

**QUEENSLAND HOTELS ASSOCIATION  
UNION OF EMPLOYERS**

ABN 54 878 166 941

**Financial Report  
For the year ended 31 December 2023**

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# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

ABN 54 878 166 941

## Committee's Report

31 December 2023

Your Committee Members present their report on the Queensland Hotels Association Union of Employers ("the Association") for the financial year ended 31 December 2023.

### Committee

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

- Richard Deery
- Rachel Johnson
- Brad Fitzgibbons
- Matthew Coorey
- Melinda Tait (appointed 16 January 2023)
- Sam Ingham-Myers (appointed 16 January 2023)
- Tom McGuire (resigned 3 January 2023)
- Scott Armstrong (resigned 16 January 2023)

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

### Operating Results

The surplus of the Association for the financial year amounted to of \$392,113 (2022: deficit of \$387,550).

### 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.

### Matters subsequent to the end of the financial year

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.

### 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.

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**Committee's Report**  
**31 December 2023**

**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**

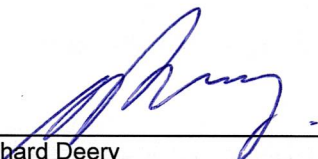
No person has applied for leave of Court to bring proceedings on behalf of the Association or intervene in any proceedings to which the Association is a party for the purpose of taking responsibility on behalf of the Association for all or any part of those proceedings. The Association was not a party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

**Committee Meetings**

The number of Committee meetings held during the year and the number of meetings attended by each Committee Member were as follows:

Committee Members	<i>Committee meetings</i>	
	Number Eligible to Attend	Number Attended
Richard Deery	3	3
Rachel Johnson	3	3
Brad Fitzgibbons	3	3
Matthew Coorey	3	3
Melinda Tait (appointed 16 January 2023)	2	2
Sam Ingham-Myers (appointed 16 January 2023)	2	2
Tom McGuire (resigned 3 January 2023)	0	0
Scott Armstrong (resigned 16 January 2023)	1	1

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

  
Richard Deery  
Chairman

15 March 2024  
Brisbane, Queensland

**QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS**  
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**Statement of Profit or Loss and Other Comprehensive Income**  
 For the year ended 31 December 2023

	Note	2023 \$	2022 \$
<b>Revenue</b>			
Operating revenue	3	4,382,564	3,991,438
Other income	3	759,166	89,648
		<u>5,141,730</u>	<u>4,081,086</u>
<b>Expenses</b>			
Employee benefits expenses		(2,092,846)	(1,992,445)
Depreciation and amortisation expenses		(131,752)	(124,356)
Finance costs		(110,868)	(77,183)
Operating expenses	4	(2,414,151)	(2,274,652)
		<u>392,113</u>	<u>(387,550)</u>
<b>Operating surplus/(deficit)</b>		<b>392,113</b>	<b>(387,550)</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b><u>392,113</u></b>	<b><u>(387,550)</u></b>

The above statement should be read in conjunction with the accompanying notes.

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**Statement of Financial Position**  
 As at 31 December 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	111,770	285,290
Trade and other receivables	6	319,720	292,231
Other assets	7	154,896	96,802
Right-of-use assets	8	46,283	51,761
Total current assets		632,669	726,084
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	3,705,233	3,803,677
Financial assets	10	4,050,183	3,586,853
Total non-current assets		7,755,416	7,390,530
Total assets		8,388,085	8,116,614
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	216,369	262,490
Provisions	12	188,319	128,317
Membership fees received in advance		161,910	339,464
Lease liabilities	13	19,797	18,076
Total current liabilities		586,395	748,346
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities	14	2,064,000	2,009,000
Provisions	12	80,655	87,046
Lease liabilities	13	26,830	34,128
Total non-current liabilities		2,171,485	2,130,174
Total liabilities		2,757,880	2,878,522
<b>Net assets</b>		<b>5,630,205</b>	<b>5,238,092</b>
<b>EQUITY</b>			
Accumulated funds	15	5,630,205	5,238,092
<b>Total equity</b>		<b>5,630,205</b>	<b>5,238,092</b>

The above statement should be read in conjunction with the accompanying notes.

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**Statement of Changes in Equity**  
For the year ended 31 December 2023

	Accumulated Funds	Total
	\$	\$
Balance at 1 January 2022	5,625,642	5,625,642
Deficit for the year	(387,550)	(387,550)
Other comprehensive income	-	-
Total comprehensive income	(387,550)	(387,550)
<b>Balance at 31 December 2022</b>	<b>5,238,092</b>	<b>5,238,092</b>
Balance at 1 January 2023	5,238,092	5,238,092
Surplus for the year	392,113	392,113
Other comprehensive income	-	-
Total comprehensive income	392,113	392,113
<b>Balance at 31 December 2023</b>	<b>5,630,205</b>	<b>5,630,205</b>

The above statement should be read in conjunction with the accompanying notes.

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

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## Statement of Cash Flows For the year ended 31 December 2023

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		4,936,686	4,555,629
Payments to employees and suppliers		(4,557,598)	(4,763,659)
Interest paid		(110,868)	(77,183)
Net cash provided by/(used) in operating activities	16	268,220	(285,213)
<b>Cash flows from investing activities</b>			
Purchase of property, plant & equipment		(14,875)	(3,805)
Proceeds from investments		-	162,224
Purchase of investments		(463,330)	-
Net cash (used in)/provided by investing activities		(478,205)	158,419
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		55,000	310,000
Payments of leases		(18,535)	(17,799)
Net cash provided by financing activities		36,465	292,201
Net (decrease)/increase in cash		(173,520)	165,407
Cash and cash equivalents at beginning of the year		285,290	119,883
Cash and cash equivalents at end of the year	5	111,770	285,290

The above statement should be read in conjunction with the accompanying notes.



# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

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## Notes to the Financial Statements

For the year ended 31 December 2023

### General information

The financial statements cover 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 were authorised for issue, in accordance with a resolution of the Committee as at the date of the Committee's Report.

### Basis of preparation

These financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures issued by the Australian Accounting Standards Board (AASB), and the *Queensland Industrial Relations Act 2016*. Queensland Hotels Association Union of Employers is a not-for-profit entity for reporting purposes under Australian Accounting Standards.

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.

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention as modified by revaluation to fair value for certain classes of assets and liabilities as described in the accounting policies.

#### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

### Note 1. Summary of significant accounting policies

#### a) Revenue recognition

The Association recognises revenue as follows:

##### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised..

- i. 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.
- ii. 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.

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## Notes to the Financial Statements

For the year ended 31 December 2023

### Note 1. Summary of significant accounting policies (continued)

#### a) Revenue recognition (continued)

- iii. 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.
- iv. 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.
- v. 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.

#### b) 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.

#### c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

#### d) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### e) 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

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## Notes to the Financial Statements

For the year ended 31 December 2023

### Note 1. Summary of significant accounting policies (continued)

#### f) 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 of financial 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.

#### g) 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	25% - 44%

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

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## Notes to the Financial Statements

For the year ended 31 December 2023

### Note 1. Summary of significant accounting policies (continued)

#### h) 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.

#### i) Right-of-use assets

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) Trade and other payables

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

#### k) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

#### l) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

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## Notes to the Financial Statements

For the year ended 31 December 2023

### Note 1. Summary of significant accounting policies (continued)

#### m) Provisions

Provisions are recognised when the Association has a present (legal or constructive) obligation as a result of a past event, it is probable the Association will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

#### n) Employee benefits

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.

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.

#### o) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

#### p) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

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## Notes to the Financial Statements

For the year ended 31 December 2023

### Note 1. Summary of significant accounting policies (continued)

#### p) Goods and Services Tax ('GST') and other similar taxes (continued)

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

#### q) Comparative Figures

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

#### r) New or amended Accounting Standards and Interpretations adopted

The Association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### *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.

#### *Estimation of useful lives of assets*

The Association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### *Lease term*

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 likeliness 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.

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

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## Notes to the Financial Statements

For the year ended 31 December 2023

### Note 2. Critical accounting judgements, estimates and assumptions (continued)

#### *Employee Benefits Provision*

As discussed in note 1n, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

#### *Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Association estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

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## Notes to the Financial Statements

For the year ended 31 December 2023

	2023	2022
	\$	\$
<b>Note 3: Revenue</b>		
Revenue from contracts with customers		
<i>Operating revenue</i>		
Awards and functions	387,147	388,594
Insurance commission	2,864	1,361
Members subscription	1,525,627	1,256,465
Accommodation Levies	588,301	312,561
Rental income *	209,794	271,250
Sponsorships	1,150,611	1,128,369
Training and consulting income	518,220	632,838
	<u>4,382,564</u>	<u>3,991,438</u>
<i>Other income</i>		
Investment income/(loss)	363,017	(262,224)
QHA Review Publications	280,871	255,927
Sundry income	115,278	95,945
	<u>759,166</u>	<u>89,648</u>
<b>Total revenue</b>	<b><u>5,141,730</u></b>	<b><u>4,081,086</u></b>

\* Under the arrangement with Queensland Hotels Association Union of Employers Southern Zone ("the Association"), the Association received rental income from leasing the properties registered under the name of William Alec Cordwell and Robert Bruce Singleton as trustee for Queensland Hotels Association Union of Employers Southern Zone.

### *Disaggregation of revenue*

The disaggregation of revenue from contracts with customers is as follows:

### *Timing of revenue recognition*

Services transferred over time	1,525,627	1,256,465
Services transferred at a point in time	2,856,937	2,734,973
	<u>4,382,564</u>	<u>3,991,438</u>



# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

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## Notes to the Financial Statements

For the year ended 31 December 2023

	2023	2022
	\$	\$
<b>Note 4: Operating surplus/(deficit)</b>		
Operating surplus/(deficit) includes the following specific expenses:		
<i>Operating expenses</i>		
Awards for excellence	425,566	385,206
Membership & marketing events	391,822	390,781
QHA review magazine	265,978	227,777
AHA Capitation Lew	290,422	201,226
Consulting fees	162,445	137,762
Body corporate fees	107,462	114,614
Training expenses	107,593	84,824
Travelling expenses	80,175	139,375
Other operating expenses	582,688	593,087
	<b>2,414,151</b>	<b>2,274,652</b>
<b>Note 5: Cash and cash equivalents</b>		
Deposit accounts	88,927	273,520
Cheque accounts	22,443	11,370
Cash on hand	400	400
	<b>111,770</b>	<b>285,290</b>
<i>Reconciliation to cash and cash equivalents at the end of the financial year</i>		
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:		
Cash and cash equivalents as above	<b>111,770</b>	<b>285,290</b>
<b>Note 6: Trade and other receivables</b>		
CURRENT		
Trade receivable	<b>319,720</b>	<b>292,231</b>
<b>Note 7: Other assets</b>		
CURRENT		
Prepayments	<b>154,896</b>	<b>96,802</b>
<b>Note 8: Right-of-use assets</b>		
Right-of-use assets - motor vehicles	71,674	73,191
Less: accumulated depreciation	(25,390)	(21,430)
	<b>46,283</b>	<b>51,761</b>

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

ABN 54 878 166 941

## Notes to the Financial Statements

For the year ended 31 December 2023

	2023 \$	2022 \$
<b>Note 9: Property, plant &amp; equipment</b>		
<i>Freehold land and buildings</i>		
At cost	5,000,000	5,000,000
Less: accumulated depreciation	(1,300,000)	(1,200,000)
	<u>3,700,000</u>	<u>3,800,000</u>
<i>Office equipment</i>		
At cost	491,410	476,535
Less: accumulated depreciation	(486,177)	(472,858)
	<u>5,233</u>	<u>3,677</u>
<b>Total property, plant and equipment</b>	<b><u>3,705,233</u></b>	<b><u>3,803,677</u></b>

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

2023	Freehold land and buildings \$	Office equipment \$	Total \$
Balance at 1 January 2023	3,800,000	3,677	3,803,677
Additions	-	14,875	14,875
Depreciation	(100,000)	(13,319)	(113,319)
<b>Balance at 31 December 2023</b>	<b><u>3,700,000</u></b>	<b><u>5,233</u></b>	<b><u>3,705,233</u></b>

2022	Freehold land and buildings \$	Office equipment \$	Total \$
Balance at 1 January 2022	3,900,000	5,930	3,905,930
Additions	-	3,805	3,805
Depreciation	(100,000)	(6,058)	(106,058)
<b>Balance at 31 December 2022</b>	<b><u>3,800,000</u></b>	<b><u>3,677</u></b>	<b><u>3,803,677</u></b>

### Note 10: Financial assets

#### NON-CURRENT

MLC Horizon 4 - Balanced Portfolio	3,318,450	2,962,475
MLC Cash Fund	731,733	624,378
	<u>4,050,183</u>	<u>3,586,853</u>

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

ABN 54 878 166 941

## Notes to the Financial Statements

For the year ended 31 December 2023

	2023 \$	2022 \$
<b>Note 11: Trade and other payables</b>		
CURRENT		
Trade payable	35,736	25,420
Other creditors	110,152	157,001
GST / PAYG Group Tax payable	53,839	63,086
Superannuation payable	16,642	16,983
	<b>216,369</b>	<b>262,490</b>
<i>Financial liabilities at amortised costs classified as trade and other payables:</i>		
Trade and other payables	216,369	262,490
Less accrued expenses not classified as financial liabilities	(70,481)	(80,069)
<b>Financial liabilities as trade and other payables</b>	<b>145,888</b>	<b>182,421</b>
<b>Note 12: Provisions</b>		
CURRENT		
Annual leave provision	138,985	87,380
Long service leave provision	49,334	40,937
	<b>188,319</b>	<b>128,317</b>
NON-CURRENT		
Long service leave provision	80,655	87,046
	<b>268,974</b>	<b>215,363</b>
<b>Note 13: Lease liabilities</b>		
CURRENT		
Lease liabilities - motor vehicles	19,797	18,076
NON-CURRENT		
Lease liabilities - motor vehicles	26,830	34,128
	<b>46,627</b>	<b>52,204</b>
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	21,139	19,332
Two to five years	27,981	35,355
More than five years	-	-
	<b>49,120</b>	<b>54,687</b>

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

ABN 54 878 166 941

## Notes to the Financial Statements

For the year ended 31 December 2023

	2023	2022
	\$	\$
<b>Note 14: Financial liabilities</b>		
NON-CURRENT		
Westpac business loan	2,060,000	2,005,000
Security deposit	4,000	4,000
	<u>2,064,000</u>	<u>2,009,000</u>

The Association entered into a business finance agreement ('the Agreement') with Westpac on 8 May 2020 and obtained approved further variations on 30 October 2023. The bank loan facility has a maximum limit of \$2,378,454 and is secured by a registered first mortgage over the freehold property. The facility expires on 6 December 2025 with repayments principal and interest.

The Association has met all the requirements outlined in the Agreement at the end of the financial year. Management considers that the loan will not be settled within twelve months after the reporting period. As such, it has been classified as a non-current liability.

The Committee decided to put the Association's surplus funds into loan off-set account to reduce the interest costs. As at 31 December 2023, \$510,000 has been allocated to the loan off-set account.

### Note 15: Accumulated funds

At beginning of the financial year	5,238,092	5,625,642
Surplus/(deficit) for the year	392,113	(387,550)
At end of the financial year	<u>5,630,205</u>	<u>5,238,092</u>

### Note 16: Cash Flow information

Reconciliation of cash flow from operating activities with surplus/(deficit).

Operating surplus/(deficit)	392,113	(387,550)
<i>Non-cash flows in operating surplus/(deficit)</i>		
Depreciation	113,318	106,058
Lease amortisations	18,434	18,298
	<u>523,865</u>	<u>(263,194)</u>
<i>Change in assets and liabilities</i>		
Decrease/(Increase) in trade debtors	(27,470)	5,168
Decrease/(Increase) in other current assets	(39,559)	14,771
(Decrease)/Increase in trade creditors	(46,121)	9,443
(Decrease)/Increase in other liabilities	(196,106)	55,226
(Decrease)/Increase in provision for employee entitlement	53,611	(106,628)
Cash flow from operation	<u>268,220</u>	<u>(285,214)</u>

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

ABN 54 878 166 941

## Notes to the Financial Statements

For the year ended 31 December 2023

	Note	2023 \$	2022 \$
<b>Note 17: Key management personnel</b>			
<i>Compensation</i>			
The aggregate compensation made to members and other members of key management personnel of the Association is set out below:			
Aggregate compensation		<u>302,191</u>	<u>275,991</u>

### Note 18: Financial risk management

The Association's financial instruments consist mainly of deposits with banks/financial institutions, long-term investments, trade receivable and payable.

The carrying amount for each category of financial instruments, measured in accordance with AASB 9 Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

#### Financial assets

##### *Financial assets at amortised costs:*

Cash and cash equivalents	5	111,770	285,290
Trade and other receivables	6	319,720	292,231
<i>Financial assets at fair value through profit or loss:</i>			
Financial assets	10	4,050,183	3,586,853
Total financial assets		<u>4,481,673</u>	<u>4,164,374</u>

#### Financial liabilities

##### *Financial liabilities at amortised costs:*

Trade and other payables	11	145,888	182,421
Total financial liabilities		<u>145,888</u>	<u>182,421</u>

### Note 19: Auditor's remunerations

The remuneration of the auditor for auditing the financial statements is \$15,500 (2022: \$16,500).

### Note 20: Contingent Liabilities

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

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

ABN 54 878 166 941

## Notes to the Financial Statements

For the year ended 31 December 2023

### Note 21: Related party balances and transactions

#### *Key management personnel*

Disclosures relating to key management personnel remuneration are set out in Note 17.

#### *Transactions with related parties*

There were no transaction with related parties at the current and previous financial year.

#### *Receivable from and payable to related parties*

There were no receivable from or payable to related parties at the current and previous reporting date.

### Note 22: Events after the reporting period

No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Association's operations, the results of those operations, or the Association's state of affairs in future financial years.

### Note 23: Association details

The registered office and principal place of business is

Level 14, 270 Adelaide Street

Brisbane QLD 4000

# QUEENSLAND HOTELS ASSOCIATION UNION OF EMPLOYERS

ABN 54 878 166 941

## 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 Australian Accounting Standards – Simplified Disclosures; and,
  - (b) present fairly, in all material respects, the financial position of Queensland Hotels Association Union of Employers as at 31 December 2023 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 2024  
Brisbane, Queensland

## **Queensland Hotels Association Union of Employers**

### **OPERATING REPORT**

*for the year ended 31 December 2023*

The Committee of Management presents its operating report on the Reporting Unit for the year ended 31 December 2023.

#### **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 2023, the Association recorded 1223 financial members.



## Number of employees

The reporting unit employed 17 employees as at 31 December 2023.

## 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 (1 January 2023 – 7 February 2023)	Mr Thomas McGuire AM Hotelier AHA (Qld Branch) GPO Box 343 BRISBANE QLD 4001
President (7 February 2023 – 31 December 2023)	Mr Richard Deery Hotelier AHA (Qld Branch) GPO Box 343 BRISBANE QLD 4001
Senior-Vice President (1 January 2023 – 7 February 2023)	Mr Richard Deery Hotelier AHA (Qld Branch) GPO Box 343 BRISBANE QLD 4001
Senior-Vice President (7 February 2023 – 31 December 2023)	Mr Matthew Coorey Hotelier AHA (Qld Branch) GPO Box 343 BRISBANE QLD 4001
Vice President (1 January 2023 – 7 February 2023)	Mr Matthew Coorey Hotelier AHA (Qld Branch) GPO Box 343 BRISBANE QLD 4001
Vice President (1 January 2023 – 7 February 2023)	Mr Scott Armstrong Hotelier AHA (Qld Branch) GPO Box 343 BRISBANE QLD 4001
Vice President (1 January 2023 – 31 December 2023)	Mr Brad Fitzgibbons Hotelier AHA (Qld Branch) GPO Box 343 BRISBANE QLD 4001
Vice President (7 February 2023 – 31 December 2023)	Mrs Melinda Tait Hotelier AHA (Qld Branch)

GPO Box 343  
BRISBANE QLD 4001

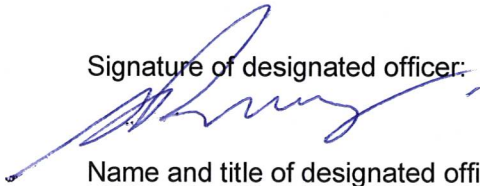
Vice President  
(7 February 2023 – 31 December 2023)

Mr Sam Ingham-Myers  
Hotelier  
AHA (Qld Branch)  
GPO Box 343  
BRISBANE QLD 4001

Secretary/Treasurer  
(1 January 2023 – 31 December 2023)

Ms Rachel Johnson  
Hotelier  
AHA (Qld Branch)  
GPO Box 343  
BRISBANE QLD 4001

Signature of designated officer:



Name and title of designated officer: Richard Deery, President

Dated: 19 March 2024

## **Independent Auditor's Report to the Members of Queensland Hotels Association Union of Employers**

### **REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

#### **Opinion**

We have audited the financial report of Queensland Hotels Association Union of Employers ("the Association") which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 Members' Declaration.

In our opinion, the accompanying financial report of the Association is in accordance with the *Queensland Industrial Relations Act 2016* including:

- (a) presenting fairly the Association's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures.

#### **Basis for 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*, Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("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.

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

The Committee Members are responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

[hlb.com.au](http://hlb.com.au)

#### **HLB Mann Judd (SE QLD Partnership)**

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Liability limited by a scheme approved under Professional Standards Legislation.

### **Responsibilities of The Committee Members for the Financial Report**

The Committee Members are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures, *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 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 related 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.

The Committee Members are responsible for overseeing the Association's financial reporting process.

### **Auditor's Responsibilities 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 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 Committee 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 accompany financial report of Queensland Hotels Association Union of Employers (“the Association”) for the year ended 31 December 2023 complies with:

- The reporting requirements of the Australian Accounting Standards – Simplified Disclosures;
- The Reporting Guidelines made by the Registrar under section 765 of the *Queensland Industrial Relations Act 2016*; and
- The requirements of Chapter 12, Part 11 of the *Queensland Industrial Relations Act 2016*.

*HLB Mann Judd*

**HLB Mann Judd  
Chartered Accountants**

Brisbane, Queensland  
Date 15 March 2024

A handwritten signature in black ink that reads 'A B Narayanan'.

**A B Narayanan  
Partner**