The Pharmacy Guild of Australia

Annual Report

2017 - 2018

Branch President's Report

I am pleased to provide this forward as my first year as the President of the Pharmacy Guild of Australia, Queensland Branch. I would like to thank the members of my district as well as my colleagues on the Branch Committee for the vote of confidence they have given in supporting me to President of this Branch. I would like to take this opportunity to welcome the Branch Committee for the 2017 – 2020 term:

Trent Twomey	Far North Queensland, Branch President and National Councillor
Chris Owen	Brisbane, Vice President, National Councillor
Rick Xynias	Brisbane, Senior Vice President
Kos Sclavos	Brisbane, Vice President Finance
Lucy Walker	South West Queensland, Alternative National Councillor
Vikesh Kumar	Wide Bay/Burnett, Alternative National Councillor
Cate Whalan	North Queensland
Allan Milostic	Central Queensland
Tim Logan	Sunshine Coast
Paul Jaffar	Gold Coast
Amanda Seeto	Brisbane
Fiona Watson	Brisbane
Paul Jaffar	Gold Coast

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.

Being well-resourced is an important prerequisite of being a strong and reliable resource. The financial status and a summary of the activity of this Branch are recorded in this report for your assessment.

As I write this column in September 2018, the Queensland Parliamentary Inquiry into the establishment of a pharmacy council and transfer of pharmacy ownership in Queensland is underway. Thank you to the numerous members who provided a written submission to this Inquiry. Your concerns have reached the Parliamentary Committee and go a long way to highlight the positive contribution that community pharmacy makes to the Queensland healthcare system. Your Guild is working actively to ensure the Committee clearly understand the key issues at stake and supports the need for an independent pharmacy council in Queensland, as is seen in all other jurisdictions across Australia.

Finally, I would like to acknowledge the efforts of our Branch staff, headed by Branch Director Robyn Ede in achieving the financial results presented here, and for representing and assisting members over the past year. We have an experienced and stable staff here at the Queensland Branch, and it is no coincidence that our Branch has pioneered many initiatives, and is seen as a Centre of Excellence in many areas by our colleagues nationwide. I am sure I speak for the entire Branch Committee when I say that we aim to build on the performance and results in managing your Guild in the year ahead.

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 2017/18 year.

This year, The Pharmacy Guild was listed as a preferred supplier to the Queensland Government for vaccination services. This standing offer arrangement is in place for a period of three years. As a part of this arrangement, the Guild Corporate Vaccination Program was expanded to include 12 Queensland Government Departments and one private organisation. 379 member pharmacies registered for the program and 4967 influenza vaccinations were administered, an increase of 225% (3440 vaccinations) compared to the previous years' program. The program resulted in over $98,000 additional income for Queensland member pharmacies.

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 70 students graduate with a Certificate II in Community Pharmacy with many graduates securing employment in community pharmacy.

The Branch was also successful in tendering for additional grants to deliver education to members in regional Queensland. The Community Farmacy: Helping Hand Initiative delivered Mental Health First Aid Training to 32 pharmacy staff and 14 farming community members in Bundaberg, Dalby, Toowoomba and Goondiwindi. Additionally, Drug and Alcohol Treatment Services Workforce Development training was delivered to 40 community pharmacy staff throughout Ipswich, Toowoomba and Goondiwindi.

The Branch continues to be a leader in the development and delivery of pharmacy events. 6,200 delegates attended this year's APP, which featured 100-plus international and Australian speakers and a sell-out trade exhibition. We also delivered the second annual Pharmacy Connect conference and trade exhibition, in conjunction with the NSW Branch. Held in Sydney, the event attracted over 640 delegates across two days. While more than 400 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 80.7% 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.

I would like to take this opportunity to thank Branch President Trent Twomey, the Branch Committee and the team at the Queensland Branch for their ongoing passion and dedication to the needs of our members. Our knowledgeable and committed team are dedicated to the needs of our members and we will continue to enthusiastically pursue future opportunities on your behalf.

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 Lenehan
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 Lenehan
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
2011	N Gearing
	N A Hunt-Sharp
	J Taylor
2012	P Dimitrios
2013	M Katahanas
	R Malouf
	R Prescott
	A Prout
	K Strain
2014	W Tracey
2015	L Dupuy
	The Hon J C Hodges
	M Hodges
2016	W Bonner
	V Holt
	K Hartley
	G Kotzas
2017	A N Fiore
	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 Brighouse
	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 2017/18

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 2017/18

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

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 inaugural **Pharmacy Connect** conference and trade exhibition, in conjunction with the New South Wales Branch. Held in Sydney, the event attracted over 640 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 400 pharmacy assistants from around Australia gathered at Sea World Resort on the Gold Coast for the 17th annual **Pharmacy Assistant National Conference**, which included two days of education, networking and supplier liaison.

PATY

In 2018, over 750 nominations were received for the Pharmacy Assistant of the Year Award (PATY) which is the highest number of nominations in the history of the award.

Workplace Relations

Our workplace relations team assisted members with almost 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)

This program has grown substantially and now has 756 pharmacies registered (and an additional 19 new pharmacies).

PNSP pharmacies distributed 2.177 million syringes and collected 11.76 tonnes of sharps waste in the financial year. The program provided support and education in the forms of 418 pharmacy visits to participating PNSP pharmacies and presented harm minimisation lectures to the undergraduate students of four universities.

Business Support Team

The Professional Services Division's Business Support team has been providing individualised support to assist members to achieve their business goals for almost two years.

The team continues to provide outstanding member value to our network of community pharmacies across the state. Throughout the financial year period the team visited member pharmacies on 843 occasions and provided over 1551 interactions of support. A key focus for the team this year was completing the Your Guild, Your Business Support survey with members to establish their priorities in all areas of business and where the member sees gaps or areas of need in the future. To date the team have interviewed over 33% of the membership network and will continue to utilise this platform into 2018 – 19 period.

- 109 staff of member pharmacies participated in the Business Support team's quarterly industry update webinars.
- Half a dozen workshops were delivered by the business support team throughout the year. These included:
  - a pre-conference North Queensland Primary Health Network (PHN) workshop in July 2017
  - GuildCare Workshop in November 2017
  - Professional Services Workshop in Brisbane in February 2018
  - a pre-conference APP2018 Professional Services Workshop in May 2018
  - several 6CPA presentations and workshops to various banner groups in QLD across the 2017 – 18 period
- 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.

Guild Corporate Vaccination Program

The Queensland Branch is proud to have delivered another successful Guild Corporate Vaccination Program.

This was the inaugural year the Pharmacy Guild was listed as a Preferred Supplier for Government Departments for vaccination services following being successful in the Workplace Health Services Standing Offer Arrangement Tender during the 2017/18 period. This tender is in place for a period of three years.

The program expanded in 2018 to include 12 Queensland Government Department and 1 private organisation, 379 registered pharmacies and 4967 influenza vaccinations administered, an increase of 225% (3440 vaccinations) compared to the 2017 program. The program resulted in over $98,000 additional income for Queensland member pharmacies.

The aim is to expand this program further in the coming year to provide member pharmacies with:

- additional income
- increased number of vaccines administered
- further participating government departments and private organisations

Importantly, the overwhelming majority of pharmacies surveyed had a positive experience with the program; with over 82% of respondents saying the program assisted in building patient-pharmacy rapport with potential new patients and 80% saying the program provided an opportunity to discuss other aspects of healthcare with the employees.

Primary Health Care

The QLD Branch has 15 Guild members representing community pharmacy as Executive or Clinical Council members across six of the seven Primary Health Networks (PHNs). The Guild itself, has membership in five PHNs.

Guild Training

The QLD Branch continues to support members with quality, well trained staff. Over 500 Guild member pharmacies received a visit from a Guild trainer and over 7,800 forms of contact were made with community pharmacies across the state.

Additionally, the Branch delivered training to over 1900 Pharmacy Assistants across Queensland and issued over 1260 Community Pharmacy qualifications.

Funding was once again secured by the Branch from the Queensland Government to deliver the Fundamentals of Community Pharmacy program which assisted over 70 underemployed, unemployed and culturally and linguistically diverse students achieve their Certificate II in Community Pharmacy and go on to find employment in community pharmacy.

The Branch also secured funding through the Queensland Government to deliver Certificate III in Community Pharmacy and Certificate IV in Community Pharmacy at a heavily subsidised rate to support member businesses.

CPD Accreditation

THE PHARMACY GUILD, QUEENSLAND BRANCH

In the 2017/2018 financial year the Guild, as an Accredited CPD Organisation, processed 67 applications for accreditation from an array of education providers.

In relation to the education providers:

- 45% of the applications were submitted by Guild Learning and Development
- The rest were from a range of education providers the Guild works with including Australian Society for HIV, Viral Hepatitis and Sexual Health Medicine, Epilepsy Queensland, Osteoporosis Australia, Pharmacists' Support Services, National Asthma Council, other Guild branches.

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

CPD Pharmacist Education

MEDICINAL CANNABIS READINESS COURSE

In September 2017, the Queensland Branch launched the Medicinal Cannabis Readiness Course – a national online education course, comprising of 3 x CPD accredited modules to keep pharmacists up-to-date with the evolving space of Medicinal Cannabis access through pharmacy in Australia.

833 participants enrolled in the cannabis course in the 2017/2018 FY and 341 Guild Interns received complimentary course access as a part of their ITP course, with a total of 1213 pharmacists accessing the education modules.

NATIONAL VACCINATION COURSE FOR PHARMACISTS

In February 2018, the Queensland Branch launched the National Vaccination Course for Pharmacists – to allow pharmacists in Queensland to become accredited vaccinating pharmacists.

Over the 2017/2018 FY, 233 pharmacists completed their vaccination certification through the Queensland Branch.

Funded Programs

QMHC – COMMUNITY FARMACY: HELPING HAND INITIATIVE

Through a successful application for community health and wellbeing grant, the Queensland Branch received funding from the Queensland Mental Health Commission (QMHC) to deliver Community Farmacy: Helping Hand Initiative in October 2017.

The Queensland branch organized a series of integrated training sessions, inviting both staff of community pharmacies and members of the general public with linkages to farming communities to attend a 2-day Mental Health First Aid Training. This initiative was delivered in the following communities; Bundaberg, Dalby, Toowoomba and Goondiwindi.

Across the 4 x training sessions delivered, 32 pharmacy staff and 14 farming community members completed the MHFA training; the training was fully funded by the QMHC for these participants

The Community Farmacy: Helping Hand Initiative contributed to reducing stigma and discrimination towards people with mental health illness; both in community pharmacy staff and across members of the community whilst promoting social inclusion through attendance at the 2-day face to face MHFA courses.

DARLING DOWNS AND WEST MORETON PHN – DRUG AND ALCOHOL TREATMENT SERVICES WORKFORCE DEVELOPMENT

The Queensland branch successfully secured funding from the Darling Downs and West Moreton PHN to provide a series of education session in the region, focused on workforce development in relation to drug and alcohol treatment services.

The Queensland branch partnered with the Queensland Injectors Health Network (QuIHN) to deliver 3 x education session in the Darling Downs and West Moreton PHN region, to community pharmacy staff.

40 community pharmacy staff (pharmacists, interns and pharmacy assistants) from 17 different pharmacies attended this funded trainings held in Ipswich, Toowoomba and Goondiwindi.

National Guild Intern Training Program

A total of 183 Interns enrolled in the Guild Intern Training Program over mid year 2017 and January 2018 cohorts.

2018 marks the second year of the national Guild Intern Training Program, being managed centrally through the Queensland Branch. The number of intern enrolments remained steady in the 2017/2018 financial year, with the inaugural cohort of the program in 2017 providing overwhelmingly positive feedback. The Queensland branch continues to work closely with all State/Territory Guild branches and the National Secretariat, to deliver a quality training experience to pharmacist graduates and grow as a national program

Customer Experience Index

The Queensland Branch continued to support members with the delivery of the Customer Experience Index (CEI) service during the 2017 – 2018 financial year. The service provided members with the opportunity to strengthen their customer-centric approach to their businesses. During the year, 226 member pharmacies were surveyed across the State, from Cairns to the Gold Coast, and many hundreds of kilometres in between.

The delivery of the service in Queensland resulted in the completion of over 1,500 customer surveys, and the collection of data from approximately 27,000 customer responses to survey questions. From this extensive customer feedback the Customer Experience Index team presented members with tangible customer insights, individual store net promoter scores, and practical advice on how to enhance the customer experience, and customer engagement, in their pharmacies.

Financial Report

This is my first year reporting to members on the financial position of the branch as the Vice President Finance. This year we also welcomed a new Branch Committee who are committed to strengthening the pharmacy industry through the advocating benefits on behalf of members.

I am pleased to advise in the financial year 2017/2018 we achieved an operating surplus. I would like to acknowledge 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.

Advocacy for community pharmacy remains our primary focus and the financial position of our branch ensures this is appropriately resourced. In 2017/2018 the branch received project funding from the Pharmacy Guild of Australia's National Secretariat and Queensland government to deliver support in the areas of Pharmacy Business Support, Customer Experience Index, Needle & Syringe Program and Community Work Skills. Through the Queensland Mental Health Commission, funding was received to provide Mental Health First Aid in an integrated training that connected rural and remote community pharmacies with the farming community through the Community Farmacy – The Helping Hand Initiative.

We were pleased to again provide the Guild Corporate Vaccination Program to members and thank all members who participated. With the increased interest from Queensland government departments and the private sector to utilise pharmacy for their flu vaccinations this year, we saw 4,957 flu vaccinations administered through the program which amounted to $98,892 in revenue being distributed to Queensland member pharmacies who participated in the program.

Revenue for courses increased by 6%. Skilling our workforce through pharmacy assistant, pharmacist intern and continued professional development for pharmacists programs are key to the future of pharmacy and we thank our members for choosing the Guild's training services.

This year the Australian Pharmacy Professional Conference was moved to May to accommodate the Commonwealth Games on the Gold Coast. APP remains the premier event in community pharmacy. The Pharmacy Assistants Conference was also held on the Gold Coast and Pharmacy Connect Conference in Sydney. All events were well represented and we thank our principal, major and program sponsors for their support to provide these member valued events.

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

Kos Sclavos

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 2018

0 1 2 3 4
5 6 7 8 9

THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
OPERATING REPORT
for the year ended 30 June 2018

The committee presents its report on The Pharmacy Guild of Australia (Queensland Branch) for the financial year ended 30 June 2018.

(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):

(i) Trent Twomey is a trustee of the Guild Trustee Services Pty Limited trading as Guild Super

(ii) To the best of the reporting unit's knowledge no other officer or member is a trustee of a superannuation fund

(e) Number of members:

As at 30 June 2018, to which this report relates, the number of members of the organisation was 745 including Honorary Life Members.

(f) Number of employees:

As at 30 June 2018, the total number of employees employed by the reporting entity was 43.

(g) Names of Committee of Management members and period positions held during the financial year:

The persons who have been members of the committee of management of The Pharmacy Guild of Australia (Queensland Branch) during the reporting period are:

Branch Executive

M Farrell	(until 10/10/17)	K Sclavos	(Full year)
T Logan	(until 10/10/17)	R Xynias	(Full year)
T Twomey	(Full year)	C Owen	(Full year)
V Kumar	(from 10/10/17)	L Walker	(from 10/10/17)

Branch Committee

M Calanna	(until 10/10/17)	M Farrell	(until 10/10/17)
G Fotinos	(until 10/10/17)	D Holmes	(until 10/10/17)
P Jaffar	(Full year)	V Kumar	(from 10/10/17
T Logan	(Full year)	A Milostic	(from 10/10/17)
C Owen	(Full year)	A Seeto	(Full year)
K Sclavos	(Full year)	T Twomey	(Full year)
L Walker	(from 10/10/17)	F Watson	(from 10/10/17)
C Whalan	(from 10/10/17)	R Xynias	(Full year)

(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: 18 September 2018

Level 18, 145 Ann Street
Brisbane QLD 4000

Correspondence to:
GPO Box 1008
Brisbane QLD 4001

T +61 7 3222 0200
F +61 7 3222 0444
E info.qld@au.gt.com
W www.grantthornton.com.

Auditor's Independence Declaration to the Branch Committee Members of Pharmacy Guild of Australia (Queensland Branch)

As lead auditor for the audit of Pharmacy Guild of Australia (Queensland Branch) for the year ended 30 June 2018, 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 Audit Pty Ltd
Chartered Accountants

Grant Thornton
H. E. Hiscox

Hannah Hiscox
Director – Audit & Assurance

Brisbane, 18 September 2018

Level 18, 145 Ann Street
Brisbane QLD 4000

Correspondence to:
GPO Box 1008
Brisbane QLD 4001

T +61 7 3222 0200
F +61 7 3222 0444
E info.qld@au.gt.com
W www.grantthornton.com.au

Independent Audit 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 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management 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 2018, and its financial performance and its 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.

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 the 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.

Other Matter

The Committee of Management Statement reflects that The Pharmacy Guild of Australia (Queensland Branch) has not undertaken any recovery of wages activity during the reporting period ended 30 June 2018. As such, no opinion is provided in relation to recovery of wages activity.

Grant Thornton Audit Pty Ltd
Chartered Accountants

Grant Thornton
H.E. Hiscox

H E Hiscox
Director – Audit & Assurance Services
Registration No. AA2017/142

18 September 2018

Committee of Management Statement

On 18 September 2018 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 2018:

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.

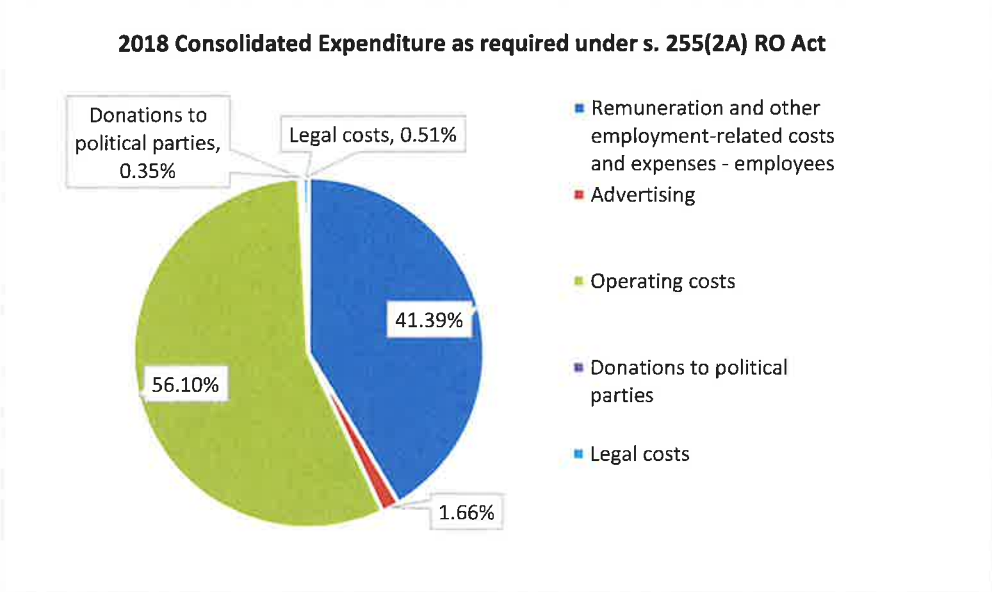
This declaration is made in accordance with a resolution of the Committee of Management.

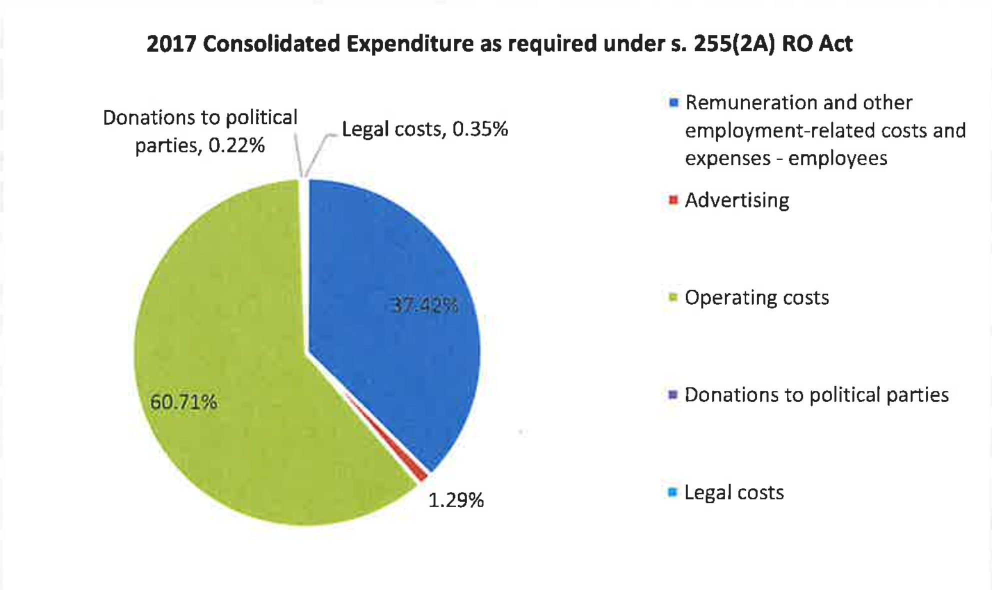
Signature of designated officer:..
Name and title of designated officer: TRENT TWOMEY, BRANCH PRESIDENT

Dated this 18th day of September 2018

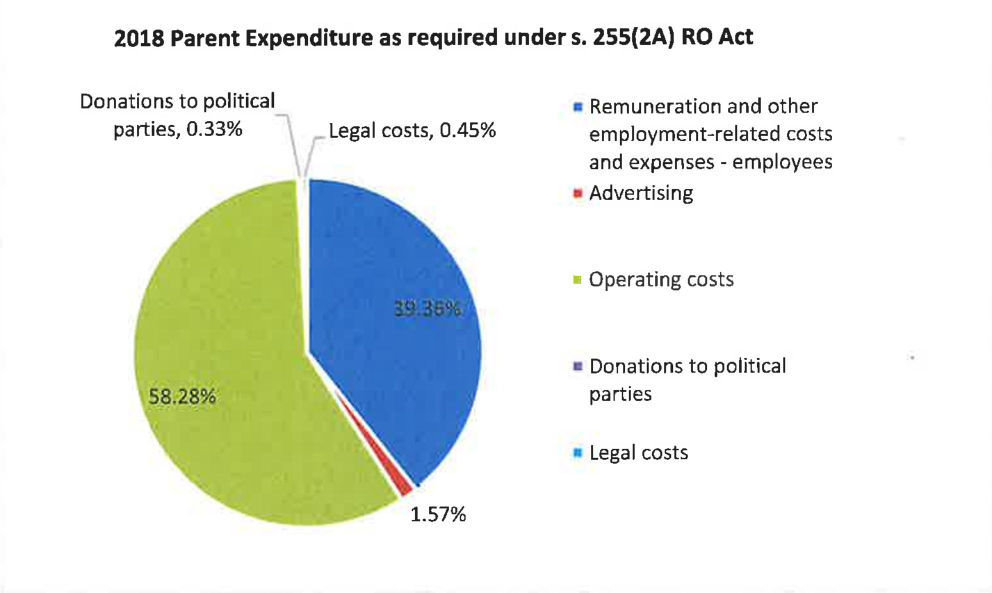
THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
EXPENDITURE REPORT REQUIRED UNDER SUBSECTION 255(2A)
for the year ended 30 June 2018

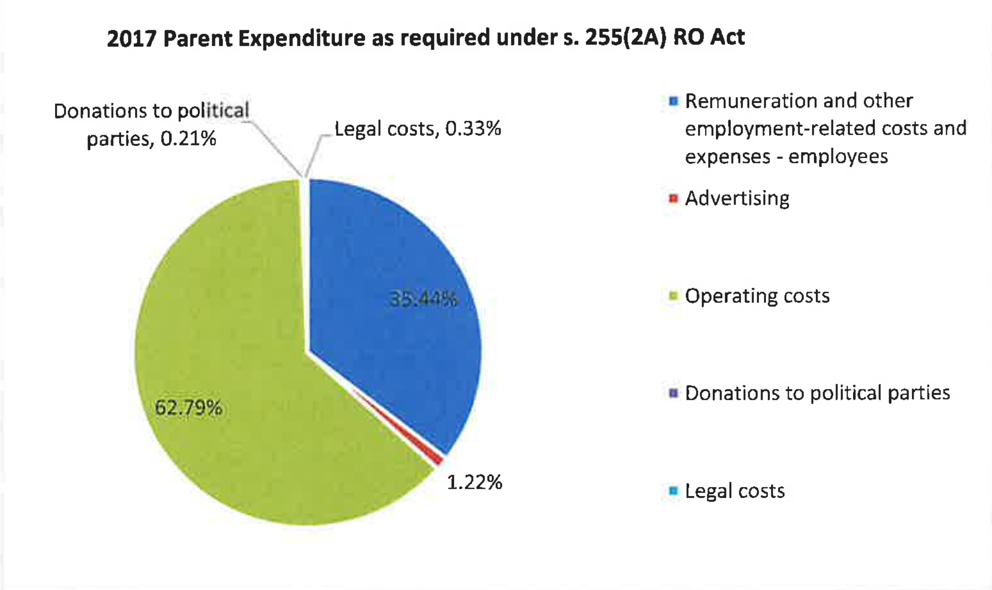
The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.





THE PHARMACY GUILD OF AUSTRALIA (QUEENSLAND BRANCH) AND CONTROLLED ENTITIES
EXPENDITURE REPORT REQUIRED UNDER SUBSECTION 255(2A)
for the year ended 30 June 2018





Signature of designated officer:..

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

Dated: 18 September 2018

Statement of Comprehensive Income

for the year ended 30 June 2018

	Notes	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
Revenue	3	**10,972,715**	11,167,581	**11,458,219**	11,752,044
Employee benefit expenses	4b	**(3,907,965)**	(3,661,600)	**(3,907,965)**	(3,661,600)
Depreciation and amortisation	4c	**(290,091)**	(155,691)	**(164,205)**	(155,691)
Impairment (expense) / reversal	4d	**(4,035)**	304,638	**(4,035)**	267,744
Finance costs	4e	-	-	-	-
Other expenses	4a	**(5,526,385)**	(6,099,872)	**(6,011,889)**	(6,647,441)
Profit from continuing operations		**1,244,239**	1,555,056	**1,370,125**	1,555,056
Total profit before income tax		**1,244,239**	1,555,056	**1,370,125**	1,555,056
Income tax expense	5	-	-	-	-
Profit after income tax		**1,244,239**	1,555,056	**1,370,125**	1,555,056
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		**1,244,239**	1,555,056	**1,370,125**	1,555,056

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

Statement of Financial Position

as at 30 June 2018

	Notes	Consolidated Entity		Parent Entity	
		2018	2017	**2018**	2017
		$	$	**$**	$
Assets					
Current					
Cash and cash equivalents	8	**5,872,227**	5,951,525	**5,807,620**	5,951,525
Trade and other receivables	9	**1,954,444**	2,086,702	**2,617,372**	3,185,410
Other current assets	10	**1,103,229**	904,082	**1,103,229**	904,082
Total Current Assets		**8,929,900**	8,942,309	**9,528,221**	10,041,017
Non-Current					
Other financial assets	11	**492,223**	-	**4,659,524**	5,865,720
Property, plant and equipment	13	**4,493,631**	4,584,042	**452,216**	424,042
Intangible assets	14	**54,066**	91,303	**54,066**	91,303
Total Non-Current Assets		**5,039,920**	4,675,345	**5,165,806**	6,381,065
Total Assets		**13,969,820**	13,617,654	**14,694,027**	16,422,082
Liabilities					
Current					
Trade and other payables	15	**3,871,573**	4,780,558	**4,469,894**	7,584,986
Short-term employee provisions	16	**395,224**	406,351	**395,224**	406,351
Total Current Liabilities		**4,266,797**	5,186,909	**4,865,118**	7,991,337
Non-Current					
Long-term employee provisions	16	**109,072**	81,033	**109,072**	81,033
Total Non-Current Liabilities		**109,072**	81,033	**109,072**	81,033
Total Liabilities		**4,375,869**	5,267,942	**4,974,190**	8,072,370
Net Assets		**9,593,951**	8,349,712	**9,719,837**	8,349,712
Equity					
Retained earnings		**9,593,951**	8,349,712	**9,719,837**	8,349,712
Total Equity		**9,593,951**	8,349,712	**9,719,837**	8,349,712

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

Statement of Changes in Equity

for the year ended 30 June 2018

	Notes	Retained Earnings $	Total $
Consolidated entity			
Balance at 1 July 2016		6,794,656	6,794,656
Transfer reserves		-	-
Profit after income tax		1,555,056	1,555,056
Other comprehensive income		-	-
Total comprehensive income		1,555,056	1,555,056
Balance at 30 June 2017		8,349,712	8,349,712
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**
Parent entity			
Balance at 1 July 2016		6,794,656	6,794,656
Transfer reserves		-	-
Profit after income tax		1,555,056	1,555,056
Other comprehensive income		-	-
Total comprehensive income		1,555,056	1,555,056
Balance at 30 June 2017		8,349,712	8,349,712
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**

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

Statement of Cash Flows

for the year ended 30 June 2018

	Notes	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
Cash Flow from Operating Activities					
Receipts from members and customers		**9,226,651**	11,420,220	**9,089,530**	11,238,708
Receipts from other reporting units/controlled entity	19b	**1,607,864**	1,909,064	**1,607,864**	1,909,064
Payments to suppliers and employees		**(9,185,172)**	(10,463,531)	**(9,112,658)**	(10,282,019)
Payments to other reporting units/controlled entity	19b	**(1,143,344)**	(1,625,310)	**(1,143,344)**	(1,625,310)
Interest received		**65,420**	98,194	**65,420**	98,194
Net cash provided by (used in) operating activities	19a	**571,419**	1,338,637	**506,812**	1,338,637
Cash Flow from Investing Activities					
Proceeds from sale of property, plant and equipment		**46,361**	33,753	**46,361**	33,753
Purchase of units in controlled entity		-	-	**(7,301)**	(15,362)
Purchase of held-to-maturity investments		**(496,258)**	-	**(496,258)**	-
Payment for property, plant and equipment		**(200,820)**	(177,683)	**(193,519)**	(162,321)
Net cash provided by (used in) investing activities		**(650,717)**	(143,930)	**(650,717)**	(143,930)
Cash Flow from Financing Activities					
Repayment of borrowings		-	-	-	-
Net cash provided by (used in) financing activities		-	-	-	-
Net increase/(decrease) in cash held		**(79,298)**	1,194,707	**(143,905)**	1,194,707
Cash at beginning of year	8	**5,951,525**	4,756,818	**5,951,525**	4,756,818
Cash at end of year	8	**5,872,227**	5,951,525	**5,807,620**	5,951,525

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

Notes to the Financial Statements

for the year ended 30 June 2018

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 18 September 2018. 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 2018

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 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.

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.

Notes to the Financial Statements

for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

c. Property, plant and equipment (continued)

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:

Class of Fixed Asset	**2018**	2017
Buildings	**2.0 - 20.0%**	0.00%
Plant and Equipment	**5.0 - 100.0%**	5.0 - 100.0%

Buildings were not depreciated in the prior period as an independent valuation resulted in the reversal of a portion of the accumulated impairment losses 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. These gains or losses are included in the statement of profit or loss and other comprehensive income.

d. Financial instruments

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

Finance 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.

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.

Notes to the Financial Statements
for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

d. Financial instruments (continued)
(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.

(ii) 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 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 to sell 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 statement of profit or loss and other comprehensive income.

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:

Class of Intangible	**2018**	2017
Software	**4 years**	4 years

Notes to the Financial Statements

for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

f. Intangibles (continued)

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

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 national government 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 is measured at the fair value of the consideration received or receivable. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

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 is recognised on an accrual basis using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

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

j. Finance costs

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

Notes to the Financial Statements

for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

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.

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. Grants

Government and other grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income 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 balance sheet 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.

n. Comparatives

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

o. 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 units, 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.

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.

Notes to the Financial Statements

for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

o. Critical accounting estimates and judgements (continued)

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.

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

Effective date for entity: 1 July 2018
AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are:
(a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; and (2) the characteristics of the contractual cash flows.
(b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.
(c) Introduces a 'fair value through other comprehensive income' measurement category for particular simple debt instruments.
(d) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.
(e) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:
- The change attributable to changes in credit risk are presented in other comprehensive income (OCI); and
- The remaining change is presented in profit or loss.

If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.

Notes to the Financial Statements

for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

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

Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9:
- Classification and measurement of financial liabilities; and
- Derecognition requirements for financial assets and liabilities.

AASB 9 requirements regarding hedge accounting represent a substantial overhaul of hedge accounting that enable entities to better reflect their risk management activities in the financial statements. Furthermore, AASB 9 introduces a new impairment model based on expected credit losses. This model makes use of more forward-looking information and applies to all financial instruments that are subject to impairment accounting.

Impact: When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements. The unquoted equity investments currently measured at cost under AASB 139 will be required to the measured at fair value from the date of initial application. The fair value of the unquoted equity investments has been determined to be materially consistent with the carrying value, as the majority of the assets of the trust, land and buildings, have been recently valued by an independent valuer.

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.

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
- 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 2018

1. Statement of significant accounting policies (continued)

p. 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 a small number of leases, both in the capacity of lessee and lessor, 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 17: Insurance Contracts

Effective date for entity: 1 July 2021

AASB 17 requires all insurance contracts to be accounted for in a consistent manner and requires insurance obligations to be accounted for using current values. The standard introduces insurance contract measurement principles requiring:
- current, explicit and unbiased estimates of future cash flows
- discount rates that reflect the characteristics of the contracts' cash flows
- explicit adjustment for non-financial risk

Under AASB 17:
- day one profits should be deferred as contractual service margin and allocated systematically to profit or loss as entities provide coverage and are released from risk
- revenue is no longer equal to written premiums but to the change in the contract liability covered by consideration
- a separate measurement model applies to reinsurance contracts held. Modifications are allowed for qualifying short-term contracts and participating contracts
- increased disclosure requirements apply

Impact: When this standard is first adopted for the year ending 30 June 2022, there will be no material impact on the transactions and balances recognised in the financial statements.

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).

Notes to the Financial Statements
for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

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

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 1059: Service Concession Arrangements: Grantors

Effective date for entity: 1 July 2019

AASB 1059 addresses the accounting for a service concession arrangement by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. It requires the grantor to:
- recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset;
- reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service concession asset;
- initially measure a service concession asset constructed, developed or acquired by the operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in AASB 13 Fair Value Measurement. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with AASB 116 Property, Plant and Equipment or AASB 138 Intangible Assets, as appropriate, except as specified AASB 1059;
- recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator; and
- disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and - uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

Impact: When this Standard is first adopted for the year ending 30 June 2020, there will be no impact on the transactions and balances recognised in the financial statements as AASB 1059 only applies to public sector entities.

AASB 2014-10: Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Effective date for entity: 1 July 2018

Notes to the Financial Statements

for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

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

The amendments address a current inconsistency between AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures.

The amendments clarify that, on a sale or contribution of assets to a joint venture or associate or on a loss of control when joint control or significant influence is retained in a transaction involving an associate or a joint venture, any gain or loss recognised will depend on whether the assets or subsidiary constitute a business, as defined in AASB 3 Business Combinations. Full gain or loss is recognised when the assets or subsidiary constitute a business, whereas gain or loss attributable to other investors' interests is recognised when the assets or subsidiary do not constitute a business.

This amendment effectively introduces an exception to the general requirement in AASB 10 to recognise full gain or loss on the loss of control over a subsidiary. The exception only applies to the loss of control over a subsidiary that does not contain a business, if the loss of control is the result of a transaction involving an associate or a joint venture that is accounted for using the equity method. Corresponding amendments have also been made to AASB 128.

The mandatory effective date of AASB 2014-10 has now been deferred to 1 January 2022 by AASB 2017-5 (see below the section on AASB 2017-5).

Impact: When these amendments are first adopted for the year ending 30 June 2019, there will be no material impact on the financial statements.

AASB 2016-5: Amendments to Australian Accounting Standards - Classification and Measurement of Share-based Payment Transactions

Effective date for entity: 1 July 2018

This Standard amends AASB 2 Share-based Payment to address:
- the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;
- the classification of share-based payment transactions with a net settlement feature for withholding tax obligations; and
- the accounting for a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

Impact: When these amendments are first adopted for the year ending 30 June 2019, there will be no material impact on the financial statements.

AASB 2016-6: Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts

Effective date for entity: 1 July 2018

This Standard amends AASB 4 Insurance Contracts to permit issuers of insurance contracts to:
(a) Choose to apply the 'overlay approach' that involves applying AASB 9 Financial Instruments and also applying AASB 139 Financial Instruments: Recognition and Measurement to eligible financial assets to calculate a single line item adjustment to profit or loss so that the overall impact on profit or loss is the same as if AASB 139 had been applied; or
(b) Choose to be temporarily exempt from AASB 9 when those issuers' activities are predominantly connected with insurance, provided they make additional disclosures to enable users to make comparisons with issuers applying AASB 9.

Notes to the Financial Statements
for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

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

This Standard incorporates amendments into AASB 4 that are set out in Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4) issued by the IASB in September 2016. A key motivation for the IASB issuing the amendments to IFRS 4 is to address concerns among some stakeholders about having to implement IFRS 9 shortly before having to implement the new IFRS on insurance contracts. In general, those stakeholders have been concerned that IFRS 9 would require some financial assets to be measured at fair value through profit or loss that are currently measured under IAS 39 Financial Instruments: Recognition and Measurement at fair value through other comprehensive income.

AASB 1023 General Insurance Contracts and AASB 1038 Life Insurance Contracts require financial assets backing insurance liabilities, when possible, to be measured at fair value through profit or loss. The AASB has decided to retain these requirements until AASB 17 Insurance Contracts (replacing AASB 4, AASB 1023 and AASB 1038) is applied. Accordingly, the AASB expects the applicability of AASB 2016-6 to be very limited.

Impact: When these amendments become effective for the first time for the year ending 30 June 2019, there will be no impact on the consolidated group.

AASB 2016-8: Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities

Effective date for entity: 1 July 2019

AASB 2016-8 inserts Australian requirements and authoritative implementation guidance for not-for-profit (NFP) entities into AASB 9 Financial Instruments (2014) and AASB 15 Revenue from Contracts with Customers. This guidance will assist not-for-profit entities in applying those Standards.

Impact: No significant impact expected

AASB 2017-1: Amendments to Australian Accounting Standards - Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments

Effective date for entity: 1 July 2019

This Standards amends:

(1) AASB 1 First-time Adoption of Australian Accounting Standards to delete some short-term exemptions for first-time adopters that were available only for reporting periods that have passed and to add exemptions arising from AASB Interpretation 22 Currency Transactions and Advance Consideration;

(2) AASB 128 Investments in Associates and Joint Ventures to clarify that:
- a venture capital organisation, or a mutual fund, unit trust and similar entities may elect, at initial recognition, to measure investments in an associate or joint venture at fair value through profit or loss separately for each associate or joint venture
- an entity that is not an investment entity may elect to retain the fair value measurement applied by its associates and join ventures that are investment entities when applying the equity method. This choice is available separately for each investment entity associate or joint venture; and

(3) AASB 140 Investment Property to reflect the principle that an entity transfers a property to, or from, investment property when, and only when , there is a change in use of the property supported by evidence that a change in use has occurred.

Notes to the Financial Statements
for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

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

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 2017-3: Amendments to Australian Accounting Standards - Clarifications to AASB 4

Effective date for entity: 1 July 2018

This Standard amends AASB 4 Insurance Contracts to confirm that in Australia compliance with AASB 1023 General Insurance Contracts and AASB 1038 Life Insurance Contracts ensures simultaneous compliance with AASB 4. AASB 1023 and AASB 1038 address all aspects of recognition, measurement and disclosure of general and life insurance contracts. These Standards address a wider range of accounting requirements than AASB 4.

This Standard also amends AASB 4 to ensure that the relief available to issuers of insurance contracts set out in AASB 2016-6 Amendments to Australian Accounting Standards – Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts can be applied by an entity applying either AASB 1023 or AASB 1038 if the entity otherwise meets the qualifying criteria.

Impact: When these amendments are first adopted for the year ending 30 June 2019, there will be no material impact on the financial statements.

AASB 2017-4: Amendments to Australian Accounting Standards - Uncertainty over Income Tax Treatments

Effective date for entity: 1 July 2019

AASB 2017-4 amends AASB 1 First-time Adoption of Australian Accounting Standards to add paragraphs arising from AASB Interpretation 23 Uncertainty over Income Tax Treatments.

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 2017-5: Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

Effective date for entity: 1 July 2018

AASB 2017-5 defers the mandatory effective date of amendments to AASB 10 and AASB 128 that were originally made in AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2022 instead of 1 January 2018.

The amendments in AASB 2014-10 originally applied to annual reporting periods beginning on or after 1 January 2016, but were later deferred by the IASB indefinitely. Due to legal implications, the AASB was unable to defer the amendments indefinitely, and instead deferred the amendments to apply to annual reporting periods beginning on or after 1 January 2018 through AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128. As the IASB's amendments continue to be deferred indefinitely, this Standard further defers the amendments to annual reporting periods beginning on or after 1 January 2022. This Standard also makes various editorial corrections to Australian Accounting Standards.

Notes to the Financial Statements

for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

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

Impact: When these amendments are first adopted for the year ending 30 June 2019, there will be no material impact on the financial statements.

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 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.

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.

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

Effective date for entity: 1 July 2019

Notes to the Financial Statements
for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

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

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.

Interpretation 22: Foreign Currency Transactions and Advance Consideration

Effective date for entity: 1 July 2018

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: When this interpretation is first adopted for the year ending 30 June 2019, there will be no material impact on the financial statements.

Interpretation 23: Uncertainty Over Income Tax Treatments

Effective date for entity: 1 July 2019

Interpretation 23 clarifies how the recognition and measurement requirements of AASB 112 Income Taxes are applied where there is uncertainty over income tax treatments.

Impact: When this interpretation is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

Notes to the Financial Statements

for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

q. 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 2016-1: Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses

AASB 2016-1 makes amendments to AASB 112 Income Taxes to clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value.

Impact: These amendments had no impact on the reporting entity as it is exempt from income tax.

AASB 2016-2: Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107

AASB 2016-2 amends AASB 107 Statement of Cash Flows to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Impact: These amendments had no impact on the reporting entity as it has no liabilities arising from financing activities.

AASB 2016-4: Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities.

This standard amends AASB 136 Impairment of Assets to :
(a) Remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities; and
(b) Clarify that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that:
(i) AASB 136 does not apply to such assets that are regularly revalued to fair value under the revaluation model in AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets; and
(ii) AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138.

Impact: These amendments had no impact on the reporting entity as depreciated replacement cost has not been used as measure of value in use for group assets. AASB 136 will continue to apply to group property, plant and equipment and intangible assets as these are accounted for under the cost model.

AASB 2017-2: Amendments to Australian Accounting Standards - Further Annual Improvements 2014-2016 Cycle

This Standard clarifies the scope of AASB 12 Disclosure of Interest in Other Entities by specifying that the disclosure requirements apply to an entity's interest in other entities that are classified as held for sale, held for distribution to owners in their capacity as owners or discontinued operations in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations.

Impact: These amendments had no impact on the reporting entity as it has no interests in other entities that are classified as held for sale.

Notes to the Financial Statements

for the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

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

AASB 2016-4: Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities.
This standard amends AASB 136 Impairment of Assets to :
(a) Remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities; and
(b) Clarify that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that:
(i) AASB 136 does not apply to such assets that are regularly revalued to fair value under the revaluation model in AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets; and
(ii) AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138.
Impact: No significant impact as depreciated replacement cost has not been used as measure of value in use for group assets. AASB 136 will continue to apply to group property, plant and equipment and intangible assets as these are accounted for under the cost model.

2. Information to be provided to Members or Registrar

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:

(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 2018

3. Revenue

		Consolidated Entity		Parent Entity	
		2018	2017	**2018**	2017
		$	$	**$**	$
Membership subscriptions		**1,782,568**	1,709,343	**1,782,568**	1,709,343
Membership subscriptions - Fighting Fund		**313,875**	376,993	**313,875**	376,993
Commissions received		**666**	412,316	**666**	412,316
Distributions received	3a	**-**	-	**548,004**	584,463
Event and conference income		**5,867,024**	5,626,241	**5,867,024**	5,626,241
Interest revenue	3b	**133,130**	98,194	**133,130**	98,194
Program funding					
- National Secretariat program funding		**925,578**	1,088,857	**925,578**	1,088,857
- Queensland Health program funding		**482,656**	441,784	**482,656**	441,784
- Other program funding		**35,706**	16,084	**35,706**	16,084
Sale of goods		**31,109**	29,933	**31,109**	29,933
Other sales revenue		**27,106**	88,616	**27,106**	88,616
Rent revenue		**114,470**	86,505	**51,970**	86,505
Training course fees		**1,258,827**	1,192,715	**1,258,827**	1,192,715
Total revenue		**10,972,715**	11,167,581	**11,458,219**	11,752,044

a. Distributions revenue from:				
- controlled entity:				
The Guild Properties (Queensland) Unit Trust	**-**	-	**548,004**	584,463
Total distribution revenue	**-**	-	**548,004**	584,463

b. Interest revenue from:				
- external parties	**133,130**	98,194	**133,130**	98,194
- controlled entity	**-**	-	**-**	-
	133,130	98,194	**133,130**	98,194

Notes to the Financial Statements

for the year ended 30 June 2018

4. Profit for the Year

		Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $

Total comprehensive income has been determined after:

		Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
a. Other expenses:					
Advertising and promotions expenses		**156,311**	126,377	**156,311**	126,377
Bank and card charges		**50,281**	61,621	**50,281**	61,621
Branch committee expenses		**51,444**	20,676	**51,444**	20,676
Cleaning expenses		**56,081**	57,819	**56,081**	57,819
Computer costs		**81,457**	103,924	**81,457**	103,924
Conference and seminar attendance expenses		**17,712**	9,697	**17,712**	9,697
Consultancy expenses - other		**216,728**	69,608	**216,728**	69,608
Contract staff		**1,211**	4,155	**1,211**	4,155
Dispatch expenses		**58,053**	72,732	**58,053**	72,732
Donations	(i)	**25,959**	21,920	**25,959**	21,920
Events expenses:					
- Catering and dinner		**1,433,556**	1,364,059	**1,433,556**	1,364,059
- Commissions paid		**3,693**	97,114	**3,693**	97,114
- Consultancy expenses		**150,000**	83,793	**150,000**	83,793
- Display and venue expenses		**529,264**	891,160	**529,264**	891,160
- Printing and stationery		**71,405**	104,882	**71,405**	104,882
- Speaker costs		**158,587**	228,768	**158,587**	228,768
- Technical expenses		**359,420**	353,505	**359,420**	353,505
Insurance expenses		**91,361**	87,744	**87,201**	84,037
Investment management fees		**151**	-	**151**	-
Legal - litigation		**-**	-	**-**	-
Legal - other legal costs		**48,145**	34,493	**44,186**	34,493
Meals expenses		**49,424**	36,716	**49,424**	36,716
Motor vehicle expenses		**31,388**	33,956	**31,388**	33,956
Capitation fees	22b	**524,628**	854,579	**524,628**	854,579
Capitation fees - Fighting Fund	22b	**313,875**	376,993	**313,875**	376,993
Net loss / (gain) on disposal of fixed assets		**(7,984)**	(23,339)	**(7,984)**	(23,339)
Printing and stationery - other		**69,399**	92,349	**69,399**	92,349
Power and light		**49,318**	48,281	**49,318**	48,281
Professional fees, including audit		**41,222**	38,804	**37,122**	34,654
Purchases - merchandise		**7,160**	20,248	**7,160**	20,248
Queensland Health Project bin contractor		**112,814**	93,277	**112,814**	93,277
Rates		**34,144**	27,568	**-**	-
Rent		**2,658**	-	**571,808**	608,075
Repairs and maintenance		**14,753**	26,020	**14,753**	26,020
Security expenses		**41,493**	34,469	**41,493**	33,930
Sponsorship		**28,500**	31,508	**28,500**	31,508
Staff procurement		**4,460**	2,411	**4,460**	2,411
Subscriptions		**34,378**	27,745	**34,378**	27,745
Telephone and internet expenses		**49,389**	52,949	**49,389**	52,949
Travelling and fares expenses		**237,431**	272,821	**237,431**	272,821
Sundry expenses		**327,116**	258,470	**289,833**	233,928
Total other expenses		**5,526,385**	6,099,872	**6,011,889**	6,647,441
i) Donations					
Total $1,000 or less paid		**695**	600	**695**	600
Total exceeding $1,000 paid		**32,764**	21,320	**32,764**	21,320
Less donation for future event recognised as prepayment		**(7,500)**	-	**(7,500)**	-
Total donations		**25,959**	21,920	**25,959**	21,920

Notes to the Financial Statements

for the year ended 30 June 2018

4. Profit for the Year (continued)

	Consolidated Entity		Parent Entity	
	2018	2017	**2018**	2017
	$	$	**$**	$
Bad and doubtful debts - trade receivables	**-**	-	**-**	-
Net loss / (gain) on disposal of:				
- property, plant and equipment	**(7,984)**	(23,339)	**(7,984)**	(23,339)
Defined contribution plan:				
- superannuation expense	**320,504**	306,688	**320,504**	306,688
Expenses incurred in connection with holding meetings as required under the rules of the Branch	**50,222**	34,351	**50,222**	34,351
b. Employee benefits expense				
Amounts paid to Office Holders				
- wages and salaries	**134,028**	113,961	**134,028**	113,961
- superannuation	**13,158**	10,826	**13,158**	10,826
- leave and other entitlements	**9,697**	11,799	**9,697**	11,799
- separation and redundancies	**-**	-	**-**	-
- payroll tax	**7,452**	6,488	**7,452**	6,488
- other employee expenses	**-**	-	**-**	-
	164,335	143,074	**164,335**	143,074
Amounts paid to all other employees				
- wages and salaries	**2,883,295**	2,717,533	**2,883,295**	2,717,533
- superannuation	**307,346**	295,861	**307,346**	295,861
- leave and other entitlements	**324,984**	307,649	**324,984**	307,649
- separation and redundancies	**13,021**	2,462	**13,021**	2,462
- payroll tax	**168,127**	157,861	**168,127**	157,861
- other employee expenses	**46,857**	37,160	**46,857**	37,160
	3,743,630	3,518,526	**3,743,630**	3,518,526
Total employee benefits expense	**3,907,965**	3,661,600	**3,907,965**	3,661,600
c. Depreciation and amortisation expense				
Depreciation expense	**252,854**	118,453	**126,968**	118,453
Amortisation expense	**37,237**	37,238	**37,237**	37,238
	290,091	155,691	**164,205**	155,691
d. Impairment expense				
Impairment expense / (reversal)	**4,035**	(304,638)	**4,035**	(267,744)
	4,035	(304,638)	**4,035**	(267,744)

i) In a prior year an impairment was recognised at the consolidated level in relation to the land and buildings held. The Branch Committee obtained an independent valuation in the previous period which indicated that the fair value of the land and buildings was materially different to the carrying value of these assets in the financial statements.

An independent assessment obtained as at 30 June 2017 indicated that the buildings had increased in value by $304,638. The valuation used to support the reversal was based on fair value less costs to sell and the valuation techniques were consistent with Level 2 of the fair value hierarchy. This has recorded as an impairment reversal in the prior year through profit and loss.

ii) The Parent entity holds units in The Guild Properties (Queensland) Unit Trust which holds the land and buildings recorded in the consolidated financial statements. The impairment recorded in relation to the land and buildings in a prior year resulted in an impairment to the units in the trust.

The impairment against the units in the trust has been partly reversed in the prior period within profit and loss to the extent of the prior year profit made by the trust.

iii) The current year impairment loss reflects a decrease in the capital value of the held-to-maturity investment portfolio.

Notes to the Financial Statements
for the year ended 30 June 2018

4. Profit for the Year (continued)

	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
e. Finance costs				
Finance costs:				
- external interest	-	-	-	-

5. Income tax expense

	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
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% (2017: 30%)	**373,272**	466,517	**411,038**	466,517
Add:				
Tax effect of:				
- non-deductible expenses	-	-	-	-
Less:				
Tax effect of:				
- exempt income and expenses	**373,272**	466,517	**411,038**	466,517
- 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:

	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
Short-term employee benefits	**344,976**	327,431	**344,976**	327,431
Post-employment benefits	**37,343**	40,538	**37,343**	40,538
Other long-term benefits	**49,937**	7,560	**49,937**	7,560
	432,256	375,529	**432,256**	375,529

Notes to the Financial Statements
for the year ended 30 June 2018

7. Auditors' remuneration

	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
Remuneration of auditor of the parent entity for:				
- auditing of the financial report and grant acquittals	**31,620**	30,700	**29,720**	28,850
- preparation of the financial report	**4,600**	4,500	**4,600**	4,500
- taxation services	**5,000**	3,600	**2,800**	1,300
	41,220	38,800	**37,120**	34,650

8. Cash and cash equivalents

	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
Cash at bank and on hand	**5,872,227**	5,951,525	**5,807,620**	5,951,525
	5,872,227	5,951,525	**5,807,620**	5,951,525

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:

		Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
Cash at bank	8a	**5,872,227**	5,951,525	**5,807,620**	5,951,525
Short term investments		**-**	-	**-**	-
Total cash and cash equivalents	21d	**5,872,227**	5,951,525	**5,807,620**	5,951,525

9. Trade and other receivables

	Notes	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
Current					
Trade receivables		**1,611,948**	1,402,251	**1,611,948**	1,402,251
		1,611,948	1,402,251	**1,611,948**	1,402,251
Accrued revenue		**186,584**	171,395	**186,584**	171,395
Sundry debtors		**107,916**	-	**107,916**	-
Amounts receivable from related parties:					
- Other reporting unit					
Pharmacy Guild of Australia		**14,562**	510,418	**14,562**	510,418
GuildLink Pty Ltd		**18,000**	-	**18,000**	-
Guild Trustee Services Pty Ltd		**11,000**	-	**11,000**	-
Gold Cross Products and Services Pty Ltd		**3,985**	900	**3,985**	900
Guild Group Holdings Ltd		**449**	-	**449**	-
Pharmacy Guild of Australia - NSW Branch		**-**	1,738	**-**	1,738
- Controlled entities					
The Guild Properties (Queensland) Unit Trust		**-**	-	**662,928**	1,098,708
Less provision for doubtful debts		**-**	-	**-**	-
		342,496	684,451	**1,005,424**	1,783,159
		1,954,444	2,086,702	**2,617,372**	3,185,410

Notes to the Financial Statements

for the year ended 30 June 2018

9. Trade and other receivables (continued)

a. Provision for impairment of receivables

Current trade receivables are non-interest bearing loans and generally on 30 days from end of month terms. A provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. There are financial assets which are past due but not considered to be impaired. In the 2018 financial year there has been no impairment write downs in relation to receivables (2017: Nil).

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	
		2018	2017	**2018**	2017
		$	$	**$**	$
Trade receivables					
Within initial trade terms		**1,529,459**	1,344,735	**1,529,459**	1,344,735
Past due receivables (but not impaired):					
Overdue 1 - 29 days		**1,940**	9,129	**1,940**	9,129
Overdue 30 - 59 days		**80,091**	5,281	**80,091**	5,281
Overdue > 60 days		**458**	43,106	**458**	43,106
Gross amount		**1,611,948**	1,402,251	**1,611,948**	1,402,251
Other receivables					
Within initial trade terms		**334,821**	684,001	**864,301**	1,278,328
Past due receivables (but not impaired):					
Overdue 1 - 29 days		**450**	-	**21,038**	7,019
Overdue 30 - 59 days		**-**	450	**-**	16,586
Overdue > 60 days		**7,225**	-	**120,085**	481,226
		342,496	684,451	**1,005,424**	1,783,159

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

b. Financial assets classified as loans and receivables

	Notes	Consolidated 2018 $	Consolidated 2017 $	Parent 2018 $	Parent 2017 $
Trade and other receivables					
Total current		**1,954,444**	2,086,702	**2,617,372**	3,185,410
Total non-current		**-**	-	**-**	-
Financial assets	20	**1,954,444**	2,086,702	**2,617,372**	3,185,410

Notes to the Financial Statements

for the year ended 30 June 2018

10. Other assets

	Consolidated Entity		Parent Entity	
	2018	2017	**2018**	2017
	$	$	**$**	$
Current				
Prepayments - expense	**1,103,229**	904,082	**1,103,229**	904,082
	1,103,229	904,082	**1,103,229**	904,082

11. Other financial assets

		Consolidated Entity		Parent Entity	
		2018	2017	**2018**	2017
		$	$	**$**	$
Non-Current					
Available-for-sale financial assets					
Available for sale financial assets comprise:					
Held-to-maturity financial assets, at amortised cost	(i)	**492,223**	-	**492,223**	-
Unlisted investments, at cost					
- units in controlled unit trust					
The Guild Properties (Queensland) Unit Trust	(ii)	**-**	-	**4,167,301**	5,865,720
	20	**492,223**	-	**4,659,524**	5,865,720

(i) Held-to-maturity investments comprise fixed coupon bonds and floating rate notes held by investment custodian, FIIG Securities Limited. 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 2019 and 2042.

(ii) Available-for-sale financial assets comprise of investments in the unit shares of the Unit Trust. entities. There are 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 (2017: nil)

12. Controlled entities and related parties

	Country of Incorporation	Percentage Owned (%)	
		2018	2017
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%

In relation to the Consolidated Group:
- the Group's ability to continue as a going concern is not reliant on financial support of another reporting unit(s),
- there is no agreement to provide financial support to ensure another reporting unit(s) has the ability to continue as a going concern,
- the Group has not acquired an asset or a liability during the financial year as a result of
  a) an amalgamation under Part 2 of Chapter 3 of the Fair Work (Registered Organisation) Act 2009 in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
  b) a restructure of the branches of the organisation; or
  c) a determination by the General Manager under subsection 245(1) of the Fair Work (Registered Organisation) Act 2009 of an alternative reporting structure for the organisation; or
  d) a revocation by the General Manager under subsection 249(1) of the Fair Work (Registered Organisation) Act 2009 of a certificate issued to an organisation under subsection 245(1).

Notes to the Financial Statements
for the year ended 30 June 2018

12. Controlled entities and related parties (continued)

Other Reporting Units:

The Pharmacy Guild of Australia	Australia	-	-

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

	Consolidated Entity		Parent Entity	
	2018	2017	**2018**	2017
	$	$	**$**	$
Non-Current				
Freehold land - at cost	**940,000**	940,000	-	-
Buildings - at cost	**5,388,832**	5,381,531	-	-
less: Accumulated depreciation	**(1,096,987)**	(971,101)	-	-
less: Provision for impairment	**(1,190,430)**	(1,190,430)	-	-
	3,101,415	3,220,000	-	-
Buildings under construction - at cost	-	-	-	-
Total land and buildings	**4,041,415**	4,160,000	-	-
Plant and equipment - at cost	**1,088,974**	1,107,206	**1,088,974**	1,107,206
less: Accumulated depreciation	**(636,758)**	(683,164)	**(636,758)**	(683,164)
	452,216	424,042	**452,216**	424,042
Total property, plant and equipment	**4,493,631**	4,584,042	**452,216**	424,042

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 2018

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 2018	**Freehold Land**	**Buildings**	**Plant and Equipment**	**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**

30 June 2017	**Freehold Land**	**Buildings**	**Plant and Equipment**	**Total**
Balance at the beginning of the year	940,000	2,900,000	390,588	**4,230,588**
Additions	-	15,362	162,321	**177,683**
Transfers	-	-	-	**-**
Disposals	-	-	(10,414)	**(10,414)**
Impairment (expense) / reversal	-	304,638	-	**304,638**
Depreciation expense	-	-	(118,453)	**(118,453)**
Carrying amount at the end of the year	**940,000**	**3,220,000**	**424,042**	**4,584,042**

14. Intangible assets

	Consolidated Entity		**Parent Entity**	
	2018	2017	**2018**	2017
	$	$	**$**	$
Non-Current				
Work in progress	**-**	-	**-**	-
Acquired software, at cost	**148,951**	148,951	**148,951**	148,951
less: Accumulated amortisation	**(94,885)**	(57,648)	**(94,885)**	(57,648)
Total intangible assets	**54,066**	91,303	**54,066**	91,303

Movements in carrying amounts of intangible assets

	2018	2017	**2018**	2017
	$	$	**$**	$
Balance at the beginning of year	**91,303**	128,541	**91,303**	128,541
Additions during the period	**-**	-	**-**	-
Transfers	**-**	-	**-**	-
Disposal of intangible assets	**-**	-	**-**	-
Amortisation expense	**(37,237)**	(37,238)	**(37,237)**	(37,238)
Closing carrying value at 30 June	**54,066**	91,303	**54,066**	91,303

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 1 year 5 months to 1 year 10 months.

Notes to the Financial Statements

for the year ended 30 June 2018

15. Payables

	Note	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
Current					
Unsecured liabilities					
Trade payables		**450,040**	300,202	**450,040**	300,202
Sundry payables		**238,634**	274,326	**224,248**	287,104
Accrued expenses		**156,990**	61,161	**155,090**	32,840
Income in advance - member subscriptions		**2,152,541**	2,232,500	**2,152,541**	2,232,500
Income in advance - unexpended funds/grant		**69,166**	563,990	**69,166**	563,990
Income in advance - other		**764,362**	1,319,580	**752,904**	1,319,580
Legal costs payable - other legal matters		**994**	-	**994**	-
Amounts owing to:					
- Other reporting units					
Pharmacy Guild of Australia		**31,225**	20,553	**31,225**	20,553
Pharmacy Guild of Australia - SA Branch		**1,739**	-	**1,739**	-
Pharmacy Guild of Australia - Victoria Branch		**2,897**	1,515	**2,897**	1,515
Pharmacy Guild of Australia - NSW Branch		**2,520**	4,631	**2,520**	4,631
Pharmacy Guild of Australia - Tasmania Branch		**60**	1,515	**60**	1,515
Pharmacy Guild of Australia - WA Branch		**390**	-	**390**	-
Pharmacy Guild of Australia - ACT Branch		**15**	390	**15**	390
Guild Insurance Ltd		**-**	195	**-**	195
- Controlled entities					
The Guild Properties (Queensland) Unit Trust		**-**	-	**626,065**	2,819,971
		3,871,573	4,780,558	**4,469,894**	7,584,986
a. Financial liabilities at amortised cost classified as trade and other payables					
Trade and other payables - all current		**3,871,573**	4,780,558	**4,469,894**	7,584,986
Financial liabilities as trade and other payables	20	**3,871,573**	4,780,558	**4,469,894**	7,584,986

16. Employee Provisions

	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
Office Holders				
Annual leave	**4,479**	7,922	**4,479**	7,922
Long service leave	**249**	26,448	**249**	26,448
Separations and redundancies	**-**	-	**-**	-
Other	**-**	-	**-**	-
Subtotal office holders	**4,728**	34,370	**4,728**	34,370
Employees other than office holders				
Annual leave	**202,893**	172,635	**202,893**	172,635
Long service leave	**296,675**	280,379	**296,675**	280,379
Separations and redundancies	**-**	-	**-**	-
Subtotal employees other than office holders	**499,568**	453,014	**499,568**	453,014
Total employee provisions	**504,296**	487,384	**504,296**	487,384
Current	**395,224**	406,351	**395,224**	406,351
Non-current	**109,072**	81,033	**109,072**	81,033
Total employee provisions	**504,296**	487,384	**504,296**	487,384

Notes to the Financial Statements
for the year ended 30 June 2018

16. Employee Provisions (continued)

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

	Consolidated Entity		Parent Entity	
	2018	2017	**2018**	2017
	$	$	**$**	$
Capital expenditure commitments contracted for:				
Software and building under construction	-	-	-	-
Payable:				
Within 12 months	-	-	-	-
Greater than 12 months and less than five years	-	-	-	-
Longer than 5 years	-	-	-	-
	-	-	-	-

19. Cash flow information

	Consolidated Entity		Parent Entity	
	2018	2017	**2018**	2017
	$	$	**$**	$
a. Reconciliation of cash flow from operating activities with profit after income tax				
Profit after income tax	**1,244,239**	1,555,056	**1,370,125**	1,555,056
Non-cash flows in profit:				
- Depreciation and amortisation expense	**290,091**	155,691	**164,205**	155,691
- Impairment expense / (reversal)	**4,035**	(304,638)	**4,035**	(267,744)
- (Profit) / loss on disposal of property, plant and equipment and intangibles	**(7,984)**	(23,339)	**(7,984)**	(23,339)
- 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	**132,258**	(623,553)	**568,038**	(1,328,714)
- (Increase)/decrease in other assets	**(199,147)**		**(199,147)**	
- Increase/(decrease) in trade and other payables	**(908,985)**	525,230	**(3,115,092)**	1,193,497
- Increase/(decrease) in provisions	**16,912**	54,190	**16,912**	54,190
Cash flows from operations	**571,419**	1,338,637	**506,812**	1,338,637

Notes to the Financial Statements

for the year ended 30 June 2018

19. Cash flow information (continued)

	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
b. Related party operating cash flows				
i) Cash inflows				
The Pharmacy Guild of Australia	**1,108,984**	1,069,992	**1,108,984**	1,069,992
Pharmacy Guild of Australia - ACT Branch	**884**	-	**884**	-
Pharmacy Guild of Australia - NSW Branch	**7,996**	5,142	**7,996**	5,142
Pharmacy Guild of Australia - NT Branch	**1,222**	1,303	**1,222**	1,303
Pharmacy Guild of Australia - SA Branch	**5,868**	7,227	**5,868**	7,227
Pharmacy Guild of Australia - Tasmania Branch	**492**	1,459	**492**	1,459
Pharmacy Guild of Australia - Victoria Branch	**100**	-	**100**	-
Pharmacy Guild of Australia - WA Branch	**225**	8,940	**225**	8,940
Fred IT Group	**75,316**	70,300	**75,316**	70,300
Gold Cross Products and Services Pty Ltd	**138,114**	240,738	**138,114**	240,738
Guild Group Holdings Ltd	**142,454**	292,791	**142,454**	292,791
Guild Insurance Ltd	**7,473**	95,818	**7,473**	95,818
GuildLink Pty Ltd	**62,827**	72,354	**62,827**	72,354
Guild Superannuation Services Ltd	**18,673**	24,000	**18,673**	24,000
Guild Trustee Services Pty Ltd	**22,100**	11,000	**22,100**	11,000
Meridian Lawyers Limited	**15,136**	8,000	**15,136**	8,000
	1,607,864	1,909,064	**1,607,864**	1,909,064
i) Cash outflows				
The Pharmacy Guild of Australia	**(1,049,479)**	(1,452,289)	**(1,049,479)**	(1,452,289)
Pharmacy Guild of Australia - ACT Branch	**(4,084)**	(5,624)	**(4,084)**	(5,624)
Pharmacy Guild of Australia - NSW Branch	**(17,973)**	(67,566)	**(17,973)**	(67,566)
Pharmacy Guild of Australia - NT Branch	**(2,298)**	(6,158)	**(2,298)**	(6,158)
Pharmacy Guild of Australia - SA Branch	**(2,588)**	(6,454)	**(2,588)**	(6,454)
Pharmacy Guild of Australia - Tasmania Branch	**(4,940)**	(5,880)	**(4,940)**	(5,880)
Pharmacy Guild of Australia - Victoria Branch	**(7,788)**	(5,198)	**(7,788)**	(5,198)
Pharmacy Guild of Australia - WA Branch	**(3,214)**	(26,449)	**(3,214)**	(26,449)
Guild Insurance Ltd	**(50,980)**	(49,692)	**(50,980)**	(49,692)
	(1,143,344)	(1,625,310)	**(1,143,344)**	(1,625,310)

20. Financial risk management

The group's financial instruments consist mainly of deposits with banks, a portfolio of fixed coupon bonds, floating rate notes and inflation linked corporate bonds, accounts receivable and payable, including amounts owing to and receivable from subsidiaries.

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

Notes to the Financial Statements

for the year ended 30 June 2018

20. Financial risk management (continued)

		Consolidated Entity		Parent Entity	
		2018	2017	**2018**	2017
		$	$	**$**	$
Financial Assets					
Cash and cash equivalents	8	**5,872,227**	5,951,525	**5,807,620**	5,951,525
Loans and receivables	9	**1,954,444**	2,086,702	**2,617,372**	3,185,410
Held-to-maturity financial assets	11	**492,223**	-	**492,223**	-
Available for sale financial assets	11	**-**	-	**4,167,301**	5,865,720
		8,318,894	8,038,227	**13,084,516**	15,002,655
Financial Liabilities					
Financial liabilities at amortised cost:					
Trade and other payables	15	**3,871,573**	4,780,558	**4,469,894**	7,584,986
		3,871,573	4,780,558	**4,469,894**	7,584,986

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 2018 (2017: 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 2018, 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 bank bill swap rate. Borrowings are at fixed interest rates. For further details on interest rate risk refer to Note 20b.

In the held-to-maturity (fixed interest) 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.

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.

Notes to the Financial Statements

for the year ended 30 June 2018

20. Financial risk management (continued)

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 held-to-maturity 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

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

2017	**Within 1 Year**	**1 - 5 Years**	**Over 5 years**	**Total**
Financial liabilities due for payment				
Trade and other payables	4,780,558	-	-	4,780,558
Total expected outflows	4,780,558	-	-	4,780,558
Financial assets – cash flows realisable				
Cash and cash equivalents	5,951,525	-	-	5,951,525
Trade and other receivables	2,086,702	-	-	2,086,702
Total anticipated inflows	8,038,227	-	-	8,038,227
Net (outflow) / inflow on financial instruments	3,257,669	-	-	3,257,669

Parent entity

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

2017	**Within 1 Year**	**1 - 5 Years**	**Over 5 years**	**Total**
Financial liabilities due for payment				
Trade and other payables	7,584,986	-	-	7,584,986
Total expected outflows	7,584,986	-	-	7,584,986
Financial assets – cash flows realisable				
Cash and cash equivalents	5,951,525	-	-	5,951,525
Trade and other receivables	3,185,410	-	-	3,185,410
Total anticipated inflows	9,136,935	-	-	9,136,935
Net (outflow) / inflow on financial instruments	1,551,949	-	-	1,551,949

c. Foreign exchange risk

The group is not exposed to fluctuations in foreign currency.

Notes to the Financial Statements

for the year ended 30 June 2018

20. Financial risk management (continued)

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 receivables for impairment. 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 2018 (2017: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 2018 and 30 June 2017 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 held-to-maturity 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.

		Consolidated Entity		Parent Entity	
		2018	2017	**2018**	2017
		$	$	**$**	$
Cash and cash equivalents					
- AA- rated		**5,865,914**	5,951,025	**5,801,307**	5,951,025
- BBB rated		**5,813**	-	**5,813**	-
- Cash on hand		**500**	500	**500**	500
	8	**5,872,227**	5,951,525	**5,807,620**	5,951,525
Held-to-maturity financial assets					
- Unrated by S&P		**256,007**	-	**256,007**	-
- BBB+ rated		**53,979**	-	**53,979**	-
- BBB rated		**80,687**	-	**80,687**	-
- BBB- rated		**101,550**	-	**101,550**	-
		492,223	-	**492,223**	-

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.

Notes to the Financial Statements

for the year ended 30 June 2018

20. Financial risk management (continued)

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.

Consolidated Entity	**Carrying Amount 2018 $**	**Fair Value 2018 $**	**Carrying Amount 2017 $**	**Fair Value 2017 $**
Financial assets				
Cash and cash equivalents	**5,872,227**	**5,872,227**	5,951,525	5,951,525
Trade and other receivables	**1,954,444**	**1,954,444**	2,086,702	2,086,702
Held-to-maturity financial assets	**492,223**	**492,223**	-	-
Total financial assets	**8,318,894**	**8,318,894**	8,038,227	8,038,227
Financial liabilities				
Trade and other payables	**3,871,573**	**3,871,573**	4,780,558	4,780,558
Total financial liabilities	**3,871,573**	**3,871,573**	4,780,558	4,780,558

Parent Entity	**Carrying Amount 2018 $**	**Fair Value 2018 $**	**Carrying Amount 2017 $**	**Fair Value 2017 $**
Financial assets				
Cash and cash equivalents	**5,807,620**	**5,807,620**	5,951,525	5,951,525
Trade and other receivables	**2,617,372**	**2,617,372**	3,185,410	3,185,410
Held-to-maturity financial assets	**492,223**	**492,223**	-	-
Total financial assets	**8,917,215**	**8,917,215**	9,136,935	9,136,935
Financial liabilities				
Trade and other payables	**4,469,894**	**4,469,894**	7,584,986	7,584,986
Total financial liabilities	**4,469,894**	**4,469,894**	7,584,986	7,584,986

Notes to the Financial Statements
for the year ended 30 June 2018

20. Financial risk management (continued)

The available-for-sale financial assets being the units in the wholly-owned trust are not measured at fair value as they do not have a quoted price in an active market and the fair value cannot be reliably measured. On this basis, the investment is measured at cost.

The fair value of held-to-maturity assets is based on quoted (unadjusted) market prices in active markets for identical assets, in accordance with Level 1 of the fair value hierarchy.

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.

	Consolidated Entity		Parent Entity	
	Profit $	Equity $	Profit $	Equity $
Year-ended 30 June 2018				
+ / - 1% in interest rates	+/- 28,573	+/- 28,573	+/- 28,573	+/- 28,573
Year-ended 30 June 2017				
+ / - 2% in interest rates	+/- 29,826	+/- 29,826	+/- 29,826	+/- 29,826

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

21. Events after reporting date

As of the date of the signing of this report the Committee of Management's were not aware of any events which materially affect the numbers 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. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Transactions with related parties include reimbursements of expenses. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash.

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

Branch Executive

M Farrell (until 10/10/17)
T Logan (until 10/10/17)
T Twomey (full year)
V Kumar (from 10/10/17)
K Sclavos (full year)
R Xynias (full year)
C Owen (full year)
L Walker (from 10/10/17)

Branch Committee

M Calanna (until 10/10/17)
G Fotinos (until 10/10/17)
P Jaffar (full year)
T Logan (full year)
C Owen (full year)
K Sclavos (full year)
L Walker (from 10/10/17)
C Whalan (from 10/10/17)
M Farrell (until 10/10/17)
D Holmes (until 10/10/17)
V Kumar (from 10/10/17)
A Milostic (from 10/10/17)
A Seeto (full year)
T Twomey (full year)
F Watson (from 10/10/17)
R Xynias (full year)

Notes to the Financial Statements

for the year ended 30 June 2018

22. Related party transactions (continued)

		Consolidated Entity		Parent Entity	
		2018	2017	**2018**	2017
		$	$	**$**	$
a. Subsidiary of Parent Entity					
The Guild Properties (Queensland) Unit Trust					
Revenue received from distributions		-	-	**548,004**	584,463
Recovery of expenses paid on behalf of Trust		-	-	**83,597**	60,456
Expenses paid for rent		-	-	**569,150**	608,075
Capital contributions paid		-	-	**7,301**	15,362
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		**925,578**	1,088,857	**925,578**	1,088,857
- Revenue received for events		**32,686**	62,071	**32,686**	62,071
- Revenue received for training		-	44,211	-	44,211
- Revenue received for other sales and recovery of costs		**58,105**	27,274	**58,105**	27,274
- Expenses paid for capitation fees	4a	**524,628**	854,579	**524,628**	854,579
- Expenses paid for capitation fees - Fighting Fund	4a	**313,875**	376,993	**313,875**	376,993
- Expenses paid for commissions		-	3,308	-	3,308
- Expenses paid for purchases and services		**108,146**	78,115	**108,146**	78,115
Pharmacy Guild of Australia - ACT Branch					
- Revenue received for events		**884**	-	**884**	-
- Expenses paid for commissions		-	4,162	-	4,162
- Expenses paid for purchases and services		**3,747**	951	**3,747**	951
Pharmacy Guild of Australia - NSW Branch					
- Revenue received for commission income		**666**	2,870	**666**	2,870
- Revenue received for events		**2,250**	2,555	**2,250**	2,555
- Revenue received for other sales and recovery of costs		**2,909**	500	**2,909**	500
- Expenses paid for commissions		-	57,072	-	57,072
- Expenses paid for purchases and services		**14,829**	6,290	**14,829**	6,290
Pharmacy Guild of Australia - NT Branch					
- Revenue received for events		**1,113**	718	**1,113**	718
- Revenue received for other sales and recovery of costs		**99**	-	**99**	-
- Expenses paid for commissions		-	4,162	-	4,162
- Expenses paid for purchases and services		**2,089**	1,436	**2,089**	1,436
Pharmacy Guild of Australia - SA Branch					
- Revenue received for events		**5,868**	7,227	**5,868**	7,227
- Expenses paid for commissions		-	4,151	-	4,151
- Expenses paid for purchases and services		**3,868**	1,716	**3,868**	1,716

Notes to the Financial Statements
for the year ended 30 June 2018

22. Related party transactions (continued)

	Consolidated Entity		Parent Entity	
	2018	2017	**2018**	2017
	$	$	**$**	$
Pharmacy Guild of Australia - Tasmania Branch				
- Revenue received for events	**91**	1,459	**91**	1,459
- Revenue received for other sales and recovery of costs	**365**	-	**365**	-
- Expenses paid for commissions	**-**	4,338	**-**	4,338
- Expenses paid for purchases and services	**4,491**	1,007	**4,491**	1,007
Pharmacy Guild of Australia - Victoria Branch				
- Revenue received for events	**100**	409	**100**	409
- Revenue received for other sales and recovery of costs	**-**	-	**-**	-
- Expenses paid for commissions	**-**	1,631	**-**	1,631
- Expenses paid for purchases and services	**7,763**	3,096	**7,763**	3,096
Pharmacy Guild of Australia - WA Branch				
- Revenue received for events	**-**	523	**-**	523
- Revenue received for other sales and recovery of costs	**205**	12,009	**205**	12,009
- Expenses paid for commissions	**-**	6,000	**-**	6,000
- Expenses paid for purchases and services	**2,922**	21,108	**2,922**	21,108
c. Other related parties				
Fred IT Group				
- Revenue received for events	**75,316**	70,300	**75,316**	70,300
Gold Cross Products and Services Pty Ltd				
- Revenue received for commission income	**-**	83,149	**-**	83,149
- Revenue received for events	**59,030**	59,934	**59,030**	59,934
- Revenue received for rent	**24,496**	48,992	**24,496**	48,992
- Revenue received for other sales and recovery of costs	**5,780**	5,318	**5,780**	5,318
Guild Group Holdings Ltd				
- Revenue received for commission income	**-**	320,429	**-**	320,429
- Revenue received for events	**81,818**	-	**81,818**	-
- Revenue received for other sales and recovery of costs	**1,284**	-	**1,284**	-
Guild Insurance Ltd				
- Revenue received for events	**7,473**	-	**7,473**	-
- Expenses paid for purchases and services	**46,807**	45,783	**46,807**	45,783
GuildLink Pty Ltd				
- Revenue received for events	**48,359**	43,417	**48,359**	43,417
- Revenue received for rent	**13,153**	26,306	**13,153**	26,306
Guild Superannuation Services Ltd				
- Revenue received for events	**18,673**	24,000	**18,673**	24,000

Notes to the Financial Statements

for the year ended 30 June 2018

22. Related party transactions (continued)

	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
Guild Trustee Services Pty Ltd				
- Revenue received for events	**10,000**	-	**10,000**	-
Meridian Lawyers Limited				
- Revenue received for events	**15,136**	8,000	**15,136**	8,000
d. Companies associated with members of the Branch Committee				
Event consultancy and management fees paid to a company controlled by Mr K Sclavos	**157,917**	122,983	**157,917**	122,983
Rent revenue received for from a company controlled by Mr K Sclavos	**12,521**	5,827	**12,521**	5,827
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	**15,817**	14,610	**15,817**	14,610

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 $569,150 per annum is paid for the use of the premises (2017: $608,075 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.

	Consolidated Entity 2018 $	Consolidated Entity 2017 $	Parent Entity 2018 $	Parent Entity 2017 $
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	**13,737**	-	**13,737**	-
- between 12 months and five years	**41,213**	-	**41,213**	-
	54,950	-	**54,950**	-

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 for the term of the agreement. Lease expense during the period amounted to $13,737 (2017: nil) representing the minimum lease payments.

Notes to the Financial Statements

for the year ended 30 June 2018

23. Leasing commitments (continued)

b. Lessor Disclosures

The Guild Properties Trust leases space within their building to external tenants. The lease term is for 12 months with an initial four-year option and second option of 5 years. The lease was extended for the four-year option subsequent to balance date but prior to the signing of this report. Rental charges are based on fixed increments within the lease agreement.

	Consolidated Entity		Parent Entity	
	2018	2017	**2018**	2017
	$	$	**$**	$
Lease commitments receivable:				
Not later than one year	**62,500**	-	-	-
Later than one year but not later than 5 years	-	-	-	-
	62,500	-	-	-

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 2018.

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 18th day of September 2018