

FR 2002/336



A U S T R A L I A N  
R E T A I L E R S  
A S S O C I A T I O N

7 May 2003

Australian Retailers Association  
1st Floor  
20 York Street  
Sydney NSW 2000  
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Facsimile (02) 9299 7154  
ABN 99 064 713 718

Mr Robert Pfeiffer  
Australian Industrial Registry  
GPO Box 1994S  
MELBOURNE VIC 3000

**Respond to:**  
**Melbourne Office**  
Level 2  
104 Franklin Street  
Melbourne Vic 3000  
Phone: 03 9326 5022  
Fax: 03 9329 7814

Dear Robert,

**Re: Australian Retailers Association – National Office  
Annual Accounts for the year ended 30 June 2002**

Please find enclosed the certified Annual Accounts for the National Office.

We apologise for the delay and trust the delay has not caused any inconvenience.

Regards,

**Greg Porter**  
**Director - Administration**



AUSTRALIAN  
RETAILERS  
ASSOCIATION

## AUSTRALIAN RETAILERS ASSOCIATION National Office

### Annual Accounts 2002 WORKPLACE RELATIONS ACT 1996 s280

I, Rohan Jeffs,  
being Secretary-Treasurer of the Australian Retailers Association  
certify that the attached document entitled,

*Australian Retailers Association – National Office  
Financial Statements for the Year ended 30 June 2002*

is a true copy of the financial statements presented to the Annual General Meeting of  
the Association held on 29 November 2002.

  
\_\_\_\_\_  
Rohan Jeffs  
Secretary Treasurer  
Australian Retailers Association

Date: 4/5/03

**AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 JUNE 2002**

# AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE

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## AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE

### Councillors' Report

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The Councillors submit the financial statements of Australian Retailers Association – National Office for the year ended 30 June 2002.

### PRINCIPAL ACTIVITY

The principal activity of the Association during the financial year was to service the needs of the members and protect, promote and advance the interests of retailers on issues affecting the retail industry. The role of the National Office was to carry out the foregoing in respect of national matters and to coordinate their carrying out amongst the Association's divisions.

### RESULTS AND REVIEW OF OPERATIONS

The deficit of the National Office for the financial year amounted to \$20,737 (2001: \$113,162).

### SIGNIFICANT CHANGES

In November 2001 the operations of the Association's Events unit were contracted to an independent events management company on a commercial basis. This has resulted in a significant reduction in Revenues and Expenditures for the year as the gross revenues and expenditures for events have been replaced by a net return.

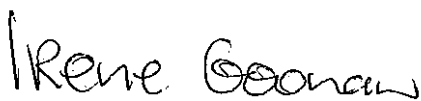
### FUTURE DEVELOPMENTS

No future developments are expected to affect the operations of the National Office.

### EVENTS SUBSEQUENT TO BALANCE DATE

On 19 September 2002 the Association sold the freehold land and building at York Street, Sydney reported in the NSW Division Accounts. The transaction is fully documented in the Reports and Accounts of the NSW Division.

No other events have occurred subsequent to balance date that are likely to affect the operations or the state of affairs of the National Office in subsequent financial periods.



**IRENE GOONAN**  
President



**ROHAN JEFFS**  
Secretary / Treasurer

<sup>15</sup>  
18 November 2002

**INDEPENDENT AUDIT REPORT****TO THE MEMBERS OF AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE****Scope**

We have audited the financial report of The Australian Retailers Association – National Office for the year ended 30 June 2002, as set out on pages 4 to 18 and the Certificate of Council. The Councillors of the Association are responsible for the preparation and presentation of the financial report and the information they contain. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements and statutory requirements so as to present a view which is consistent with our understanding of the National Office's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**Audit Opinion**

In our opinion, the financial statements of Australian Retailers Association – National Office are properly drawn up:

- (a) so as to give a true and fair view of the state of affairs as at 30 June 2002 and the results and cash flows for the year ended on that date of the Association – National Office; and
- (b) in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

Also in our opinion,

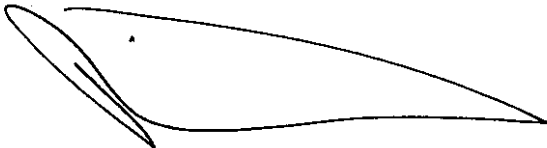
- (a) there were kept by the Association in respect of the year, satisfactory accounting records detailing the sources and nature of the income of the Association (including income from members) and the nature and purposes of expenditure; and

- (b) the attached financial statements, prepared in accordance with section 273 of the Workplace Relations Act 1996 are properly drawn up so as to give a true and fair view of:
- (i) the financial affairs of the Association as at 30 June 2002;
  - (ii) the income and expenditure account, and result of the Association for the year ended on that date; and
  - (iii) all information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by BDO or by any person authorised by BDO for the purpose of the audit, was provided.

We also understand that to the extent that there was any deficiency, failure or shortcoming in relation to the matters referred to above, we must report those matters in this report.

BDO

**BDO**  
Chartered Accountants



**K R REID**  
Partner

Signed at Sydney on 15<sup>th</sup> day of November 2002.

## AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE

### Accounting Officer's Certificate

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I, Rohan Jeffs, being the officer responsible for keeping the accounting records of the Australian Retailers Association – National Office, certify that as at 30 June 2002 the number of members of Australian Retailers Association – National Office was 111. (Membership at 30 June 2001 was 144).

In my opinion:

- (1) the attached financial statements show a true and fair view of the financial affairs of the Australian Retailers Association – National Office as at 30 June 2002;
- (2) a record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of Australian Retailers Association – National Office;
- (3) before any expenditure was incurred by the Association, approval for the incurring of the expenditure was obtained in accordance with the rules of Australian Retailers Association – National Office;
- (4) with regard to funds of Australian Retailers Association – National Office raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for the purposes other than those for which the fund was operated;
- (5) all loans or other financial benefits granted to persons holding office in the Association were authorised in accordance with the rules of Australian Retailers Association – National Office;
- (6) the register of members of Australian Retailers Association – National Office was maintained in accordance with the Act.

  
**ROHAN JEFFS**  
Secretary / Treasurer

<sup>15</sup>  
8 November 2002



## AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE

### Certificate of Council of Australian Retailers Association – National

---

We, IRENE GOONAN and ROHAN JEFFS, being two members of the National Council of the Australian Retailers Association, do state on behalf of the Council and in accordance with the resolutions passed by the Council that:

- (i) in the opinion of the Council, the attached financial statements show a true and fair view of the financial affairs of the Australian Retailers Association – National Office as at 30 June 2002;
- (ii) in the opinion of the Council, meetings of the Council were held during the year ended 30 June 2002 in accordance with the rules of the Association;
- (iii) to the knowledge of any member of the Council, there have been no instances where records of the Association or other documents (not being documents containing information made available to a member of the Association under subsection 274 (2) of the Workplace Relations Act 1996, or copies of those records or other documents, or copies of the rules of the Association) have not been furnished, or made available, to members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto, or the rules of the Association; and
- (iv) in relation to the report prepared in accordance with section 276 of the Workplace Relations Act 1996, by the auditor of the organisation in respect of the financial period immediately preceding the financial period to which the financial statements relate, and in relation to any accounts and statements prepared in accordance with subsection 273 (1) of the Workplace Relations Act 1996, to which that report relates; the organisation has complied with subsection 279 (1) of the Workplace Relations Act 1996 and whichever of subsections 279 (6) and (7) of the Workplace Relations Act 1996 is applicable.

*Irene Goonan*

**IRENE GOONAN**  
President

*Rohan Jeffs*  
**ROHAN JEFFS**  
Secretary / Treasurer

<sup>15</sup>  
28 November 2002

**AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE**

**Statement of particulars of loans, grants and donations by an Officer of Australian Retailers Association – National Office**

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I, Rohan Jeffs, Treasurer of the Council of Australian Retailers Association – National Office, state, in respect of the financial year ending 30 June 2002, that:

With the exception of an intra-entity loan of \$300,000 made to the New South Wales Division of the Association for the purpose of managing cash assets and liabilities which has been fully repaid at balance date,

no loans, grants or donations of an amount exceeding \$1,000 were made by the Australian Retailers Association - National Office during the financial period.

  
**ROHAN JEFFS**  
Secretary / Treasurer

<sup>15</sup>  
28 November 2002

**AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE**

**Statement of Financial Position for the year ended 30 June 2002**

	Note	2002 \$	2001 \$
<b>CURRENT ASSETS</b>			
Cash assets	13	356,227	178,894
Receivables	6	20,764	52,852
Prepayments		<u>35,354</u>	<u>1,040</u>
<b>TOTAL CURRENT ASSETS</b>		<u>412,345</u>	<u>232,786</u>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	7	<u>2,471</u>	<u>7,218</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,471</u>	<u>7,218</u>
<b>TOTAL ASSETS</b>		<u>414,816</u>	<u>240,004</u>
<b>CURRENT LIABILITIES</b>			
Payables	8	399,108	214,267
Provisions	9	<u>20,400</u>	<u>23,922</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>419,508</u>	<u>238,189</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	9	<u>100,033</u>	<u>85,803</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>100,033</u>	<u>85,803</u>
<b>TOTAL LIABILITIES</b>		<u>519,541</u>	<u>323,992</u>
<b>NET LIABILITIES</b>		<u>(104,725)</u>	<u>(83,988)</u>
<b>MEMBERS' FUNDS</b>			
Accumulated losses		<u>(104,725)</u>	<u>(83,988)</u>
<b>TOTAL DEFICIENCY OF MEMBERS' FUNDS</b>		<u>(104,725)</u>	<u>(83,988)</u>

The attached notes form part of these financial statements.

**AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE**

**Statement of Financial Performance for the year ended 30 June 2002**

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	<b>Note</b>	<b>2002</b>	<b>2001</b>
		<b>\$</b>	<b>\$</b>
Revenues from ordinary activities		760,076	1,092,679
Depreciation expense	3(a)	(4,747)	(8,140)
Employee benefits expense		(472,219)	(530,390)
Other expenses from ordinary activities		<u>(303,847)</u>	<u>(667,311)</u>
Net deficit for the year		(20,737)	(113,162)
Accumulated (deficit)/surplus at the beginning of the financial year		<u>(83,988)</u>	<u>29,174</u>
Accumulated deficit at the end of the financial year		<u>(104,725)</u>	<u>(83,988)</u>

The attached notes form part of these financial statements.

**AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE****Detailed Statement of Financial Performance**

	2002	2001
	\$	\$
<b>Income</b>		
Interest Received	18,211	11,350
Membership Income	685,540	525,060
Grants, Claims & Funding	39,627	22,235
Sundry Income	16,698	3,229
	<u>760,076</u>	<u>561,874</u>
<b>Operating Expenses</b>		
Bank & Finance Charges	3,780	5,293
Support & Subscriptions	54,566	41,113
Equipment & Software	4,624	(2,502)
Functions & Entertainment	4,144	4,806
General Expenses	4,565	1,622
Insurance	6,391	7,283
Library	5,855	4,988
Membership	1,961	746
Postage & Couriers	2,706	706
Printing & Stationery	2,778	7,124
Promotions & Public Relations	3,592	(131)
Professional & Internal Services	50,451	53,398
Rent & Occupancy	40,000	26,000
Staff Costs	472,219	378,099
Travel & Related	89,686	98,487
Telephone Costs	13,237	9,181
Cost of Goods Sold	-	62
Depreciation	4,747	8,140
ASI	-	10,100
Events (income) / deficit	15,511	20,521
	<u>780,813</u>	<u>675,036</u>
Deficit for year	<u>(20,737)</u>	<u>(113,162)</u>

Included in the detailed profit and loss above is the net (income) / deficit relating to Events held by the Association. However, in the Statutory Statement of Financial Performance, Events income and expenditure has been included gross as required by Australian Accounting Standards.

**AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE**

**Cash Flow Statement for the year ended 30 June 2002**

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		2002	2001
		\$	\$
<b>Cash Flow from Operating Activities</b>			
Receipts from members, events and other income		884,561	1,038,045
Interest received		18,211	11,350
Payments to suppliers and employees		<u>(725,439)</u>	<u>(1,262,438)</u>
Net cash provided by / (used in) operating activities	13(b)	<u>177,333</u>	<u>(213,043)</u>
<b>Cash Flow from Investing Activities</b>			
Payments for property, plant and equipment		<u>-</u>	<u>(4,446)</u>
Net cash (used in) investing activities		<u>-</u>	<u>(4,446)</u>
Net increase / (decrease) in cash held		177,333	(217,489)
Cash at beginning of the year		<u>178,894</u>	<u>396,383</u>
Cash at end of the year	13(a)	<u>356,227</u>	<u>178,894</u>

The attached notes form part of these financial statements.

## AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE

### Notes to the financial statements for the year ended 30 June 2002 (continued)

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are a general purpose financial report prepared under the historical cost convention, on an accruals basis and in accordance with applicable Accounting Standards. In particular, the financial statements have been prepared in accordance with the following accounting policies which have been consistently applied:

**(a) Going Concern**

Notwithstanding the deficiency of net assets, the financial statements of the National Office have been prepared on a going concern basis as the Councillors believe that the Association in its entirety is in a sound financial position and can meet all of its debts and liabilities as and when they fall due.

**(b) Employee Entitlements**

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year, together with entitlements arising from wages and salaries and annual leave which will be settled after one year have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made to an employee Superannuation Fund and charged as expenses when incurred.

**(c) Income Tax**

No provision for income tax is necessary as the Association is exempt from Income Tax.

**(d) Plant and equipment**

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

*Depreciation*

Depreciation of plant and equipment is calculated on a straight line basis over the useful lives of the assets, commencing from the time the asset is held ready for use.

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

<b>Class of plant and equipment</b>	<b>Depreciation Rate</b>
Furniture & Fittings	10%
Office Machines	33%

## AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE

### Notes to the financial statements for the year ended 30 June 2002 (continued)

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#### **(e) Trade Debtors and Other Debtors**

Trade debtors are recognised when the risks and rewards of ownership of the underlying sales transactions have passed to customers. This event usually occurs on delivery of seminars or inventories to customers. Trade debtors are recorded at nominal amounts. Credit terms are 30 days. Collectability of overdue accounts is assessed on an ongoing basis. Specific provision is made for all doubtful accounts.

#### **(f) Trade and Other Creditors**

These amounts represent unpaid liabilities for goods received and services provided to the Association prior to the end of the financial period. The amounts are unsecured and are normally settled within 30 days.

#### **(g) Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

#### **(h) Revenue**

Membership fees are recognised as income when cash is received from members for their current year of membership. Where cash is received prior to balance date for the next membership year it is classified as income received in advance and is recognised as income in the subsequent year.

#### **(i) Grant Income**

Grant income is only brought to account as income where it is considered that the terms of the grant agreement have been, or are reasonably expected to be met. Provided this is the case, grant income received is accounted for by allocating the unspent portion as unearned grant income in the balance sheet, and releasing it to the income and expenditure account to match expenditure incurred during the period.



**AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE**

**Notes to the financial statements for the year ended 30 June 2002 (continued)**

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**NOTE 2 - INFORMATION TO BE PROVIDED TO MEMBERS OF AUSTRALIAN RETAILERS ASSOCIATION - NATIONAL OFFICE OR REGISTRAR**

- a) In accordance with the requirements of the Workplace Relations Act 1996, the attention of members of Australian Retailers Association – National Office is drawn to the provisions of subsections (1), (2) and (3) of Section 274, which reads as follows:
- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified information prescribed by the regulations in relation to the organisation.
  - (2) An organisation shall, on application, make the specified information available to the member or Registrar in the manner, and within the time, such as is prescribed.
  - (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

## AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE

### Notes to the financial statements for the year ended 30 June 2002 (continued)

	2002 \$	2001 \$
<b>NOTE 3 – NET DEFICIT</b>		
The net deficit has been determined after charging as expenses:		
<b>(a) Expenses</b>		
Charges to provisions for employee entitlement	10,708	5,637
Depreciation on property, plant and equipment	<u>4,747</u>	<u>8,140</u>
Remuneration of Auditor - audit and preparation of the financial statements	<u>13,500</u>	<u>6,500</u>
<b>(b) Significant items</b>		
Amount written off re ASI	<u>-</u>	<u>(10,100)</u>
<b>(c) Revenue</b>		
<b>Operating activities</b>		
- membership income	685,540	525,060
- events income	164,181	530,920
- sundry income	<u>56,323</u>	<u>25,349</u>
	<u>906,044</u>	<u>1,081,329</u>
<b>Non operating activities</b>		
- interest received	<u>18,211</u>	<u>11,350</u>
<b>Total Revenue</b>	<u>924,255</u>	<u>1,092,679</u>

### NOTE 4 - NATIONAL COUNCILLORS REMUNERATION

Councillors do not receive remuneration for their services to Australian Retailers Association.

## AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE

### Notes to the financial statements for the year ended 30 June 2002 (continued)

#### NOTE 5 - RELATED PARTIES

The names of the National Councillors who have held office during this financial year are:

Vivienne Atkinson	Tim Hammon	Hans Mueller	Michael Rayner
Albert Bensimon	Rohan Jeffs	Graham Oakes	Brenton Whittenbury
David Bracey	Peter Lenehan	Julie Owen	Kerrina Watson
Irene Goonan	Carole Molyneux	Robert Parker	Peter Wilkinson
George Ganter	Stephen Morgan	Margaret Porritt	Russell Zimmerman

Some of the National Councillors of the Australian Retailers Association are also directors of members companies. Members' subscriptions have been calculated in accordance with the Rules of Association.

The State divisions contributed \$39,627 during the period to reimburse 'single state retailer' directors for their travel in attending meetings held.

During the year the Australian Retailers Association – NSW Office rendered administrative services to the Australian Retailers Association - National Office for which it received a service fee. These charges were at normal commercial rates. The service fee is an inclusive amount covering rental, accounting and administration fees and costs of resources, utilising the services of the Australian Retailers Association-New South Wales.

In addition, services were provided by the state divisions' staff at no charge, apart from reimbursement of travel costs for some staff in carrying out 'national' activities.

	2002	2001
	\$	\$
<u>Amounts paid/payable:</u>		
Rent	40,000	40,000
Accounting and administration fees	<u>13,334</u>	<u>13,335</u>
	<u>53,334</u>	<u>53,335</u>

#### Balances at the end of the financial year:

Accounts receivable – Australian Retailers Association		
State Divisional Debtors	<u>6,484</u>	<u>6,322</u>
Accounts Receivable/(Payable) – Australia Retailers Association		
– New South Wales	<u>7,059</u>	<u>(24,749)</u>

**AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE**

**Notes to the financial statements for the year ended 30 June 2002 (continued)**

	<b>2002</b>	<b>2001</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 6 – RECEIVABLES</b>		
CURRENT		
Australian Retailer's Association – State Division Debtors	6,484	6,322
Other debtors	7,221	36,041
Receivable from Australian Retailer's Association - NSW	7,059	-
Australian Supermarket Institute	-	10,489
	<u>20,764</u>	<u>52,852</u>

**NOTE 7 - PROPERTY, PLANT AND EQUIPMENT**

Furniture & fittings –at cost	81,663	81,663
Less: Accumulated depreciation	<u>(79,192)</u>	<u>(74,445)</u>
	<u>2,471</u>	<u>7,218</u>

**Total**  
**\$**

(a) Movement in the Carrying Amount of furniture and fittings between the beginning and end of the current financial year:

Balance at the beginning of the year	7,218
Additions	-
Depreciation	<u>(4,747)</u>
Carrying amount at the end of the year	<u>2,471</u>

	<b>2002</b>	<b>2001</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 8 – PAYABLES</b>		
CURRENT		
Trade creditors	53,605	-
Prepaid membership fees and events	221,542	97,470
Creditors and accrued expenses	123,961	79,297
Owed to Australian Retailers' Association - NSW	-	24,749
	<u>399,108</u>	<u>214,267</u>

**AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE**

**Notes to the financial statements for the year ended 30 June 2002 (continued)**

	2002 \$	2001 \$
<b>NOTE 9 –PROVISIONS</b>		
CURRENT		
Employee entitlements - annual leave	<u>20,400</u>	<u>23,922</u>
NON CURRENT		
Employee entitlements - long service leave	<u>100,033</u>	<u>85,803</u>
(a) Aggregate employee entitlement provision	<u>120,433</u>	<u>109,725</u>
(b) Number of employees at year end	<u>3</u>	<u>4</u>

**NOTE 10- SEGMENTAL INFORMATION**

During the year the Association operated to protect, promote and advance the interest of retailers on issues affecting the retail industry within Australia.

**NOTE 11- EVENTS SUBSEQUENT TO BALANCE DATE**

On 19 September 2002 the Association sold the freehold land and building at York Street, Sydney reported in the NSW Division Accounts. The value of these assets is included in the NSW Division Accounts and not in the accounts of the National Office.

No other events have occurred subsequent to balance date, that are likely to affect the operations of the National Office, the results of those operations, or the state of affairs of the National Office in subsequent financial years.

**NOTE 12 - FINANCIAL INSTRUMENTS**

(a) Interest Rate Risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of change in market interest rates and the effective weighted average interest rates on these financial assets and financial liabilities are as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate	
	June 2002	June 2001	June 2002	June 2001
Financial Assets	%	%	\$	\$
Cash at bank	<u>3</u>	<u>3.05</u>	<u>356,227</u>	<u>178,894</u>

All other financial assets and liabilities are non-interest bearing.

**AUSTRALIAN RETAILERS ASSOCIATION – NATIONAL OFFICE**

**Notes to the financial statements for the year ended 30 June 2002 (continued)**

**NOTE 12 - FINANCIAL INSTRUMENTS (continued)**

(b) Credit Risk

The maximum exposure to credit risk at balance date excluding the value of any collateral or other security, to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial statements.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

(c) Net Fair Values of Financial Assets and Liabilities

The carrying amount of cash, cash equivalents and non-interest bearing monetary financial assets and liabilities ( eg accounts receivable and payable ) approximate net fair values.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

	2002	2001
	\$	\$

**NOTE 13 - STATEMENT OF CASH FLOWS**

**a) Reconciliation of cash**

For the purpose of this statement of cash flows, cash includes cash, at call deposits with banks and other financial institutions, net of bank overdraft.

Cash at the end of the year is shown in the balance sheet as:

Cash at bank and on hand	<u>356,227</u>	<u>178,894</u>
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**b) Reconciliation of cash flow from operations with net deficit**

Net deficit	(20,737)	(113,162)
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Non cash flows in net deficit

- Charges to provisions	14,230	5,637
- Depreciation	4,747	8,140

Changes in assets and liabilities:

(Increase) in current assets	(2,226)	(15,809)
Increase/(decrease) in creditors and accruals	<u>181,319</u>	<u>(97,849)</u>
	<u>177,333</u>	<u>(213,043)</u>



## AUSTRALIAN INDUSTRIAL REGISTRY

Australian Industrial Registry  
Level 35, Nauru House  
80 Collins Street  
MELBOURNE VIC 3000  
Telephone: (03) 8661 7888  
Fax: (03) 9654 6672

Mr Greg Porter  
Operations Manager  
The Australian Retailers Association  
Level 2, Association House  
104 Franklin Street  
MELBOURNE VIC 3000

Dear Greg,

**Re: The Australian Retailers Association  
Outstanding Financial Documents - *Workplace Relations Act 1996***

There appears to be no record of lodgment in the Industrial Registry of the auditor's report, accounts and statements of the National office of the Association, prepared in accordance with Part IX, Division 11 of the *Workplace Relations Act 1996* ('the Act'), for the year ended **30 June, 2002**.

As you know, an organisation registered under the Act or a branch of such an organisation is required after the end of its financial year to prepare accounts and statements, obtain a report from the auditor, provide copies of the auditor's report, accounts and statements to its members, present the auditor's report, accounts and statements to a meeting of members or committee of management, and lodge copies in the Industrial Registry. Having in mind the time-scales allowed by the Act to complete each of these steps, lodgment of the required documents would, in the normal course, be expected before now.

Therefore, I request your written advice **by 5 May, 2003** as to when each of the following steps is expected to be completed:-

1. preparation of the accounts and statements in compliance with section 273
2. making of the audit report in compliance with section 276(4)
3. provision of copies of the auditor's report, accounts and statements to the members in compliance with sections 279(1) and (3)
4. presentation of the financial documents to a meeting of the members or the committee of management in compliance with sections 279(6) and (7) (*following provision of copies to the members as per step 3 above*)
5. lodgment of copies of the financial documents in the Industrial Registry under cover of a certificate by you in compliance with section 280(1) - such certificate should confirm that the documents so lodged are copies of the documents presented to the meeting referred to in step 4 above - the type of meeting and the date when it was held should be specified

If you wish to discuss this letter you may contact me on (03) 8661 7817. In reply please quote: **FR2002/336**.

Yours sincerely,

Robert Pfeiffer  
E-mail: robert.pfeiffer@air.gov.au

15 April, 2003