
- Provide information and advice for members on topical industry issues, policies, and material relevant to hotels;
- Organise and deliver a range of industry and member events relevant to the hotel industry;
- Publish and distribute information, brochures, newsletters and magazines aimed at information and educating members across a diverse range of disciplines and subjects;
- Organise and deliver a range of industry training relevant to the hotel industry; and
- Act as an information and distribution source for the Queensland Branch, and between the AHA National Office and State Branches of the Association to best serve the interests of the members.

The result of these efforts was to advance the business interests of the Queensland hotel industry, and to contribute to Federal and State Government consideration of Australia's liquor licensing, gambling, electronic gaming, industrial relations, vocational and youth training, and occupational health and safety policies and regulations.

Significant changes in financial affairs

There have been no significant changes to the nature of the organisation's business, financial management, or member support activities in the reporting period.

Right of members to resign

The Registered Rules of the Queensland Hotels Association Union of Employers provide under Rule 2.6 that a member of the Association may resign his/her membership by notice in writing if:

- He/she ceases to be an employer in the (hotel) industry or ceases to be engaged therein;
- On giving the (Association) Zone Secretary notice of his/her intention so to do and the payment of all dues to the date of his/her resignation.

Officers or members who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee where being a member

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

Number of members

As at 31 December 2022, the Association recorded 982 financial members.

Number of employees

The reporting unit employed 18 employees as at 31 December 2022.

Names of Committee of Management members and period positions held during the financial year

During the period of the reporting year, the Committee of Management of the Association comprised the following elected officers:

<u>Office:</u>	<u>Incumbent:</u>
President	Mr Thomas McGuire Hotelier and Company Director C/- Colmslie Hotel Cnr Wynnum and Junction Roads MORNINGSIDE QLD 4170
Senior Vice President	Mr Richard Deery Hotel Owner C/- Story Bridge Hotel 200 Main Street KANGAROO POINT QLD 4169
Vice-President	Mr Matthew Coorey Hotel Owner C/- The Boardwalk Tavern 8 Santa Barbara Road HOPE ISLAND QLD 4212
Vice-President	Mr Scott Armstrong Hotel Owner C/- 15 Freshwater Street MOUNTAIN CREEK QLD 4557
Vice-President	Mr Brad Fitzgibbons Hotel Owner PO Box 600 PALMWOODS QLD 4555
Secretary/Treasurer	Mrs Rachel Johnson Owner / Manager C/- 170 Brisbane Road BRISBANE QLD 4304

Signature of designated officer:



Name and title of designated officer: Richard Deery, President

Dated: 12 May 2023