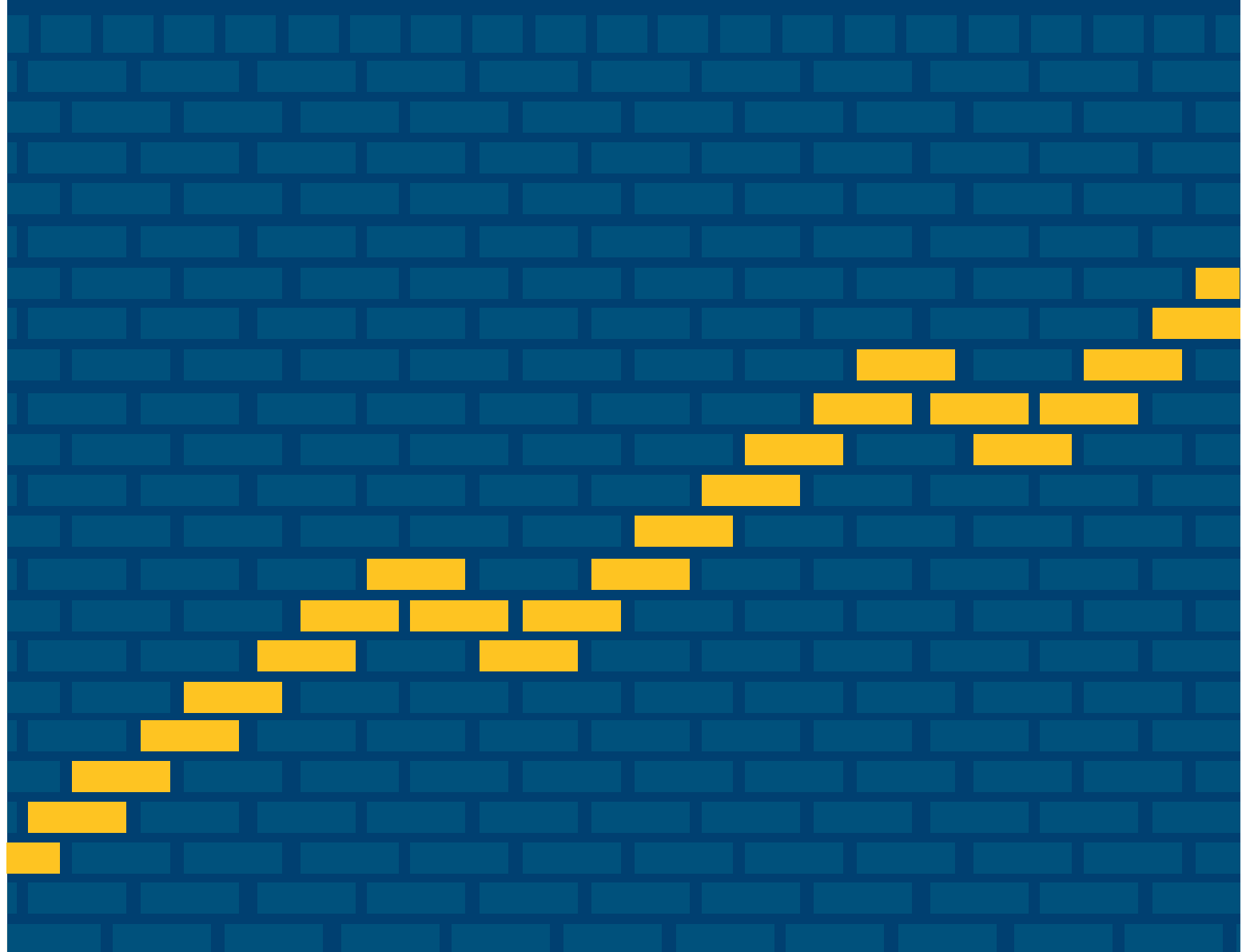




The Pharmacy
Guild of Australia

Annual Report

2018 - 2019





The Pharmacy
Guild of Australia

The Pharmacy Guild of Australia, Queensland Branch affirms that Aboriginal people and Torres Strait Islander people are the Indigenous people of Australia. We acknowledge and pay respect to the past and future Traditional Custodians and Elders of this nation. We also recognise those whose ongoing effort to protect and promote Aboriginal and Torres Strait Islander cultures will leave a lasting legacy for future Elders and leaders.

Branch President's Report

The Pharmacy Guild of Australia (Queensland Branch) exists to contribute to the national effort of advocating the value of the current Community Pharmacy Model; negotiating existing and proposed updates of the national regulatory scheme as it applies to pharmacies and medicines; and negotiating and assisting in the management of Community Pharmacy agreements. Locally, we function in the areas of events management; training and professional development; providing quality assurance assistance; the provision of industrial relations assistance for members; as well as being a resource for advice and guidance for the owners of Community Pharmacies in Queensland.

Throughout this reporting period, the Queensland Parliamentary Inquiry into the establishment of a pharmacy council and transfer of pharmacy ownership in Queensland was undertaken. Thank you to the numerous members and stakeholder groups who provided a written submission or participated in a public hearing regarding this Inquiry. Your concerns have reached the Parliamentary Committee, with overwhelmingly positive recommendations from the Committee in support of the current model of community pharmacy ownership and the establishment of an independent pharmacy council in Queensland. Your Guild continues to actively engage in the process to ensure all other supportive recommendations are undertaken, including an increased scope for pharmacists.

As I write this report we are working closely with the Health Minister and various stakeholders to roll out the recommendations from the Inquiry. Including the opportunity for pharmacists to provide antibiotics for uncomplicated urinary tract infections, supply the oral contraceptive pill without a prescription and administer travel vaccinations.

Members will note that this Branch once again managed its financial affairs very prudently, and returned a surplus. I am proud to say that the pleasing financial status of our Branch has been achieved by leveraging our membership's participation to the extent that members' subscriptions are only a small percentage of our total revenue. Branch Vice-President (Finance) Kos Sclavos will report in more detail in his statement to members.

I would like to take this opportunity to acknowledge the efforts of our Branch staff and governance team of Branch Committee members, in achieving the financial results presented here, and for representing and assisting members over the past year.

Finally, I would like to recognise Branch Director Robyn Ede for her 25 years of service to the Queensland members of the Pharmacy Guild. Under the direction of Robyn, we have held an engaged, experienced and stable staff, and it is no coincidence that our Branch has pioneered many initiatives, and is seen as a Centre of Excellence in many areas. I am sure I speak for the entire Branch Committee in thanking Robyn for her many years of dedication and wish her all the best for her future endeavours.

I commend this report to members.



Professor Trent Twomey
Branch President
Senior National Vice President



Branch Director's Report

With new and extended programs and record engagement across projects and events, the Queensland Branch has strived to deliver successful outcomes for our members throughout the 2018/19 year.

This year, The Pharmacy Guild continued our preferred supplier arrangement with the Queensland Government to provide vaccination services through community pharmacy. As a part of this arrangement, the Guild Corporate Vaccination Program was expanded to include 17 Queensland Government Departments and one private organisation. More than 13,500 vaccines were delivered across 387 member pharmacies, providing an additional \$297,000 in revenue for members.

The Branch continues to look for funding opportunities to support members and enhance the value of community pharmacy. The Branch secured funding through the Queensland Government to deliver Certificate III in Community Pharmacy and Certificate IV in Community Pharmacy at a heavily subsidised rate. Funding was also secured by the Branch to deliver the Fundamentals of Community Pharmacy program. This program saw over 100 students graduate with a Certificate II in Community Pharmacy with many graduates securing employment in community pharmacy.

The Branch continues to be a leader in the development and delivery of pharmacy education and events. 6,500 delegates attended this year's APP, which featured 100-plus international and Australian speakers and a sell-out trade exhibition. We also delivered the annual Pharmacy Connect conference and trade exhibition, in conjunction with the NSW Branch. Held in Sydney, the event attracted over 800 delegates across two days. While more than 350 pharmacy assistants attended two days of education, networking and supplier liaison for the Pharmacy Assistant National Conference.

Membership of the Queensland Branch continues to remain strong, representing over 80% of eligible pharmacies across Queensland. We look forward to continuing to provide outstanding industry solutions and service to our valued members.

Finally, I would like to make mention of the numerous not-for-profit community groups that the Branch continues to engage with. These positive and ongoing professional relationships have led to the development of a number of unique programs, delivered through community pharmacy, to support the wellbeing of the community.

After 25 years of service to members of the Pharmacy Guild of Australia, I have decided it is time to move on. I have truly valued the relationships I have made with members, stakeholders and those in the industry during my time with the Guild. I passionately believe that the advocacy of the Guild has made a positive contribution to the healthcare and wellbeing of all Queenslanders. Whether supporting communities affected by natural disasters, assisting with mental health first aid or providing a safe and accessible space for vaccinations, community pharmacy have become a hub for advice and support.

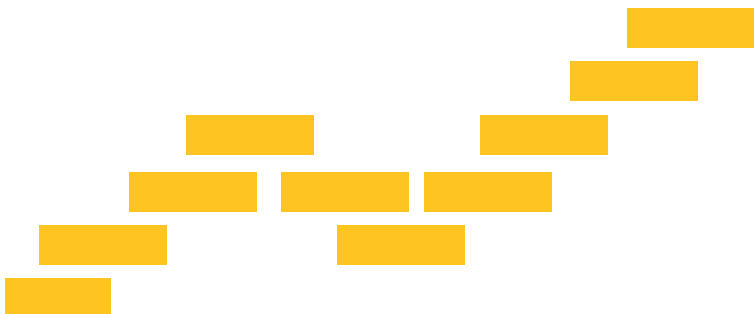
I would like to take the opportunity to thank the members of the Queensland Branch Committee I have worked with over the past 25 years, as well as the members of the Guild for their ongoing passion and dedication to the healthcare needs of our communities.

Finally, thank you to the knowledgeable and dedicated team at the Queensland Branch. We have served our members well for the past 25 years and I have no doubt you will continue to enthusiastically pursue opportunities on their behalf in the future.

Sincerely,



Robyn Ede
Branch Director



THE PHARMACY GUILD OF AUSTRALIA, QUEENSLAND BRANCH

Honour Board

BRANCH PRESIDENT

1928 – 1930	R C Park
1930 – 1932	R C Rutter
1933 – 1934	W H Ockelford
1935 – 1946	R C Rutter
1947 – 1950	I McD Baxter
1951 – 1957	W A Lenahan
1958 – 1970	C A Nichol
1971 – 1976	N E Edmiston
1976 – 1980	T A White
1980 – 1982	K E R Fittock
1982 – 1988	B N Ellemor
1988 – 1996	R G James
1996 – 2002	K S Sclavos
2002 – 2002	T J Logan
2002 – 2005	K S Sclavos
2005 – 2017	T J Logan
2017 – 2020	T Twomey

BRANCH DIRECTOR

1973 – 1974	J S A Meanwell
1974 – 1993	J M McKinnon
1993 – 1996	J F Webster
1996 – 1998	K M Bell
1998 –	R Ede

HONORARY LIFE MEMBERS

1929	R C Cowley
1946	R C Rutter
1947	G W Ward
1952	F H Phillips OBE
1958	W A Lenahan
1969	J J Delahunty
1971	C A Nichol
1972	A M Grant-Taylor OAM
1981	N E Edmiston
1990	B N Ellemor
1993	K E R Fittock
1996	R G James
2005	N E Anderson
2005	T A White
2013	K S Sclavos
2017	T J Logan
2017	R M White

DISTINGUISHED SERVICE MEDALLION

1990	T A White
1991	N Hunt-Sharp
1999	N Anderson
2011	M Farrell
2013	E Sclavos

50 YEAR LIFE MEMBERSHIP AWARD

2008	I Brusasco
	P Brusasco
	R L Cantatore
	R S Conn
	M N Coote
	P M Coote
	G A Garozzo
	W F Hile
	R P Tobiano
	J E Tobiano
	C Torre
2010	A Bertoni
	H J Burke
	E Draheim
	H R Goodson
	M Magee
	M Schneider
	R Strain
	N Gearing
	N A Hunt-Sharp
	J Taylor
	P Dimitrios
2012	M Katahanas
2013	R Malouf
	R Prescott
	A Prout
	K Strain
	W Tracey
2014	L Dupuy
2015	The Hon J C Hodges
	M Hodges
	W Bonner
	V Holt
	K Hartley
	G Kotzas
	A N Fiore
2017	R J Ranson

THE PHARMACY GUILD OF AUSTRALIA, QUEENSLAND BRANCH

Honour Board

CERTIFICATE OF DISTINGUISHED SERVICE

1988	J C Grant-Taylor
1989	J B Warland-Browne
	H J Burke
1990	A L Rae
1991	A S Angell
1992	M E Clarke
1996	C P Liebke
	J K Brosnan
	D M Brighthouse
	J M McKinnon
	N E Anderson
	J A Gearing
	K S Sclavos
	R H McDowell
	R Xynias
1997	H P Brand
	W F Daniels
	I B Mitchell
2004	R M White
	D J Gardiner
	R G Malouf
2007	I Brusasco
	T A White
2011	B King
2017	L M Coates

BRANCH EXECUTIVE COMMITTEE 2018/19

Trent Twomey	Branch President & Senior National Vice President
Rick Xynias	Senior Vice President
Kos Sclavos	Vice President Finance
Chris Owen	National Councillor
Lucy Walker	Alternative National Councillor
Vikesh Kumar	Alternative National Councillor

BRANCH COMMITTEE 2018/19

Trent Twomey	Far North Queensland
Cate Whalan	North Queensland
Allan Milostic	Central Queensland
Vikesh Kumar	Wide Bay
Tim Logan	Sunshine Coast
Paul Jaffar	Gold Coast
Lucy Walker	South West Queensland
Chris Owen	Brisbane
Kos Sclavos	Brisbane
Amanda Seeto	Brisbane
Fiona Watson	Brisbane
Rick Xynias	Brisbane

SENIOR MANAGEMENT

Robyn Ede	Branch Director
Lyn Coates	Accounts & Administration Manager
Nicole Floyd	Professional Services Manager
Kathy Knack	Education & Workplace Relations State Manager
Caroline Wallace	Marketing & Communications Manager
Tim Roberts	Pharmacist Education & Programs Manager



National Guild Intern Training Program

2018/19 saw the largest cohort for the ITP with 230 intern's enrolled (26% growth YoY).

The Guild ITP was the first training provider to implement free vaccination training as a benefit of the program for all interns - increasing the number of pharmacist vaccinators across the country. Staff from the Queensland branch and other State/Territory branches presented intern program information sessions at all 18 Pharmacy schools across the country.

The ITP program continues to receive overwhelming support in feedback from interns – for the practical nature of the course, challenging clinical content, flexible delivery approach and highly supportive tutors.



CPD Pharmacist Education

PHARMACY GUILD IMMUNISATION COURSE

2018/19 saw continued growth in enrolments, with 277 pharmacists completing certification. The course also offered increased regional sessions and received positive feedback from attendees.

MEDICINAL CANNABIS READINESS COURSE (ONLINE)

We continue to maintain and update the Medicinal Cannabis Readiness Course, available nationally. An evolving area of practice, this online course is designed to ensure that members and their staff can access key information regarding the dispensing of medicinal cannabis in their State or Territory.

FIRST AID COURSE - PARTNERSHIP WITH SURF LIFESAVING QUEENSLAND

Continued our long-standing MoU with Surf Lifesaving QLD, to deliver quality and CPD accredited first aid training to members and their staff. Sessions ran regularly in Brisbane, Gold Coast and Sunshine Coast. 2018/19 saw a reciprocal pricing arrangement with the Optometrists Association QLD/NT, to allow Optometry Association members to access this high quality training.



Workplace Relations

Our workplace relations team assisted members with over 2000 industrial relations queries, the majority of which related to disciplinary matters and termination of employment, leave entitlements and various other legislative and award requirements. We also represented members in matters before the Fair Work Commission.

Members' knowledge and skills on employment in community pharmacy were updated through our newsletter IR/HR News and Info and practical training courses. Members also used our consultancy service for additional tailored assistance.



The Pharmacy Needle & Syringe Program (PNSP)

The PNSP has grown substantially with 756 pharmacies registered (an additional 9 new pharmacies from 2017-2018 period).

PNSP pharmacies distributed 2.27 million syringes and collected 14.34 tonnes of sharps waste in the 2018/2019. The program provided support and education in the form of 493 pharmacy visits to participating PNSP pharmacies and presented harm minimisation lectures to the undergraduate students of four universities.



CPD Accreditation THE PHARMACY GUILD, QUEENSLAND BRANCH

Our objective as a CPD Accrediting organisation is to provide pharmacists with access to quality CPD activities to support their professional development throughout their careers.

The Pharmacy Guild (as an Accredited CPD Organisation) received 137 applications for accreditation from an array of education providers in the financial year 2018/2019.

In relation to the education providers:

- 25% of the applications were submitted by Guild Learning and Development
- 48% were from APP 2019 and Pharmacy Connect 2018.
- The rest were from a range of education providers the Guild works with including iLearning Group, Brauer, Alcon Laboratories, Australian Society for HIV, Viral Hepatitis and Sexual Health Medicine (ASHM), and other Guild branches.



Guild Corporate Vaccination Program

The Queensland Branch has delivered the largest and most successful Guild Corporate Vaccination Program to date. More than 13,500 vaccines were delivered across 387 member pharmacies (175% increase YoY). The 2019 Program has resulted in an additional \$297,000 in revenue for participating member pharmacies. This growth is owing to the fact that several large Queensland Government departments joined the Program in 2019, taking the total number of participating organisations from 13 to 17.

To facilitate the program, the Queensland Business Support Team provided 1,370 points of contact to member pharmacies. The Program continues to be well-received by members, with more than 91% of pharmacies wishing to participate in future programs; and the same percentage (91%) agreeing that the Program assists in building relationships with potential new clients.

To support the future aims of the Program, a new position titled *Health Opportunities Pharmacist* has been created for an existing pharmacist in the Business Support Team. The focus of this position is to expand the Guild Corporate Vaccination Program, in addition to seeking external funding sources for novel health programs to be delivered through the member network.



Pharmacy Business Support

The Professional Services Division's Business Support team has been providing individualised support to assist members to achieve their business goals for almost three years. In 2018/19 the team visited member pharmacies on 1107 occasions and provided over 3521 phone and email interactions of support. A key focus for the team this year was completing the Member Value proposition of the Opportunity Analysis and ScriptMap tools. The tools were utilised collectively 111 times by members.

Key achievements for the team include:

- 92% member satisfaction rating for business support and service with 60.3% extremely satisfied
- 76 staff of member pharmacies participated in the Business Support team's 6 monthly industry update webinars
- 21 articles on current topics were written and delivered by e-newsletter
- 16 members booked a book-it-live session

- Two workshops were delivered by the business support team throughout the year.

These included:

- Delivering Professional Services workshop October 2018
- Implementing Vaccination Services in Community Pharmacy workshop March 2019
- The team delivered presentations to both the University of Queensland and Griffith University throughout the year. The lectures focused on who and what the Pharmacy Guild is as an organisation and highlighted the key opportunities for students in the future and their role in community pharmacy.



Events

Over 6,500 delegates attended this year's APP, which featured 100-plus international and Australian speakers presenting over four days. Australia's largest pharmacy industry conference also included 450 trade stands showcasing the latest product and services, which was the biggest trade exhibition in the event's history.

The branch delivered the Pharmacy Connect conference and trade exhibition, in conjunction with the New South Wales Branch. Held in Sydney, the event attracted over 800 pharmacists, industry representatives and students who enjoyed two days of educational sessions along with invaluable networking opportunities and a 60 stand trade exhibition.

More than 350 pharmacy assistants from around Australia gathered at Sea World Resort on the Gold Coast for the annual Pharmacy Assistant National Conference, which included two days of education, networking and supplier liaison.



PATY

In 2019, over 750 nominations were received for the Pharmacy Assistant of the Year Award (PATY). This year, we included a new category, the Glucojel SuperStar Award, recognising and regarding excellence

in customer service. The national winner of both the Pharmacy Assistant of the Year and the Glucojel Super Star Award will be presented at the Pharmacy Assistant National Conference on the Gold Coast.



Community Work Skills (CWS)

The Branch was once again successful in securing funding from the Queensland Government to deliver the Fundamentals of Community Pharmacy program to improve the skills, employment opportunities and social inclusion of disadvantaged Queenslanders. 109 learners participated in the program in Brisbane, Ipswich, Mackay, Cairns and Townsville.



Funded Programs

MODERNISING VOCATIONAL EDUCATION (MOVE): PREPARING PHARMACY ASSISTANTS FOR THE FUTURE

The Branch successfully acquired funding as part of the Queensland Government's *Training in Emerging and Innovative Industries Fund* to prepare pharmacy assistants for the future of community pharmacy.

With a focus on digital disruption and new technologies, the Modernising Vocational Education (MOVE) project was designed to support the pharmacy assistant workforce by identifying skills gaps and delivering training on topics to meet these needs. Over 130 pharmacy assistants across the state participated in the training which included a workshop day and two online modules that were designed in-house at the Branch.

THE DEMENTIA FRIENDLY PHARMACY PROGRAM

The Queensland Branch received funding for this initiative as part of the Queensland Government's Advancing Queensland: An Age-Friendly Community Grants Program. The project aimed to provide dementia training and resources to at least 90 staff from 30 Queensland community pharmacies. The Branch received an overwhelming amount of interest for this project and successfully delivered training and resources to over 165 community pharmacies representing over 1000 pharmacists and pharmacy assistants.



Pharmacy Assistant Training

Training was delivered to over 1000 pharmacy assistants in Queensland. Over 500 students received a visit from a Guild Trainer and Guild Trainers provided over xxx training phone calls to students throughout the state.

Financial Report

The 2018/2019 financial year has been an extremely busy year for the Branch. The largest project was to respond to The Queensland Government 'Inquiry into the establishment of a pharmacy council and pharmacy ownership in Queensland'. This required significant financial resources to support our advocacy efforts and this helped shape a final report that the Branch is satisfied with. The next phase of implementing the reconditions of the final report will also require significant financial resources.

I am pleased to advise in the financial year 2018/2019 we achieved a significant operating surplus. This result would not be possible without the efforts of the Branch Director, Robyn Ede and the entire Queensland Branch management team in delivering the branch's strategy in an efficiently and financially viable manner.

The current operating environment for community pharmacy is highly competitive and difficult, with a strain on profit margins and for this reason the Branch remains frugal with its spending to ensure we maximise benefits for members.

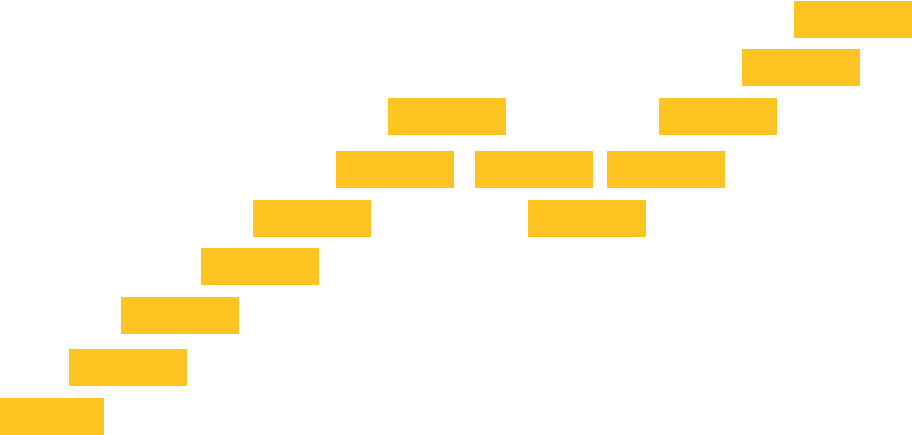
During the financial year the Branch supported the national office of The Pharmacy Guild of Australia in an

array of priority services and activities. This cooperation is critical to the success of the Guild but is not without impact on the Branch's finances.

Thank you to our members for your continued and valued support.



Kos Sclavos AM
Vice President Finance



The Pharmacy Guild of Australia (Queensland Branch) and controlled entities

ABN 87 076 197 623

**Financial Report
For the year ended 30 June 2019**

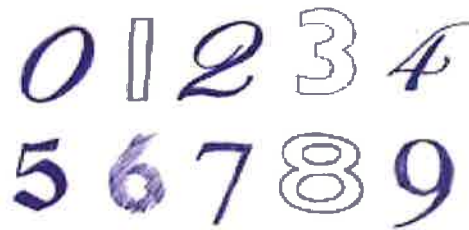


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Operating report

for the year ended 30 June 2019

The committee presents its report on The Pharmacy Guild of Australia (Queensland Branch) for the financial year ended 30 June 2019.

- (a) Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year
 - (i) The Pharmacy Guild of Australia (Queensland Branch) is an employers' organisation servicing the needs of proprietors of independent community pharmacies and to represent their interests in industrial matters.
 - (ii) The Pharmacy Guild of Australia (Queensland Branch) assists the National Council and the National Executive of The Pharmacy Guild of Australia ("the Guild") in carrying out the overall policy and objectives of the Guild.
 - (iii) Included in the Annual Report are the various reports compiled by The Pharmacy Guild of Australia (Queensland Branch)'s President, Director and Officers outlining the activities for the year. There were no significant changes in the nature of these activities during the year under review.
- (b) Significant changes in financial affairs

There have been no significant changes in The Pharmacy Guild of Australia (Queensland Branch)'s financial affairs during the period to which this report relates.
- (c) Right of members to resign

Under Section 174 of the Fair Work (Registered Organisations) Act 2009 and Rule 36 of the Constitution of the Guild, a member may resign from membership by written notice addressed and delivered to the Branch Director.
- (d) Officers & members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position:
 - (i) Trent Twomey is a director of Guild Trustee Services Limited, the Trustee for the Guild Retirement Fund, which includes GuildSuper, Child Care Super and GuildPersion.
- (e) Number of members:

As at 30 June 2019, the number of members of the reporting unit was 721 including Honorary Life and 50 Year Life Members.
- (f) Number of employees:

As at 30 June 2019, the total number of employees of the reporting entity was 49.
- (g) Names of Committee of Management members and period positions held during the financial year:

The following persons were members of the committee of management of The Pharmacy Guild of Australia (Queensland Branch) during the reporting period, unless otherwise stated:

Branch Executive

C Owen
K Sclavos

T Twomey
R Xynias

The Pharmacy Guild of Australia (Queensland Branch)
And its controlled entities

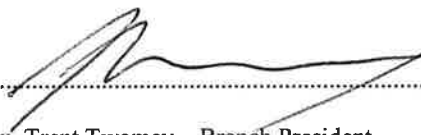
Branch Committee

P Jaffar	V Kumar
T Logan	A Milostic
C Owen	A Seeto
K Sclavos	T Twomey
L Walker	F Watson
C Whalan	R Xynias

(h) Prescribed and other Information:

- (i) Insurance of Officers: During the financial year, The Pharmacy Guild of Australia (Queensland Branch) paid insurance to cover all officers of The Pharmacy Guild of Australia (Queensland Branch). The officers of The Pharmacy Guild of Australia (Queensland Branch) covered by the insurance policy include all the committee of management. Other officers covered by the contract are the management of The Pharmacy Guild of Australia (Queensland Branch). The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of The Pharmacy Guild of Australia (Queensland Branch).

Signature of designated officer:.....



Name and title of designated officer: Trent Twomey – Branch President

Dated: 13 September 2019

Auditor's Independence Declaration

To the Branch Committee Members of The Pharmacy Guild of Australia (Queensland Branch)

As lead auditor for the audit of The Pharmacy Guild of Australia (Queensland Branch) for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

H. E. Hiscox

H E Hiscox
Partner – Audit & Assurance

Brisbane, 13 September 2019

ACN-130 913 594

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Independent Auditor's Report

To the Members of The Pharmacy Guild of Australia (Queensland Branch)

Report on the audit of the financial report

Opinion

We have audited the financial report of The Pharmacy Guild of Australia (Queensland Branch) (the reporting unit), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2019, notes to the financial statements, including a summary of significant accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of The Pharmacy Guild of Australia (Queensland Branch) as at 30 June 2019, and its financial performance and cash flows for the year ended on that date in accordance with:

- a the Australian Accounting Standards; and
- b 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 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 reporting unit in accordance with 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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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.

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.

Responsibilities of committee of management for the financial report

The committee of management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management 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 of management is responsible for assessing the reporting unit'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 of Management either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objective is 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 reporting unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management'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 reporting unit'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 reporting unit 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. We are responsible for the direction, supervision and performance of the reporting unit audit. We remain solely responsible for our audit opinion.

We communicate with the committee of management 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.

We declare that Hannah Hiscox is an approved auditor, a member of Chartered Accountants Australia and New Zealand and holds a current Public Practice Certificate.



Grant Thornton Audit Pty Ltd
Chartered Accountants



H E Hiscox

Partner – Audit & Assurance Services

Registration number (as registered by the Commissioner under the RO Act): AA2017/142

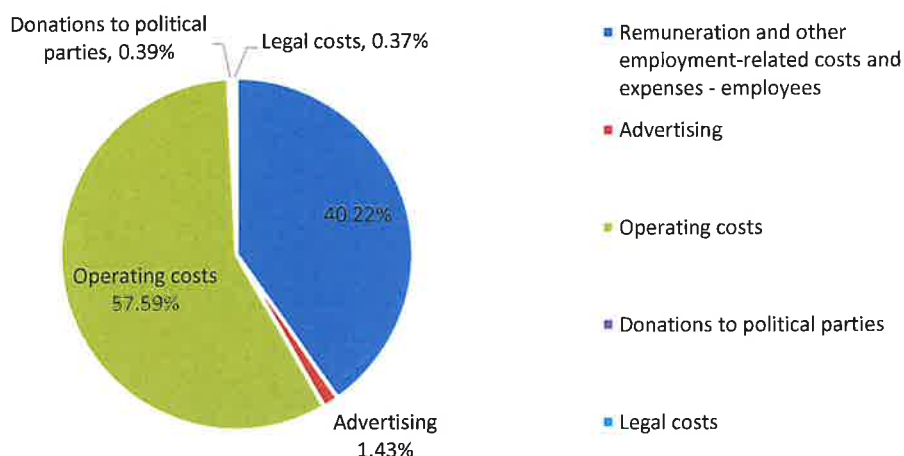
Brisbane, 13 September 2019

Report required under subsection 255(2A)

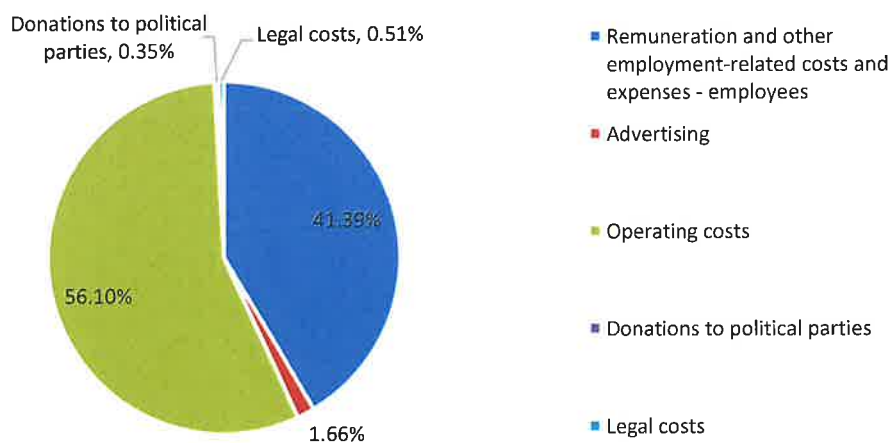
for the year ended 30 June 2019

The committee of management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2019.

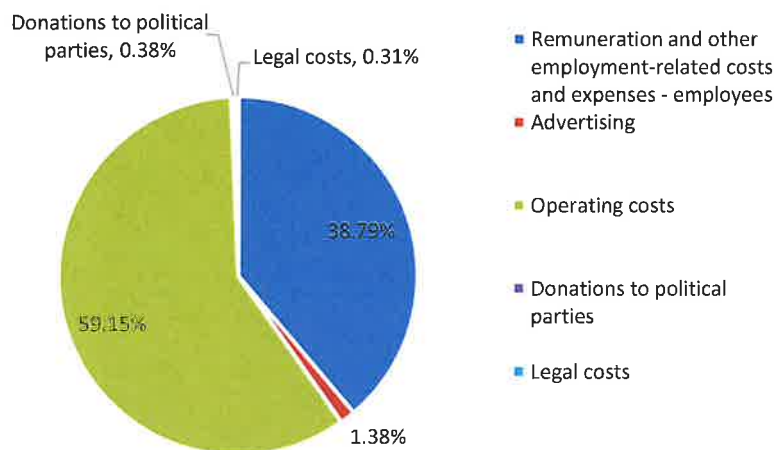
2019 - Consolidated Expenditure as required under s. 255(2A) RO Act



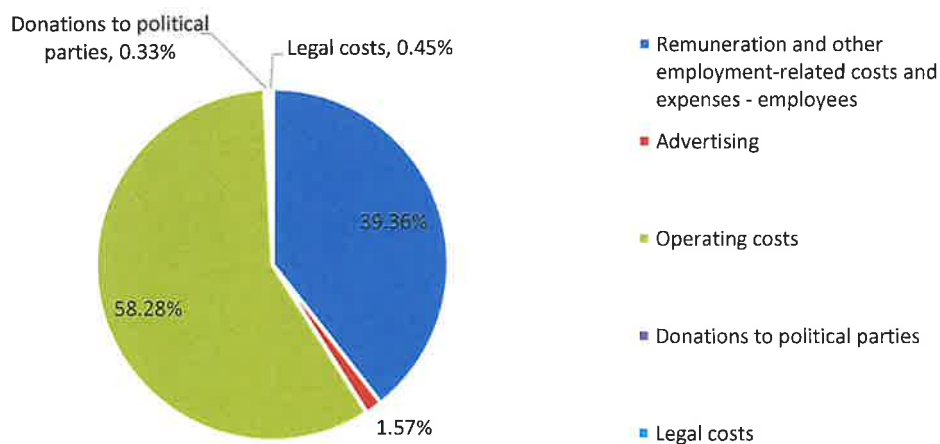
2018 - Consolidated Expenditure as required under s. 255(2A) RO Act



2019 - Parent Expenditure as required under s. 255(2A) RO Act



2018 - Parent Expenditure as required under s. 255(2A) RO Act



Signature of designated officer:

Name and title of designated officer:Trent Twomey.....Branch President.....

Dated:13 September 2019.....

Committee of Management Statement

On 13 September 2019 the Branch Committee of The Pharmacy Guild of Australia (Queensland Branch) (the "reporting unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2019:

The Branch Committee 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; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) 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 Commissioner duly made under section 272 of the RO Act has been provided to the member or 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.

Signature of designated officer:.....

Name and title of designated officer: TRENT TWOMEY, BRANCH PRESIDENT

Dated this 13th day of September 2019

Statement of Comprehensive Income for the year ended 30 June 2019

	Notes	Consolidated Entity		Parent Entity	
		2019	2018	2019	2018
		\$	\$	\$	\$
Revenue	3	11,608,740	10,972,715	12,005,625	11,458,219
Employee benefit expenses	4b	(4,311,301)	(3,907,965)	(4,311,301)	(3,907,965)
Depreciation and amortisation	4c	(278,535)	(290,091)	(152,358)	(164,205)
Impairment (expense) / reversal	4d	-	(4,035)	-	(4,035)
Finance costs	4e	-	-	-	-
Other expenses	4a	(6,410,427)	(5,526,385)	(6,807,312)	(6,011,889)
Profit from continuing operations		608,477	1,244,239	734,654	1,370,125
Total profit before income tax		608,477	1,244,239	734,654	1,370,125
Income tax expense	5	-	-	-	-
Profit after income tax		608,477	1,244,239	734,654	1,370,125
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		608,477	1,244,239	734,654	1,370,125

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

Statement of Financial Position

as at 30 June 2019

	Notes	Consolidated Entity		Parent Entity	
		2019	2018	2019	2018
		\$	\$	\$	\$
Assets					
Current					
Cash and cash equivalents	8	4,833,226	5,872,227	4,730,144	5,807,620
Trade and other receivables	9	2,346,863	1,954,444	3,054,307	2,617,372
Other current assets	10	1,316,811	1,103,229	1,278,042	1,103,229
Total Current Assets		8,496,900	8,929,900	9,062,493	9,528,221
Non-Current					
Other financial assets	11	2,386,374	492,223	6,558,064	4,659,524
Property, plant and equipment	13	5,128,361	4,493,631	1,208,734	452,216
Intangible assets	14	16,828	54,066	16,828	54,066
Total Non-Current Assets		7,531,563	5,039,920	7,783,626	5,165,806
Total Assets		16,028,463	13,969,820	16,846,119	14,694,027
Liabilities					
Current					
Trade and other payables	15	5,243,031	3,871,573	5,808,624	4,469,894
Short-term employee provisions	16	438,800	395,224	438,800	395,224
Total Current Liabilities		5,681,831	4,266,797	6,247,424	4,865,118
Non-Current					
Long-term employee provisions	16	144,204	109,072	144,204	109,072
Total Non-Current Liabilities		144,204	109,072	144,204	109,072
Total Liabilities		5,826,035	4,375,869	6,391,628	4,974,190
Net Assets		10,202,428	9,593,951	10,454,491	9,719,837
Equity					
Retained earnings		10,202,428	9,593,951	10,454,491	9,719,837
Total Equity		10,202,428	9,593,951	10,454,491	9,719,837

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

Statement of Changes in Equity

for the year ended 30 June 2019

	Retained Earnings \$	Total \$
Consolidated entity		
Balance at 1 July 2017	8,349,712	8,349,712
Transfer reserves	-	-
Profit after income tax	1,244,239	1,244,239
Other comprehensive income	-	-
Total comprehensive income	1,244,239	1,244,239
Balance at 30 June 2018	9,593,951	9,593,951
Balance at 1 July 2018	9,593,951	9,593,951
Transfer reserves	-	-
Profit after income tax	608,477	608,477
Other comprehensive income	-	-
Total comprehensive income	608,477	608,477
Balance at 30 June 2019	10,202,428	10,202,428
Parent entity		
Balance at 1 July 2017	8,349,712	8,349,712
Transfer reserves	-	-
Profit after income tax	1,370,125	1,370,125
Other comprehensive income	-	-
Total comprehensive income	1,370,125	1,370,125
Balance at 30 June 2018	9,719,837	9,719,837
Balance at 1 July 2018	9,719,837	9,719,837
Transfer reserves	-	-
Profit after income tax	734,654	734,654
Other comprehensive income	-	-
Total comprehensive income	734,654	734,654
Balance at 30 June 2019	10,454,491	10,454,491

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

Statement of Cash Flows

for the year ended 30 June 2019

	Notes	Consolidated Entity		Parent Entity	
		2019	2018	2019	2018
		\$	\$	\$	\$
Cash Flow from Operating Activities					
Receipts from members and customers		11,394,528	9,226,651	11,212,714	9,089,530
Receipts from other reporting units/controlled entity	19b	1,540,829	1,607,864	1,577,692	1,607,864
Payments to suppliers and employees		(10,372,802)	(9,185,172)	(10,266,326)	(9,112,658)
Payments to other reporting units/controlled entity	19b	(1,098,997)	(1,143,344)	(1,098,997)	(1,143,344)
Interest received		270,000	65,420	270,000	65,420
Net cash provided by (used in) operating activities	19a	1,733,558	571,419	1,695,083	506,812
Cash Flow from Investing Activities					
Proceeds from sale of property, plant and equipment		-	46,361	-	46,361
Purchase of units in controlled entity		-	-	(4,389)	(7,301)
Purchase of FIIG investments		(2,045,351)	(496,258)	(2,045,351)	(496,258)
Proceeds from sale of FIIG investments		151,200	-	151,200	-
Payment for property, plant and equipment		(878,408)	(200,820)	(874,019)	(193,519)
Net cash provided by (used in) investing activities		(2,772,559)	(650,717)	(2,772,559)	(650,717)
Cash Flow from Financing Activities					
Repayment of borrowings		-	-	-	-
Net cash provided by (used in) financing activities		-	-	-	-
Net increase/(decrease) in cash held		(1,039,001)	(79,298)	(1,077,476)	(143,905)
Cash at beginning of year		5,872,227	5,951,525	5,807,620	5,951,525
Cash at end of year	8	4,833,226	5,872,227	4,730,144	5,807,620

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

Notes to the Financial Statements

for the year ended 30 June 2019

This financial report includes the consolidated financial statements and notes of The Pharmacy Guild of Australia (Queensland Branch) and controlled entities ('Consolidated Group' or 'Group'), and the separate financial statements and notes of The Pharmacy Guild of Australia (Queensland Branch) as an individual parent entity ('Parent Entity'). The Pharmacy Guild of Australia (Queensland Branch) is an organisation registered under the Fair Work (Registered Organisations) Act 2009, which requires four column financial statements for a consolidated group. The nature of the operations and the principal activities of the Guild are described in the Operating Report.

1. Statement of significant accounting policies

Basis of preparation

Reporting Basis and Conventions

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Act 2009.

The Pharmacy Guild of Australia (Queensland Branch) is a not-for-profit entity incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are presented in Australian dollars.

This financial report was authorised for issue in accordance with a resolution passed by the Branch Committee on 13 September 2019. The Branch Committee have the power to amend and reissue the financial report.

Accounting policies

a. Principles of consolidation

A controlled entity is any entity over which The Pharmacy Guild of Australia (Queensland Branch) has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 12 to the financial statements.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

b. Income tax

Parent entity

The Pharmacy Guild of Australia (Queensland Branch) is exempt from income tax under Section 50-1 of the Income Tax Assessment Act 1997 however still has obligations for Fringe Benefit Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables and payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

Controlled entities

The income tax expense for the year comprises current income tax expense and deferred tax expense.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

c. Property, plant and equipment

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

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. The depreciation rates used for each class of assets are:

<i>Class of Fixed Asset</i>	2019	2018
Buildings	2.0 - 50.0%	2.0 - 20.0%
Plant and Equipment	5.0 - 100.0%	5.0 - 100.0%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised when control of the asset has passed to the buyer. These gains or losses are included in the statement of profit or loss and other comprehensive income.

d. Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

The classification is determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial asset

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

d. Financial instruments (continued)

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as the FIIG investment portfolio that was previously classified as held-to-maturity under AASB 139.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

In the separate financial statements of the parent, the category also contains an investment in the Guild Properties (Queensland) Unit trust. The Guild accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in the trust at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined using a valuation technique as no active market exists.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognise expected credit losses - the 'expected credit losses (ECL) model'. This replaced AASB 139's 'incurred loss model'. Instruments within the scope of the new requirements included trade receivables

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

d. Financial instruments (continued)

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and measurement of financial liabilities

The Group's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Accounting policy applicable before 1 July 2018

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the consolidated entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either purchase or sell the asset (i.e. Trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs where the instrument is classified 'at fair value through profit and loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

d. Financial instruments (continued)

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated, using the *effective interest method*; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transactions costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the consolidated entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

e. Impairment of non-financial assets

At each reporting date, the consolidated entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

f. Intangibles

Acquired intangible assets

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 1e. The following useful lives are applied:

<i>Class of Intangible</i>	2019	2018
Software	4 years	4 years

Amortisation is included within depreciation and amortisation. Subsequent expenditures on the maintenance of computer software are expensed as incurred.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

g. Employee benefits

Provision is made for the consolidated entity's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cashflows to be made for those benefits. Those cash flows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash flows.

h. Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

i. Revenue and other income

Revenue comprises revenue from membership subscriptions, event and conferences, program funding, training courses and various other sources. Revenue from major products and services is shown in Note 3. Revenue is measured by reference to the fair value of consideration received or receivable by the Group for goods supplied and services provided, excluding GST, rebates, and trade discounts. Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Group's different activities have been met. Details of the activity-specific recognition criteria are described below.

Membership subscriptions

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

i. Revenue and other income (continued)

Event and conference income

Revenue from events and conferences is accounted for on an accrual basis and is recorded as revenue in the period that the event or conference occurs.

Program funding

The Group receives funding from government directly and via the National Secretariat to deliver specific programs. Grants relating to expense items are recognised as revenue over the periods necessary to match the grant to the costs they are compensating. It is the policy of the entity to treat grant monies as unexpended grants in the statement of financial position where the entity is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

Training course

Revenue from training courses is accounted for on an accrual basis and is recorded as revenue proportionally over the duration of the training course.

Sale of goods

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

Interest revenue

Interest revenue is recognised on an accrual basis using the effective interest rate method.

Distribution revenue

Distribution revenue is recognised when the right to receive a distribution has been established.

j. Finance costs

All finance costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

k. Capitation fees and levies

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

l. 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 the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

l. Goods and Services Tax (GST) [continued]

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 cash flows.

m. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

n. Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

o. Comparatives

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

p. Critical accounting estimates and judgements

The committee members evaluate estimates and judgements incorporated into the financial report 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 consolidated entity.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit, based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

p. Critical accounting estimates and judgements (continued)

Independent valuations are obtained periodically for the purpose of determining whether there are any indicators of impairment as required under AASB136 Impairment of Assets. When valuations are significantly different to the carrying amount of land and buildings, impairment or a reversal of impairment is taken up as required through profit or loss or in equity.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Long service leave

The liability for Long Service Leave is recognised and measured at the present value of the estimated 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.

q. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group. Management anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below.

Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's financial statements.

AASB 15: Revenue from Contracts with Customers (including AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15, AASB 2015-8 Amendments to Australian Accounting Standards - Effective Date of AASB 15, AASB 2016-7 Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities and AASB 2016-3 Amendments to Australian Accounting Standards - Clarifications to AASB 15)

Effective date for entity: 1 July 2019

AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations:

- establishes a new revenue recognition model
- changes the basis for deciding whether revenue is to be recognised over time or at a point in time
- provides new and more detailed guidance on specific topics (e.g. multiple element arrangements, variable pricing, rights of return, warranties and licensing)
- expands and improves disclosures about revenue

Impact: The entity is yet to undertake a detailed assessment of the impact of AASB 15. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

q. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group (continued)

AASB 1058: Income of Not-for-Profit Entities (including AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities)

Effective date for entity: 1 July 2019

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NPF) entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These standards supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.

Under AASB 1058, the timing of income recognition depends on whether a NFP transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset received by an entity.

This standard applies when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity will recognise and measure the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment).

Upon initial recognition of the asset, AASB 1058 requires the entity to consider whether any other financial statement elements (called 'related amounts') should be recognised, such as:

- (a) Contributions by owners;
- (b) Revenue, or a contract liability arising from a contract with a customer;
- (c) A lease liability;
- (d) A financial instrument; or
- (e) A provision.

These related amounts will be accounted for in accordance with the applicable Australian Accounting Standard.

Impact: The entity is yet to undertake a detailed assessment of the impact of AASB 1058. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

AASB 16: Leases

Effective date for entity: 1 July 2019

AASB 16:

- replaces AASB 117 Leases and some lease-related Interpretations
- requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases
- A lessee will recognise a liability to make lease payments and an asset for the right to use the underlying asset during the lease term
- Interest expense on the lease liability and depreciation expense on the right-to-use asset will be separately recognised
- Requirement to remeasure the lease liability upon the occurrence of certain events (i.e. change in lease term)
- provides new guidance on the application of the definition of lease and on sale and lease back accounting
- largely retains the existing lessor accounting requirements in AASB 117
- requires new and different disclosures about leases

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

q. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group (continued)

Impact: When this Standard is first adopted for the year ending 30 June 2020, there will be no material impact on the transactions and balances recognised in the financial statements. The consolidated group has one minor equipment lease (as a lessee), which will be brought onto the statement of financial position, increasing lease assets and financial liabilities. The quantum of these adjustments will be based on facts at the date of the initial application.

AASB 2017-6: Amendments to Australian Accounting Standards - Prepayment Features with Negative Compensation

Effective date for entity: 1 July 2019

AASB 2017-6 amends AASB 9 Financial Instruments (2014) to permit entities to measure at amortised cost or fair value through other comprehensive income particular financial assets that would otherwise have contractual cash flows that are solely payments of principal and interest but do not meet that condition only as a result of a prepayment feature. This is subject to meeting other conditions, such as the nature of the business model relevant to the financial asset. Otherwise, the financial assets would be measured at fair value through profit or loss.

Impact: When these amendments are first adopted for the year ending 30 June 2020, there will be no material impact on the financial statements.

AASB 2018-2: Amendments to Australian Accounting Standards - Plan Amendment, Curtailment or Settlement

Effective date for entity: 1 July 2019

AASB 2018-2 amends AASB 119 Employee Benefits to specify how an entity accounts for defined benefit plans when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments require an entity to use the assumptions used for the remeasurement of the net defined benefit liability or asset to determine the current service cost and the net interest for the remainder of the reporting period after a plan event occurs. This Standard also clarifies that, when a plan event occurs, an entity recognises the past service cost or a gain or loss on settlement separately from its assessment of the asset ceiling.

Impact: When these amendments are first adopted for the year ending 30 June 2020, there will be no material impact on the financial statements.

AASB 2017-7: Amendments to Australian Accounting Standards - Long-term Interests in Associates and Joint Ventures

Effective date for entity: 1 July 2019

AASB 2017-7 amends AASB 128 Investments in Associates and Joint Ventures to clarify that an entity is required to account for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture but to which the equity method is not applied, using AASB 9 Financial Instruments before applying the loss allocation and impairment requirements in AASB 128.

Impact: When these amendments are first adopted for the year ending 30 June 2020, there will be no material impact on the financial statements.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

q. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group (continued)

AASB 2018-1: Annual Improvements to IFRS Standards 2015-2017 Cycle

Effective date for entity: 1 July 2019

AASB 2018-1 makes a number of relatively minor amendments to AASB 3 Business Combinations, AASB 111 Joint Arrangements, AASB 112 Income Taxes and AASB 123 Borrowing Costs.

Impact: When these amendments are first adopted for the year ending 30 June 2020, there will be no material impact on the financial statements.

r. New and revised Standards that are effective for annual periods beginning on or after 1 July 2018

No accounting standard has been adopted earlier than the application date stated in the standard. The accounting policies adopted are consistent with those of the previous financial year except for the following standards, which have been adopted for the first time this financial year:

AASB 9: Financial Instruments (including AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014))

(a) Initial application

AASB 9 Financial Instruments (AASB 9) replaces AASB 139 Financial Instruments: Recognition and Measurement (AASB 139) for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The entity has applied AASB 9 retrospectively, with an initial application date of 1 July 2018. The entity has not restated the comparative information, which continues to be reported under AASB 139. There were no material differences arising from the adoption of AASB 9 and no adjustment has been recognised directly in opening retained earnings or other components of equity as at 1 July 2018.

(i) Classification and measurement

Under AASB 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the entity's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the entity's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 did not have a significant impact to the entity.

- Trade and other receivables previously classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are now classified and measured as debt instruments at amortised cost.

- Debt instruments previously classified as held-to-maturity (HTM) financial assets are now classified and measured as debt instruments at amortised cost as they pass the SPPI test.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

r. New and revised Standards that are effective for annual periods beginning on or after 1 July 2018 (continued)

- Equity investments in non-listed subsidiaries previously classified as AFS financial assets are now classified and measured as equity instruments designated at fair value through profit and loss. The principal investment of the wholly owned subsidiary are land and buildings. The land and buildings were independently valued on 30 June 2017 and the investment in the trust reflects the updated valuation. The Branch Committee have reviewed market conditions and determined the market value is consistent with the 2017 valuation. An independent valuation will be sought periodically to support this assessment. Therefore, although the measurement basis changed on transition to AASB 9, there has been no financial impact associated with this change. The investment is eliminated on consolidation.

There are no changes in classification and measurement for the entity's financial liabilities.

In summary, upon adoption of AASB 9, the entity applied the following required or elected reclassifications:

1 July 2018

	AASB 9 measurement category		
	Fair value through profit or loss	Amortised cost	Fair value through OCI
	\$	\$	\$
Consolidated Entity			
AASB 139 measurement category			
Held-to-maturity investments			
FIIG investment portfolio	-	492,223	-
Available for sale			
Units in controlled unit trust	-	-	-
	-	492,223	-

1 July 2018

	AASB 9 measurement category		
	Fair value through profit or loss	Amortised cost	Fair value through OCI
	\$	\$	\$
Parent Entity			
AASB 139 measurement category			
Held-to-maturity investments			
FIIG investment portfolio	-	492,223	-
Available for sale			
Units in controlled unit trust	4,167,301	-	-
	4,167,301	492,223	-

(ii) Impairment loss

The adoption of AASB 9 has fundamentally changed the entity's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking estimated credit losses (ECL) approach. AASB 9 requires the entity to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets, i.e. those held at amortised cost and at FVTOCI.

Upon adoption of AASB 9 there was no material impact on the impairment on the trade and other receivables which resulted in no adjustment to retained earnings as at 1 July 2018.

Notes to the Financial Statements

for the year ended 30 June 2019

1. Statement of significant accounting policies (continued)

r. New and revised Standards that are effective for annual periods beginning on or after 1 July 2018 (continued)

Interpretation 22: Foreign Currency Transactions and Advance Consideration

Interpretation 22 looks at what exchange rate to use for translation when payments are made or received in advance of the related asset, expense or income.

Although AASB 121 The Effects of Changes in Foreign Exchange Rates sets out requirements about which exchange rate to use when recording a foreign currency transaction on initial recognition in an entity's functional currency, the IFRS Interpretations Committee had observed diversity in practice in circumstances in which an entity recognises a non-monetary liability arising from advance consideration. The diversity resulted from the fact that some entities were recognising revenue using the spot exchange rate at the date of the receipt of the advance consideration while others were using the spot exchange rate at the date that revenue was recognised.

Interpretation 22 addresses this issue by clarifying that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

Impact: No material impact on the financial statements.

2. Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

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 to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

Notes to the Financial Statements

for the year ended 30 June 2019

3. Revenue

	Notes	Consolidated Entity		Parent Entity	
		2019	2018	2019	2018
		\$	\$	\$	\$
Membership subscriptions		1,721,856	1,782,568	1,721,856	1,782,568
Membership subscriptions - Fighting Fund		310,500	313,875	310,500	313,875
Commissions received		1,631	666	1,631	666
Distributions received	3a	-	-	524,385	548,004
Event and conference income		5,799,943	5,867,024	5,799,943	5,867,024
Interest revenue	3b	191,774	133,130	191,774	133,130
<i>Program funding</i>					
- National Secretariat program funding		925,578	925,578	925,578	925,578
- Queensland government program funding		1,014,237	482,656	1,014,237	482,656
- Other program funding		-	35,706	-	35,706
Sale of goods		39,134	31,109	39,134	31,109
Other sales revenue		46,195	27,106	46,195	27,106
Rent revenue		140,826	114,470	13,326	51,970
Training course fees		1,417,066	1,258,827	1,417,066	1,258,827
Total revenue		11,608,740	10,972,715	12,005,625	11,458,219
a. Distributions revenue from:					
- controlled entity:					
The Guild Properties (Queensland) Unit Trust		-	-	524,385	548,004
Total distribution revenue		-	-	524,385	548,004
b. Interest revenue from:					
- external parties		191,774	133,130	191,774	133,130
- controlled entity		-	-	-	-
		191,774	133,130	191,774	133,130

Notes to the Financial Statements

for the year ended 30 June 2019

4. Profit for the Year

	Notes	Consolidated Entity		Parent Entity	
		2019	2018	2019	2018
		\$	\$	\$	\$
Total comprehensive income has been determined after:					
a. Other expenses:					
Advertising and promotions expenses		153,050	156,311	153,050	156,311
Bank and card charges		41,253	50,281	41,183	50,281
Branch committee expenses		80,119	51,444	80,119	51,444
Cleaning expenses		54,954	56,081	54,954	56,081
Computer costs		97,733	81,457	97,733	81,457
Conference and seminar attendance expenses		15,681	17,712	15,681	17,712
Consultancy expenses - other		298,189	216,728	298,189	216,728
Contract staff		21,395	1,211	21,395	1,211
Dispatch expenses		32,897	58,053	32,897	58,053
Donations	(i)	120,357	25,959	120,357	25,959
Events expenses:					
- Catering and dinner		1,398,864	1,433,556	1,398,864	1,433,556
- Commissions paid		42,291	3,693	42,291	3,693
- Consultancy expenses		155,766	150,000	155,766	150,000
- Display and venue expenses		1,000,092	529,264	985,737	529,264
- Printing and stationery		71,085	71,405	71,085	71,405
- Speaker costs		174,815	158,587	174,815	158,587
- Technical expenses		370,751	359,420	370,751	359,420
Insurance expenses		92,829	91,361	91,798	87,201
Investment management fees		2,157	151	2,157	151
Legal - other legal costs		39,588	48,145	34,631	44,186
Meals expenses		64,728	49,424	64,728	49,424
Motor vehicle expenses		32,823	31,388	32,823	31,388
Capitation fees	22b	502,442	524,628	502,442	524,628
Capitation fees - Fighting Fund	22b	310,500	313,875	310,500	313,875
Net loss / (gain) on disposal of fixed assets		2,381	(7,984)	2,381	(7,984)
Printing and stationery - other		65,447	69,399	65,447	69,399
Power and light		46,806	49,318	46,806	49,318
Professional fees, including audit		40,694	41,222	36,544	37,122
Purchases - merchandise		3,531	7,160	3,531	7,160
Queensland Health Project bin contractor		128,617	112,814	128,617	112,814
Rates		34,388	34,144	-	-
Rent		32,654	2,658	527,429	571,808
Repairs and maintenance		14,766	14,753	14,766	14,753
Security expenses		40,916	41,493	40,916	41,493
Sponsorship		20,500	28,500	20,500	28,500
Staff procurement		13,465	4,460	13,465	4,460
Subscriptions		35,493	34,378	35,493	34,378
Telephone and internet expenses		46,793	49,389	46,793	49,389
Travelling and fares expenses		342,032	237,431	342,032	237,431
Sundry expenses		367,585	327,116	328,646	289,833
Total other expenses		6,410,427	5,526,385	6,807,312	6,011,889
-					
i) Donations					
Total \$1,000 or less paid		2,281	695	2,281	695
Total exceeding \$1,000 paid		118,576	32,764	118,576	32,764
Less donations reimbursed		(2,000)	-	(2,000)	-
Add donation recognised as prepayment in prior year		7,500	-	7,500	-
Less donation for future event recognised as prepayment		(6,000)	(7,500)	(6,000)	(7,500)
Total donations		120,357	25,959	120,357	25,959

Notes to the Financial Statements

for the year ended 30 June 2019

4. Profit for the Year (continued)

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Allowance for expected credit losses - trade receivables	-	-	-	-
Net loss / (gain) on disposal of:				
- property, plant and equipment	2,381	(7,984)	2,381	(7,984)
Defined contribution plan:				
- superannuation expense	371,517	320,504	371,517	320,504
Expenses incurred in connection with holding meetings as required under the rules of the Branch	60,106	50,222	60,106	50,222
b. Employee benefits expense				
Amounts paid to Office Holders				
- wages and salaries	130,865	134,028	130,865	134,028
- superannuation	13,090	13,158	13,090	13,158
- leave and other entitlements	13,701	9,697	13,701	9,697
- separation and redundancies	-	-	-	-
- payroll tax	7,489	7,452	7,489	7,452
- other employee expenses	-	-	-	-
	165,145	164,335	165,145	164,335
Amounts paid to all other employees				
- wages and salaries	3,175,485	2,883,295	3,175,485	2,883,295
- superannuation	358,427	307,346	358,427	307,346
- leave and other entitlements	361,432	324,984	361,432	324,984
- separation and redundancies	-	13,021	-	13,021
- payroll tax	183,658	168,127	183,658	168,127
- other employee expenses	67,154	46,857	67,154	46,857
	4,146,156	3,743,630	4,146,156	3,743,630
Total employee benefits expense	4,311,301	3,907,965	4,311,301	3,907,965
c. Depreciation and amortisation expense				
Depreciation expense	241,297	252,854	115,120	126,968
Amortisation expense	37,238	37,237	37,238	37,237
	278,535	290,091	152,358	164,205
d. Impairment expense				
Impairment expense / (reversal)	-	4,035	-	4,035
	-	4,035	-	4,035
i) The prior year impairment loss reflects a decrease in the capital value of the held-to-maturity investment portfolio.				
e. Finance costs				
Finance costs:				
- external interest	-	-	-	-

Notes to the Financial Statements

for the year ended 30 June 2019

5. Income tax expense

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
a. The components of tax expense comprise:				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Under / (Over) provision in prior year	-	-	-	-
Losses not brought to accounts	-	-	-	-
	-	-	-	-
b. The prima facie tax on profit before income tax is reconciled to the income tax expenses as follows:				
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2018: 30%)	182,543	373,272	220,396	411,038
Add:				
Tax effect of:				
- non-deductible expenses	-	-	-	-
Less:				
Tax effect of:				
- exempt income and expenses	182,543	373,272	220,396	411,038
- over / (under) provision in prior year	-	-	-	-
- losses not brought to account	-	-	-	-
Income tax expense attributable to entity	-	-	-	-
The applicable weighted average effective tax rates are as follows:	0.00%	0.00%	0.00%	0.00%

6. Key management personnel compensation

Remuneration paid to key management personnel includes salary, contributions to members' superannuation and other benefits paid to them and on their behalf. Expenditure is included in the total employee benefits expense line item.

The key management personnel compensation includes the following expenses:

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Short-term employee benefits	377,841	344,976	377,841	344,976
Post-employment benefits	35,568	37,343	35,568	37,343
Other long-term benefits	-	49,937	-	49,937
	413,409	432,256	413,409	432,256

7. Auditors' remuneration

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Remuneration of auditor of the parent entity for:				
- auditing of the financial report and grant acquittals	32,280	31,620	30,330	29,720
- preparation of the financial report	4,700	4,600	4,700	4,600
- taxation services	3,700	5,000	1,500	2,800
	40,680	41,220	36,530	37,120

Notes to the Financial Statements

for the year ended 30 June 2019

8. Cash and cash equivalents

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Cash at bank and on hand	4,833,226	5,872,227	4,730,144	5,807,620
	<u>4,833,226</u>	<u>5,872,227</u>	<u>4,730,144</u>	<u>5,807,620</u>

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:

Cash at bank	4,833,226	5,872,227	4,730,144	5,807,620
Short term investments	-	-	-	-
Total cash and cash equivalents	<u>4,833,226</u>	<u>5,872,227</u>	<u>4,730,144</u>	<u>5,807,620</u>

9. Trade and other receivables

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Current				
Trade receivables	2,271,364	1,611,948	2,271,364	1,611,948
	<u>2,271,364</u>	<u>1,611,948</u>	<u>2,271,364</u>	<u>1,611,948</u>
Accrued revenue	58,134	186,584	58,134	186,584
Sundry debtors	-	107,916	-	107,916
Amounts receivable from related parties:				
- Other reporting unit				
Pharmacy Guild of Australia	12,301	14,562	12,301	14,562
GuildLink Pty Ltd	2,750	18,000	2,750	18,000
Guild Trustee Services Pty Ltd	-	11,000	-	11,000
Gold Cross Products and Services Pty Ltd	1,990	3,985	1,990	3,985
Guild Group Holdings Ltd	324	449	324	449
Pharmacy Guild of Australia - NSW Branch	-	-	-	-
- Controlled entities				
The Guild Properties (Queensland) Unit Trust	-	-	707,444	662,928
Less allowance for expected credit losses	-	-	-	-
	<u>75,499</u>	<u>342,496</u>	<u>782,943</u>	<u>1,005,424</u>
	<u>2,346,863</u>	<u>1,954,444</u>	<u>3,054,307</u>	<u>2,617,372</u>

a. Allowance for expected credit losses

Current trade receivables are non-interest bearing loans and generally on 30 days from end of month terms. Under AASB 139 a provision for impairment was recognised when there was objective evidence that an individual trade receivable was impaired. Under AASB 9 a loss allowance is recognised for the expected lifetime credit losses based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors. In the 2019 financial year there has been no impairment write downs in relation to receivables (2018: Nil).

Notes to the Financial Statements

for the year ended 30 June 2019

9. Trade and other receivables (continued)

Credit risk

The group has no significant concentration of credit risk with respect to any single counter party or group. The main source of credit risk to the group is considered to be the class of assets described as "trade and other receivables".

The following table details the group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the group.

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

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Trade receivables				
Within initial trade terms	2,137,788	1,529,459	2,137,788	1,529,459
Past due receivables (but not impaired):				
Overdue 1 - 29 days	103,996	1,940	103,996	1,940
Overdue 30 - 59 days	29,580	80,091	29,580	80,091
Overdue > 60 days	-	458	-	458
Gross amount	2,271,364	1,611,948	2,271,364	1,611,948
Other receivables				
Within initial trade terms	75,499	334,821	599,884	864,301
Past due receivables (but not impaired):				
Overdue 1 - 29 days	-	-	11,205	21,038
Overdue 30 - 59 days	-	450	11,461	-
Overdue > 60 days	-	7,225	160,393	120,085
	75,499	342,496	782,943	1,005,424

Neither the group nor parent entity holds financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The expected credit loss rate for each ageing category is 0% (2018: 0%) and consequently the lifetime expected credit losses are nil (2018: nil).

b. Financial assets classified as loans and receivables

Trade and other receivables

Total current		2,346,863	1,954,444	3,054,307	2,617,372
Total non-current		-	-	-	-
Financial assets	20	2,346,863	1,954,444	3,054,307	2,617,372

10. Other assets

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Current				
Prepayments - expense	1,316,811	1,103,229	1,278,042	1,103,229
	1,316,811	1,103,229	1,278,042	1,103,229

Notes to the Financial Statements

for the year ended 30 June 2019

11. Other financial assets

	Notes	Consolidated Entity		Parent Entity	
		2019	2018	2019	2018
		\$	\$	\$	\$
Non-Current					
Available-for-sale financial assets					
Units in controlled unit trust					
- The Guild Properties (Queensland) Unit Trust	(i)	-	-	-	4,167,301
Held-to-maturity financial assets					
FIIG investment portfolio	(ii)	-	492,223	-	492,223
Financial assets at amortised cost					
FIIG investment portfolio	(iv)	2,386,374	-	2,386,374	-
Financial assets at fair value through profit or loss					
Units in controlled unit trust					
- The Guild Properties (Queensland) Unit Trust	(iii)	-	-	4,171,690	-
	20	2,386,374	492,223	6,558,064	4,659,524

(i) Available-for-sale financial assets under AASB 139 comprised of investments in the unit shares of the Unit Trust measured at cost less impairment. There were no fixed returns or fixed maturity date attached to these investments. No intention to dispose of any unlisted available-for-sale financial assets existed at 30 June 2018.

(ii) Held-to-maturity investments under AASB 139 comprised fixed coupon bonds and floating rate notes held by investment custodian, FIIG Securities Limited and were measured at amortised cost. Floating rates were between BBSW + 2.10% and BBSW + 6.5% and fixed rates were between 3.76% and 8.75%. Maturity dates ranged between 2019 and 2042.

Under AASB 9, financial instruments classification is based on two criteria: the entity's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding. Upon transition to AASB 9 effective 1 July 2019, other financial assets have been reclassified as set out below.

(iii) Investments in the unit shares of the Unit Trust previously classified as available-for-sale financial assets are now classified as financial assets at fair value through profit or loss as they fail the SPPI test. There are no fixed returns or fixed maturity date attached to this investment. No intention to dispose of any units in the Trust existed at 30 June 2019.

(iv) FIIG investments previously classified as held-to-maturity financial assets are now classified as financial assets at amortised cost as they pass the SPPI test. Floating rates are between BBSW + 2.10% and BBSW + 6.5% and fixed rates are between 3.76% and 8.75%. Maturity dates range between 2020 and 2051.

12. Controlled entities and related parties

	Country of Incorporation	Percentage Owned (%)	
		2019	2018
Parent Entity:			
The Pharmacy Guild of Australia (Queensland Branch)	Australia	-	-
Subsidiaries of Parent Entity:			
The Guild Properties (Queensland) Unit Trust and its trustee Guildprop Pty Ltd	Australia	100%	100%

Notes to the Financial Statements

for the year ended 30 June 2019

12. Controlled entities and related parties (continued)

Other Reporting Units:

The Pharmacy Guild of Australia	Australia	-	-
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Pharmacy Guild (Queensland Branch) is a branch of The Pharmacy Guild of Australia. The central office and each of the branches (listed below) are reporting units and considered related parties.

Other branches of The Pharmacy Guild of Australia

Pharmacy Guild of Australia - Australian Capital Territory (ACT) Branch	Australia	-	-
Pharmacy Guild of Australia - New South Wales (NSW) Branch	Australia	-	-
Pharmacy Guild of Australia - Northern Territory (NT) Branch	Australia	-	-
Pharmacy Guild of Australia - South Australia (SA) Branch	Australia	-	-
Pharmacy Guild of Australia - Tasmania Branch	Australia	-	-
Pharmacy Guild of Australia - Victoria Branch	Australia	-	-
Pharmacy Guild of Australia - Western Australia (WA) Branch	Australia	-	-

Other Related Parties (being entities associated with The Pharmacy Guild of Australia and its branches):

Fred IT Group	Australia	-	-
Gold Cross Products and Services Pty Ltd	Australia	-	-
Guild Group Holdings Ltd	Australia	-	-
Guild Insurance Ltd	Australia	-	-
GuildLink Pty Ltd	Australia	-	-
Guild Superannuation Services Ltd	Australia	-	-
Guild Trustee Services Pty Ltd	Australia	-	-
Meridian Lawyers Limited	Australia	-	-

13. Property, plant and equipment

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Non-Current				
Freehold land - at cost	940,000	940,000	-	-
Buildings - at cost	5,393,221	5,388,832	-	-
less: Accumulated depreciation	(1,223,164)	(1,096,987)	-	-
less: Provision for impairment	(1,190,430)	(1,190,430)	-	-
	<u>2,979,627</u>	<u>3,101,415</u>	<u>-</u>	<u>-</u>
Buildings under construction - at cost	839,775	-	839,775	-
Total land and buildings	<u>4,759,402</u>	<u>4,041,415</u>	<u>839,775</u>	<u>-</u>
Plant and equipment - at cost	1,113,693	1,088,974	1,113,693	1,088,974
less: Accumulated depreciation	(744,734)	(636,758)	(744,734)	(636,758)
	<u>368,959</u>	<u>452,216</u>	<u>368,959</u>	<u>452,216</u>
Total property, plant and equipment	<u>5,128,361</u>	<u>4,493,631</u>	<u>1,208,734</u>	<u>452,216</u>

Provision for impairment represents the difference in the carrying value of land and buildings and the independent valuation performed by Herron Todd White as at 30 June 2017, using the capitalisation approach for valuation.

Notes to the Financial Statements

for the year ended 30 June 2019

13. Property, plant and equipment (continued)

Movements in carrying amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year:

Consolidated entity: 30 June 2019	Freehold Land	Buildings	Plant and Equipment	Building under Construction	Total
Balance at the beginning of the year	940,000	3,101,415	452,216	-	4,493,631
Additions	-	4,389	51,959	822,060	878,408
Transfers	-	-	(17,715)	17,715	-
Disposals	-	-	(2,381)	-	(2,381)
Impairment (expense) / reversal	-	-	-	-	-
Depreciation expense	-	(126,177)	(115,120)	-	(241,297)
Carrying amount at the end of the year	940,000	2,979,627	368,959	839,775	5,128,361

30 June 2018	Freehold Land	Buildings	Plant and Equipment	Building under Construction	Total
Balance at the beginning of the year	940,000	3,220,000	424,042	-	4,584,042
Additions	-	7,301	193,519	-	200,820
Transfers	-	-	-	-	-
Disposals	-	-	(38,377)	-	(38,377)
Impairment (expense) / reversal	-	-	-	-	-
Depreciation expense	-	(125,886)	(126,968)	-	(252,854)
Carrying amount at the end of the year	940,000	3,101,415	452,216	-	4,493,631

14. Intangible assets

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Non-Current				
Work in progress	-	-	-	-
Acquired software, at cost	148,951	148,951	148,951	148,951
less: Accumulated amortisation	(132,123)	(94,885)	(132,123)	(94,885)
Total intangible assets	16,828	54,066	16,828	54,066

Movements in carrying amounts of intangible assets

Balance at the beginning of year	54,066	91,303	54,066	91,303
Additions during the period	-	-	-	-
Transfers	-	-	-	-
Disposal of intangible assets	-	-	-	-
Amortisation expense	(37,238)	(37,237)	(37,238)	(37,237)
Closing carrying value at 30 June	16,828	54,066	16,828	54,066

Amortisation on acquired software intangible assets is included in the depreciation and amortisation expense recorded in the statement of profit or loss and other comprehensive income. The remaining useful life of the acquired software ranges from 5 months to 10 months.

Notes to the Financial Statements

for the year ended 30 June 2019

15. Trade and other payables

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Current				
Unsecured liabilities				
Trade payables	614,090	450,040	614,090	450,040
Sundry payables	286,732	238,634	273,227	224,248
Accrued expenses	427,640	156,990	423,480	155,090
Income in advance - member subscriptions	2,140,937	2,152,541	2,140,937	2,152,541
Income in advance - events	1,296,759	501,279	1,296,759	501,279
Income in advance - unexpended funds/grant	87,218	69,166	87,218	69,166
Income in advance - other	301,433	263,083	301,433	251,625
Other related parties - Gold Cross	-	-	-	-
Consideration to employers for payroll deductions	-	-	-	-
Legal costs payable				
Other legal matters	21,484	994	21,484	994
Other legal matters - owing to related parties: Meridian Lawyers	2,073	-	2,073	-
Amounts owing to:				
- Other reporting units				
Pharmacy Guild of Australia	18,828	31,225	18,828	31,225
Pharmacy Guild of Australia - SA Branch	-	1,739	-	1,739
Pharmacy Guild of Australia - Victoria Branch	-	2,897	-	2,897
Pharmacy Guild of Australia - NSW Branch	-	2,520	-	2,520
Pharmacy Guild of Australia - Tasmania Branch	-	60	-	60
Pharmacy Guild of Australia - WA Branch	-	390	-	390
Pharmacy Guild of Australia - ACT Branch	-	15	-	15
Guild Insurance Ltd	45,837	-	45,837	-
- Controlled entities				
InnovationRX International Pty Ltd	-	-	-	-
The Guild Properties (Queensland) Unit Trust	-	-	583,248	626,065
	5,243,031	3,871,573	5,808,624	4,469,894

a. Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables - all current		5,243,031	3,871,573	5,808,624	4,469,894
Financial liabilities as trade and other payables	20	5,243,031	3,871,573	5,808,624	4,469,894

Notes to the Financial Statements

for the year ended 30 June 2019

16. Employee Provisions

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Office Holders				
Annual leave	8,977	4,479	8,977	4,479
Long service leave	1,026	249	1,026	249
Separations and redundancies	-	-	-	-
Other	-	-	-	-
Subtotal office holders	10,003	4,728	10,003	4,728
Employees other than office holders				
Annual leave	224,826	202,893	224,826	202,893
Long service leave	348,175	296,675	348,175	296,675
Separations and redundancies	-	-	-	-
Other	-	-	-	-
Subtotal employees other than office holders	573,001	499,568	573,001	499,568
Total employee provisions	583,004	504,296	583,004	504,296
Current	438,800	395,224	438,800	395,224
Non-current	144,204	109,072	144,204	109,072
Total employee provisions	583,004	504,296	583,004	504,296

Provision for employee benefits

A provision has been recognised for employee entitlements relating to annual and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

17. Segmental reporting

The Queensland Branch of the Pharmacy Guild of Australia provides services to pharmacists predominantly in Queensland.

18. Capital commitments

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Capital expenditure commitments contracted for:				
Building under construction	776,196	-	776,196	-
Payable:				
Within 12 months	776,196	-	776,196	-
Greater than 12 months and less than five years	-	-	-	-
Longer than 5 years	-	-	-	-
	776,196	-	776,196	-

Notes to the Financial Statements

for the year ended 30 June 2019

19. Cash flow information

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
a. Reconciliation of cash flow from operating activities with profit after income tax				
Profit after income tax	608,477	1,244,239	734,654	1,370,125
Non-cash flows in profit:				
- Depreciation and amortisation expense	278,535	290,091	152,358	164,205
- Impairment expense / (reversal)	-	4,035	-	4,035
- (Profit) / loss on disposal of property, plant and equipment and intangibles	2,381	(7,984)	2,381	(7,984)
- Net payable settled by return of units in the Guild Properties (Queensland) Unit Trust	-	-	-	1,705,720
Change in assets and liabilities:				
- (Increase)/decrease in trade and other receivables	(392,419)	132,258	(436,935)	568,038
- (Increase)/decrease in other assets	(213,582)	(199,147)	(174,813)	(199,147)
- Increase/(decrease) in trade and other payables	1,371,458	(908,985)	1,338,730	(3,115,092)
- Increase/(decrease) in provisions	78,708	16,912	78,708	16,912
Cash flows from operations	1,733,558	571,419	1,695,083	506,812

b. Related party operating cash flows

i) Cash inflows

The Pharmacy Guild of Australia	1,154,508	1,108,984	1,154,508	1,108,984
Pharmacy Guild of Australia - ACT Branch	118	884	118	884
Pharmacy Guild of Australia - NSW Branch	8,567	7,996	8,567	7,996
Pharmacy Guild of Australia - NT Branch	350	1,222	350	1,222
Pharmacy Guild of Australia - SA Branch	6,885	5,868	6,885	5,868
Pharmacy Guild of Australia - Tasmania Branch	2,270	492	2,270	492
Pharmacy Guild of Australia - Victoria Branch	515	100	515	100
Pharmacy Guild of Australia - WA Branch	677	225	677	225
Fred IT Group	102,832	75,316	102,832	75,316
Gold Cross Products and Services Pty Ltd	93,449	138,114	93,449	138,114
Guild Group Holdings Ltd	2,983	142,454	2,983	142,454
Guild Insurance Ltd	101,218	7,473	101,218	7,473
GuildLink Pty Ltd	31,018	62,827	31,018	62,827
Guild Superannuation Services Ltd	400	18,673	400	18,673
Guild Trustee Services Pty Ltd	23,341	22,100	23,341	22,100
Meridian Lawyers Limited	11,698	15,136	11,698	15,136
The Guild Properties (Queensland) Unit Trust	-	-	36,863	-
	1,540,829	1,607,864	1,577,692	1,607,864

ii) Cash outflows

The Pharmacy Guild of Australia	(989,629)	(1,049,479)	(989,629)	(1,049,479)
Pharmacy Guild of Australia - ACT Branch	(3,290)	(4,084)	(3,290)	(4,084)
Pharmacy Guild of Australia - NSW Branch	(63,695)	(17,973)	(63,695)	(17,973)
Pharmacy Guild of Australia - NT Branch	(3,975)	(2,298)	(3,975)	(2,298)
Pharmacy Guild of Australia - SA Branch	(6,782)	(2,588)	(6,782)	(2,588)
Pharmacy Guild of Australia - Tasmania Branch	(4,403)	(4,940)	(4,403)	(4,940)
Pharmacy Guild of Australia - Victoria Branch	(9,748)	(7,788)	(9,748)	(7,788)
Pharmacy Guild of Australia - WA Branch	(3,071)	(3,214)	(3,071)	(3,214)
Gold Cross Products and Services Pty Ltd	(723)	-	(723)	-
Guild Insurance Ltd	(13,681)	(50,980)	(13,681)	(50,980)
	(1,098,997)	(1,143,344)	(1,098,997)	(1,143,344)

Notes to the Financial Statements

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20. Financial risk management

The group's financial instruments consist mainly of deposits with banks, a portfolio of fixed interest investments, trade and other receivables and payables, including amounts owing to and receivable from subsidiaries.

The totals for each category of financial instruments, measured in accordance with AASB 9 (2018: AASB 139) as described in the accounting policies to these financial statements, are as follows:

	Notes	Consolidated Entity		Parent Entity	
		2019	2018	2019	2018
		\$	\$	\$	\$
Financial Assets					
Cash and cash equivalents	8	4,833,226	5,872,227	4,730,144	5,807,620
Loans and receivables	9	2,346,863	1,954,444	3,054,307	2,617,372
FIIG investment portfolio	11	2,386,374	492,223	2,386,374	492,223
Units in controlled unit trust	11	-	-	4,171,690	4,167,301
		<u>9,566,463</u>	<u>8,318,894</u>	<u>14,342,515</u>	<u>13,084,516</u>
Financial Liabilities					
Financial liabilities at amortised cost:					
Trade and other payables	15	5,243,031	3,871,573	5,808,624	4,469,894
		<u>5,243,031</u>	<u>3,871,573</u>	<u>5,808,624</u>	<u>4,469,894</u>

Financial risk management policies

The finance committee's overall risk management strategy seeks to assist the group in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the committee of management on a regular basis. These include the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for group operations. The group does not have any derivative instruments at 30 June 2019 (2018: nil).

The finance committee, consisting of senior executives of the group, meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The finance committee's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The reporting entity's investment strategy directs funds to be invested in interest bearing securities in the fixed income asset class to meet the following objectives:

- (i) Preservation of capital
- (ii) Maximise returns subject to the investment guidelines, showing a bias towards income distributions in preference to capital appreciation
- (iii) Ensure sufficient liquidity at all times, to meet cash flow requirements.

Specific financial risk exposures and management

The main risks the group is exposed to through its financial instruments are interest rates, liquidity risk and credit risk.

a. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows.

As at 30 June 2019, the group is exposed to changes in market interest rates through cash at bank held at variable interest rates and floating rate notes and other interest securities with rates linked to variable benchmarks such as the bank bill swap rate. For further details on interest rate risk refer to Note 20g.

In the FIIG investment portfolio, interest rate risk is measured by modified duration (MDur). MDur measures the average time it takes for interest rates to be reset, reflecting the sensitivity of the portfolio to changes in interest rates. The maximum modified duration of the portfolio set under the investment strategy is 4 years.

Notes to the Financial Statements

for the year ended 30 June 2019

20. Financial risk management (continued)

b. Liquidity risk

Liquidity risk arises from the possibility that the group might encounter difficulty in settling its debts or otherwise meeting its obligations relating to financial liabilities. The group manages this risk by monitoring forecast cash flows, maintaining a reputable credit profile, managing credit risk related to financial assets, and only investing surplus cash with major financial institutions and licenced investment custodians.

The tables below reflect the undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

The direction to the FIIG investment financial asset portfolio manager is for a minimum of 75% of the portfolio by market value be invested in liquid assets at all times.

Consolidated entity

2019	Within 1 Year	1 - 5 Years	Over 5 years	Total
Financial liabilities due for payment				
Trade and other payables	5,243,031	-	-	5,243,031
Total expected outflows	5,243,031	-	-	5,243,031
Financial assets – cash flows realisable				
Cash and cash equivalents	4,833,226	-	-	4,833,226
Trade and other receivables	2,346,863	-	-	2,346,863
FIIG investment portfolio	223,307	969,230	1,193,837	2,386,374
Total anticipated inflows	7,403,396	969,230	1,193,837	9,566,463
Net (outflow) / inflow on financial instruments	2,160,365	969,230	1,193,837	4,323,432
2018	Within 1 Year	1 - 5 Years	Over 5 years	Total
Financial liabilities due for payment				
Trade and other payables	3,871,573	-	-	3,871,573
Total expected outflows	3,871,573	-	-	3,871,573
Financial assets – cash flows realisable				
Cash and cash equivalents	5,872,227	-	-	5,872,227
Trade and other receivables	1,954,444	-	-	1,954,444
Held-to-maturity financial assets	60,258	245,809	186,156	492,223
Total anticipated inflows	7,886,929	245,809	186,156	8,318,894
Net (outflow) / inflow on financial instruments	4,015,356	245,809	186,156	4,447,321

Parent entity

2019	Within 1 Year	1 - 5 Years	Over 5 years	Total
Financial liabilities due for payment				
Trade and other payables	5,808,624	-	-	5,808,624
Total expected outflows	5,808,624	-	-	5,808,624
Financial assets – cash flows realisable				
Cash and cash equivalents	4,730,144	-	-	4,730,144
Trade and other receivables	3,054,307	-	-	3,054,307
FIIG investment portfolio	223,307	969,230	1,193,837	2,386,374
Total anticipated inflows	8,007,758	969,230	1,193,837	10,170,825
Net (outflow) / inflow on financial instruments	2,199,134	969,230	1,193,837	4,362,201

Notes to the Financial Statements

for the year ended 30 June 2019

20. Financial risk management (continued)

2018	Within 1 Year	1 - 5 Years	Over 5 years	Total
Financial liabilities due for payment				
Trade and other payables	4,469,894	-	-	4,469,894
Total expected outflows	4,469,894	-	-	4,469,894
Financial assets – cash flows realisable				
Cash and cash equivalents	5,807,620	-	-	5,807,620
Trade and other receivables	2,617,372	-	-	2,617,372
Held-to-maturity financial assets	60,258	245,809	186,156	492,223
Total anticipated inflows	8,485,250	245,809	186,156	8,917,215
Net (outflow) / inflow on financial instruments	4,015,356	245,809	186,156	4,447,321

c. Foreign exchange risk

The group is not exposed to fluctuations in foreign currency.

d. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the group.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. It includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing expected credit losses. Credit terms are generally 30 days from the date of invoice.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Branch Committee has otherwise cleared as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at reporting date, excluding the value of any collateral or other security held, is the equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position. There are no material amounts of collateral held as security at 30 June 2019 (2018: nil).

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 9.

The group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated group. The trade receivables balances at 30 June 2019 and 30 June 2018 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved committee of management policy. Such policy allows 50% of available cash reserves to be invested in the FIIG investment portfolio held by a licenced investment custodian. A minimum of 50% of the portfolio is to be invested in securities with a long term rating equivalent to S&P A- or higher. The following table provides information regarding the credit risk relating to cash and money market securities based on S&P counterparty credit ratings.

Notes to the Financial Statements

for the year ended 30 June 2019

20. Financial risk management (continued)

	Notes	Consolidated Entity		Parent Entity	
		2019	2018	2019	2018
		\$	\$	\$	\$
Cash and cash equivalents					
- AA- rated		4,717,271	5,865,914	4,614,189	5,801,307
- BBB rated		115,455	5,813	115,455	5,813
- Cash on hand		500	500	500	500
	8	<u>4,833,226</u>	<u>5,872,227</u>	<u>4,730,144</u>	<u>5,807,620</u>
FIIG investment portfolio					
- Unrated by S&P		1,109,140	256,007	1,109,140	256,007
- BBB+ rated		447,847	53,979	447,847	53,979
- BBB rated		555,920	80,687	555,920	80,687
- BBB- rated		223,308	101,550	223,308	101,550
- BB+ rated		50,159	-	50,159	-
	11	<u>2,386,374</u>	<u>492,223</u>	<u>2,386,374</u>	<u>492,223</u>

e. Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The group is not exposed to any material commodity price risk.

Fair value measurement

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability; or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Management and the Branch Committee of the Group assessed that cash, trade and other receivables and trade and other payables approximate their carrying amounts largely due to the short term maturities of these instruments.

For other financial assets, the group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The following table contains the carrying amounts and related fair values for the Group's financial assets and liabilities.

Notes to the Financial Statements

for the year ended 30 June 2019

20. Financial risk management (continued)

Consolidated Entity	Notes	Carrying Amount	Fair Value	Carrying Amount	Fair Value
		2019	2019	2018	2018
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	8	4,833,226	4,833,226	5,872,227	5,872,227
Trade and other receivables	9	2,346,863	2,346,863	1,954,444	1,954,444
FIIG investment portfolio	11	2,386,374	2,386,374	492,223	492,223
Total financial assets		9,566,463	9,566,463	8,318,894	8,318,894
Financial liabilities					
Trade and other payables	15	5,243,031	5,243,031	3,871,573	3,871,573
Total financial liabilities		5,243,031	5,243,031	3,871,573	3,871,573
Parent Entity		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		2019	2019	2018	2018
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	8	4,730,144	4,730,144	5,807,620	5,807,620
Trade and other receivables	9	3,054,307	3,054,307	2,617,372	2,617,372
FIIG investment portfolio	11	2,386,374	2,386,374	492,223	492,223
Units in controlled unit trust	11	4,171,690	4,171,690	4,167,301	4,167,301
Total financial assets		14,342,515	14,342,515	13,084,516	13,084,516
Financial liabilities					
Trade and other payables	15	5,808,624	5,808,624	4,469,894	4,469,894
Total financial liabilities		5,808,624	5,808,624	4,469,894	4,469,894

Under AASB 139 the available-for-sale financial assets being the units in the wholly-owned trust were measured at cost. Upon transition to AASB 9, this investment is measured at fair value through profit and loss. The fair value of the investment is based on independent expert valuation of the key asset held by the unit trust, in accordance with Level 2 of the fair value hierarchy.

The fair value of the FIIG investment portfolio is based on quoted (unadjusted) market prices in active markets for identical assets, in accordance with Level 1 of the fair value hierarchy.

Fair value hierarchy - 30 June 2019

Parent Entity	Date of Valuation	Level 1	Level 2	Level 3
Assets measured at fair value				
Units in controlled unit trust	30/06/2019	-	4,171,690	-
		-	4,171,690	-

g. Sensitivity analysis

The following table illustrates sensitivities to the group's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Notes	Consolidated Entity		Parent Entity	
		Profit	Equity	Profit	Equity
		\$	\$	\$	\$
Year-ended 30 June 2019					
+ / - 1% in interest rates		+/- 34,768	+/- 34,768	+/- 34,768	+/- 34,768
Year-ended 30 June 2018					
+ / - 1% in interest rates		+/- 28,573	+/- 28,573	+/- 28,573	+/- 28,573

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

Notes to the Financial Statements

for the year ended 30 June 2019

21. Events after reporting date

As of the date of the signing of this report the Committee of Management were not aware of any events which materially affect the information presented in this financial report.

22. Related party transactions

The entity's related parties are its controlled entities (see note 12) and Branch Committee Members. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2018: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No expected credit losses have been raised in relation to any outstanding balances, and no expense has been recognised in respect of expected credit losses due from a loan to a related party.

The following persons were members of the Branch Committee and Branch Executive during the financial year:

Branch Executive

K Sclavos (full year)

C Owen (full year)

R Xynias (full year)

T Twomey (full year)

Branch Committee

P Jaffar (full year)

V Kumar (full year)

T Logan (full year)

A Milostic (full year)

C Owen (full year)

A Seeto (full year)

K Sclavos (full year)

T Twomey (full year)

L Walker (full year)

F Watson (full year)

C Whalan (full year)

R Xynias (full year)

	Notes	Consolidated Entity		Parent Entity	
		2019	2018	2019	2018
		\$	\$	\$	\$
a. Subsidiary of Parent Entity					
<i>The Guild Properties (Queensland) Unit Trust</i>					
Revenue received from distributions	3	-	-	524,385	548,004
Recovery of expenses paid on behalf of Trust		-	-	169,789	83,597
Expenses paid for rent		-	-	530,225	569,150
Capital contributions paid		-	-	4,389	7,301
Return of units to settle amounts payable to Trust		-	-	-	1,705,720
b. Other reporting units					
The Pharmacy Guild of Australia					
- Revenue received for Pharmacy Transformation program	3	925,578	925,578	925,578	925,578
- Revenue received for events		57,397	32,686	57,397	32,686
- Revenue received for other sales and recovery of costs		62,203	58,105	62,203	58,105
- Expenses paid for capitation fees	4a	502,442	524,628	502,442	524,628
- Expenses paid for capitation fees - Fighting Fund	4a	310,500	313,875	310,500	313,875
- Expenses paid for purchases and services		89,613	108,146	89,613	108,146
Pharmacy Guild of Australia - ACT Branch					
- Revenue received for events		118	884	118	884
- Expenses paid for commissions		15	-	15	-
- Expenses paid for purchases and services		3,068	3,747	3,068	3,747

Notes to the Financial Statements

for the year ended 30 June 2019

22. Related party transactions (continued)

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Pharmacy Guild of Australia - NSW Branch				
- Revenue received for commission income	1,631	666	1,631	666
- Revenue received for events	4,923	2,250	4,923	2,250
- Revenue received for other sales and recovery of costs	1,882	2,909	1,882	2,909
- Expenses paid for commissions	36,712	-	36,712	-
- Expenses paid for purchases and services	21,193	14,829	21,193	14,829
Pharmacy Guild of Australia - NT Branch				
- Revenue received for events	350	1,113	350	1,113
- Revenue received for other sales and recovery of costs	-	99	-	99
- Expenses paid for commissions	-	-	-	-
- Expenses paid for purchases and services	3,584	2,089	3,584	2,089
Pharmacy Guild of Australia - SA Branch				
- Revenue received for events	6,885	5,868	6,885	5,868
- Expenses paid for commissions	-	-	-	-
- Expenses paid for purchases and services	4,783	3,868	4,783	3,868
Pharmacy Guild of Australia - Tasmania Branch				
- Revenue received for events	2,270	91	2,270	91
- Revenue received for other sales and recovery of costs	-	365	-	365
- Expenses paid for commissions	60	-	60	-
- Expenses paid for purchases and services	3,943	4,491	3,943	4,491
Pharmacy Guild of Australia - Victoria Branch				
- Revenue received for events	515	100	515	100
- Revenue received for other sales and recovery of costs	-	-	-	-
- Expenses paid for commissions	635	-	635	-
- Expenses paid for purchases and services	7,593	7,763	7,593	7,763
Pharmacy Guild of Australia - WA Branch				
- Revenue received for events	227	-	227	-
- Revenue received for other sales and recovery of costs	409	205	409	205
- Expenses paid for commissions	390	-	390	-
- Expenses paid for purchases and services	2,476	2,922	2,476	2,922
c. Other related parties				
Fred IT Group				
- Revenue received for events	102,832	75,316	102,832	75,316
Gold Cross Products and Services Pty Ltd				
- Revenue received for events	74,000	59,030	74,000	59,030
- Revenue received for rent	140,250	24,496	-	24,496
- Revenue received for other sales and recovery of costs	5,276	5,780	5,276	5,780

Notes to the Financial Statements

for the year ended 30 June 2019

22. Related party transactions (continued)

	Notes	Consolidated Entity		Parent Entity	
		2019	2018	2019	2018
		\$	\$	\$	\$
Guild Group Holdings Ltd					
- Revenue received for events		-	81,818	-	81,818
- Revenue received for other sales and recovery of costs		2,676	1,284	2,676	1,284
Guild Insurance Ltd					
- Revenue received for events		101,218	7,473	101,218	7,473
- Expenses paid for purchases and services		57,970	46,807	57,970	46,807
GuildLink Pty Ltd					
- Revenue received for events		31,018	48,359	31,018	48,359
- Revenue received for rent		-	13,153	-	13,153
Guild Superannuation Services Ltd					
- Revenue received for events		400	18,673	400	18,673
Guild Trustee Services Pty Ltd					
- Revenue received for events		11,241	10,000	11,241	10,000
Meridian Lawyers Limited					
- Revenue received for events		11,698	15,136	11,698	15,136
- Expenses paid for purchases and services		5,577	-	5,577	-
d. Companies associated with members of the Branch Committee					
Event consulting, speaker fees and management fees paid to a company controlled by Mr K Sclavos		159,052	157,917	159,052	157,917
Rent revenue received for from a company controlled by Mr K Sclavos		12,771	12,521	12,771	12,521
Recovery of expenses paid on behalf of a company controlled by Mr K Sclavos		-	142	-	142
Remuneration paid to Mrs A Seeto for part-time employment		11,277	15,817	11,277	15,817

Notes to the Financial Statements

for the year ended 30 June 2019

23. Leasing commitments

The parent entity leases the premises in which they operate from The Guild Properties (Queensland) Unit Trust which forms part of the consolidated group. The Branch Committee has agreed that an ongoing rental payment of \$530,225 per annum is paid for the use of the premises (2018: \$569,150 per annum). This is payable annually in the books of the Parent Entity, however eliminated in the Consolidated Entity due to The Unit Trust being part of the Consolidated Group.

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
a. Operating Lease Commitments				-
Non-cancellable operating leases contracted for but not capitalised in the financial statements				
Payable - minimum lease payments				
- not later than 12 months	17,578	13,737	17,578	13,737
- between 12 months and five years	35,155	41,213	35,155	41,213
	<u>52,733</u>	<u>54,950</u>	<u>52,733</u>	<u>54,950</u>

The entity has entered into an equipment lease commencing 5 July 2017 with a five-year term with lease instalments payable monthly. The instalments are fixed, but were renegotiated during the prior period.

Lease expense during the period amounted to \$15,658 (2018: \$13,737) representing the minimum lease payments.

b. Lessor Disclosures

Notes	Consolidated Entity		Parent Entity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Lease commitments receivable:				
Not later than one year	132,600	62,500	-	-
Later than one year but not later than 5 years	354,440	-	-	-
	<u>487,040</u>	<u>62,500</u>	<u>-</u>	<u>-</u>

The Guild Properties Trust leases space within their buildings to related party tenants. The lease option was exercised during the financial year for a second term of 4 years ending 31 December 2022, with an option to extend of 5 years. Rental charges are based on fixed increments within the lease agreement.

24. Entity details

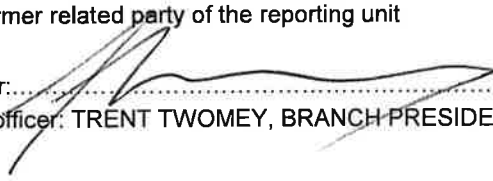
The registered office and principal place of business of the entity is:
The Pharmacy Guild of Australia (Queensland Branch)
132 Leichhardt Street
SPRING HILL QLD 4004

Officer Declaration Statement

I, Trent Twomey, being the Branch President of the Pharmacy Guild of Australia (Queensland Branch), declare that the following activities did not occur during the reporting period ending 30 June 2019.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signature of designated officer:.....

Name and title of designated officer: TRENT TWOMEY, BRANCH PRESIDENT

Dated this 13th day of September 2019