

FR.2001/716



30 October 2002

Ms Belinda Penna
Australian Industrial Registry
Level 8, Terrace Towers
80 William Street
EAST SYDNEY NSW 2011



Dear Ms Penna

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

I refer to your letter dated 18 October 2002 concerning the lodgement of financial documents and enclose the following for your attention:

1. The accounts and statements in compliance with Section 273 of the Act;
2. A copy of our Auditor's report on the NSW Farmers' (Industrial) Association for the year ending 31 December 2001;
3. A copy of the Association's Annual Report with enclosed financial statements that provided members with the details required under Section 279 (1) and (3) of the Act;
4. The details set out in the Annual Report were presented to a meeting of the members on 24 July 2002 in compliance with Section 279 (6) of the Act;
5. The attached certificate signed by me in compliance with Section 280 (1) of the Act.

Please contact Alistair Tomlinson on 02 8251 1839 should any additional information be required.

Yours sincerely



Jonathan Mckeown
CHIEF EXECUTIVE


Encls

30 October 2002

DISTRIBUTION OF FINANCIAL ACCOUNTS FOR 2001

I wish to confirm that a copy of the Annual Report containing the financial accounts for the NSW Farmers' (Industrial) Association for the year ending 31 December 2001 was mailed out to all members of the Association on 3 July 2002 allowing a period of well in excess of the required 8 days prior to the AGM of the NSW Farmers' (Industrial) Association held on 24 July 2002.

Yours sincerely



Jonathan McKeown
CHIEF EXECUTIVE

30 October 2002

CERTIFICATE BY SECRETARY OF THE ASSOCIATION

I, Jonathan McKeown, being the Chief Executive and Secretary of the NSW Farmers' (Industrial) Association, do hereby certify that the attached Financial Statements and Reports are true copies of the Financial Statements and Reports that were presented to all members and as adopted at the Annual General Meeting of the Association held on 24 July 2002 in respect of the financial year of the organisation ending on 31 December 2001 and in accordance with Section 280 (1) of the Act.

Yours sincerely


Jonathan McKeown
CHIEF EXECUTIVE

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2001

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NSW FARMERS' (INDUSTRIAL) ASSOCIATION
CERTIFICATE BY ACCOUNTING OFFICER
FOR THE YEAR ENDED 31 DECEMBER 2001

I, Gordon Frend, being the Officer responsible for keeping the accounting records of the NSW Farmers' (Industrial) Association certify that as at 31 December 2001, the number of members of the organisation was 12,945 (2000 – 13,581).

In my opinion,

- i. The attached accounts show a true and fair view of the financial affairs of the organisation as at 31 December 2001;
- ii. A record has been kept of all monies paid by, or collected from, members and all monies so paid by, or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the organisation;
- iii. Before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;
- iv. With regard to funds of the organisation 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 purposes other than those for which the fund was operated;
- v. All loans or other benefits granted to persons holding office in the organisation were authorised in accordance with the rules; and
- vi. The register of members of the organisation was maintained in accordance with the Act.

Signed at Sydney this *3rd* day of *June* 2002.

Gordon B Frend

G. FREND
Treasurer

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

CERTIFICATE BY EXECUTIVE COMMITTEE

We, M J Peters and G Frend, being the two members of the Executive Committee of the NSW Farmers' (Industrial) Association, do state on behalf of the Committee and in accordance with a resolution passed by the Committee, that:

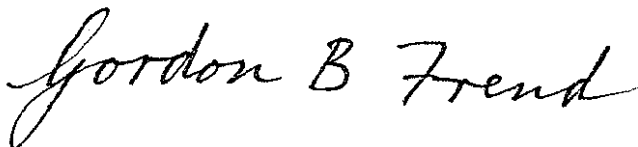
- i. in the opinion of the Executive Committee, the attached accounts show a true and fair view of the financial affairs of the organisation as at 31 December 2001;
- ii. in the opinion the Executive Committee, meetings of the Committee were held during the year ended 31 December 2001 in accordance with the rules of the organisation;
- iii. to the knowledge of any member of the Committee, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under sub-section 274(1) of the Workplace Relations Act 1996, as amended) or copies of those records or documents, or copies of the rules of the organisation, have not been furnished or made available, to the members in accordance with the requirements of the Workplace Relations Act 1996, as amended, the Regulations thereto, or the rules of the organisation; and
- iv. the organisation has complied with sub-sections 279(1) and (6) of the Act in relation to the financial account: in respect of the year ended 31 December 2001, and the auditors' report thereon.

Signed at Sydney this *3rd* day of *June* 2002.

In accordance with the Minutes of the Executive Committee of the NSW Farmers' (Industrial) Association



M J Peters
Chairman



G Frend
Treasurer

NSW FARMERS' (INDUSTRIAL) ASSOCIATION
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2001

	<u>Note</u>	<u>2001</u>	<u>2000</u>
		\$	\$
Revenue from ordinary activities	2	4,208,250	4,210,867
Depreciation and Amortisation	3	(15,814)	(15,814)
Employee Benefits Expense	3	(204,316)	(210,012)
Management Fees	3	(3,200,000)	(2,731,896)
Increment/(Decrement) on revaluation of properties	3, 15(b)(i)	2,354,412	(2,354,412)
Other expenses from ordinary activities	3	(616,572)	(768,794)
Profit/(Loss) from ordinary activities before income tax		<u>2,525,960</u>	<u>(1,870,061)</u>
Income tax expense	1(b)	<u>-</u>	<u>-</u>
Net profit/(loss) from ordinary activities after income tax	14	<u>2,525,960</u>	<u>(1,870,061)</u>
Net (decrease)/increase in asset revaluation reserve - investments	15(a)	(279,788)	5,605,169
Net increase in asset revaluation reserve - properties	15(b)(i)	745,588	-
Total revenue, expenses and valuation adjustments recognised directly in equity		<u>465,800</u>	<u>5,605,169</u>
Total changes in equity other than those resulting from transactions with owners as owners		<u>2,991,760</u>	<u>3,735,108</u>

To be read in conjunction with the Notes to these financial statements.

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2001

	<u>Note</u>	<u>2001</u> \$	<u>2000</u> \$
CURRENT ASSETS:			
Cash Assets	4	328,286	1,377,637
Receivables	5	1,186,975	262,613
Other Assets		27,058	45,678
TOTAL CURRENT ASSETS		<u>1,542,319</u>	<u>1,685,928</u>
NON-CURRENT ASSETS:			
Other Financial Assets	6	10,466,045	10,584,987
Property, plant & equipment	7	41,053,910	37,969,724
TOTAL NON-CURRENT ASSETS		<u>51,519,955</u>	<u>48,554,711</u>
TOTAL ASSETS		<u>53,062,274</u>	<u>50,240,639</u>
CURRENT LIABILITIES:			
Payables	8	156,943	327,068
TOTAL CURRENT LIABILITIES		<u>156,943</u>	<u>327,068</u>
NON-CURRENT LIABILITIES:			
Other Liabilities	9	23,760	23,760
TOTAL NON-CURRENT LIABILITIES		<u>23,760</u>	<u>23,760</u>
TOTAL LIABILITIES		<u>180,703</u>	<u>350,828</u>
NET ASSETS		<u>52,881,571</u>	<u>49,889,811</u>
ACCUMULATED FUNDS			
Accumulated Surplus	14	46,810,602	44,284,642
Revaluation Reserve - Shares	15	5,325,381	5,605,169
Revaluation Reserve - Properties	15	745,588	-
TOTAL MEMBERS' FUNDS		<u>52,881,571</u>	<u>49,889,811</u>

To be read in conjunction with the Notes to the Financial Statements.

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2001

	<u>Note</u>	<u>2001</u> \$	<u>2000</u> \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts:-			
Member Subscriptions		12,259	13,583
Dividends		326,189	640,129
Interest		20,198	59,152
Associated Organisations		21,306	21,300
Rental Income		3,416,433	3,476,703
Other Income		194,411	-
		<hr/>	<hr/>
		3,990,796	4,210,867
Cash payments:-			
Suppliers and employees		(972,393)	(959,647)
Associated Organisations		(4,153,878)	(2,616,146)
		<hr/>	<hr/>
NET CASH (USED IN)/ PROVIDED BY OPERATING ACTIVITIES	10	(1,135,475)	635,074
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Share sales		86,124	-
Investment purchased		-	(235,532)
		<hr/>	<hr/>
NET CASH USED BY INVESTING ACTIVITIES		86,124	(235,532)
NET DECREASE IN CASH HELD			
		(1,049,351)	399,542
Cash held at the beginning of the year		<hr/>	<hr/>
		1,377,637	978,095
CASH HELD AT THE END OF THE YEAR	4	<hr/> <hr/>	<hr/> <hr/>
		328,286	1,377,637

To be read in conjunction with the Notes to these financial statements.

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2001

1 STATEMENT OF ACCOUNTING POLICIES

The financial statements are a general purpose financial report which have been prepared in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and the Workplace Relations Act 1996. The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values, except land and building, which is stated at independent valuation. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material policies adopted in the preparation of the financial statements.

a. Property, Plant and Equipment

Property, plant and equipment are brought to account at cost or independent valuation less, where applicable, any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by the Committee to ensure it is not in excess of the recoverable amount from these 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 their present values in determining recoverable amounts.

The properties are stated at independent valuation carried out by Jones Lang LaSalle in November 2000 and by David Torrens of DTZ Australia (NSW) Pty Ltd in April 2002 and directors' valuation.

The depreciable amount of all fixed assets, but excluding investment properties, is depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use.

b. Income Tax

No provision for income tax is necessary as the Association is exempt from income tax under Section 50.15 of the Income Tax Assessment 1997.

c. Income

All income is brought to account on an accrual basis, except interest, dividends, unit trust distributions and subscription income which are brought to account on a cash receipt basis.

d. Shares

The Association's investments comprise holdings of listed and unlisted shares. Unlisted shares are disclosed at historical cost. Listed shares have been revalued at the market price applicable as at the close of trading on the last trading day of the year and any increment/decrement is recognised in the asset revaluation reserve.

The accounting policy requires the class of non-current assets described as listed shares to be revalued to market value as at the reporting date.

e. Comparative Figures

Some line items and subtotals reported in the previous financial year have been reclassified and repositioned in the financial statements as a result of the first time application on 1 January 2001 of the new standards AAS1 "Statement of Financial Performance" and AAS36 "Statement of Financial Position".

NSW FARMERS' (INDUSTRIAL) ASSOCIATION
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2001

	<u>2001</u>	<u>2000</u>
	\$	\$
2. REVENUE		
Operating Activities:		
Subscription revenue	12,259	13,583
Other Revenue :		0
Dividends	326,189	640,129
Interest	20,198	59,152
Profit on Sale of Investments	246,970	
Rent	3,416,433	3,476,703
Sundry	153,797	153,797
NFF House Trust Income	11,104	-
Management fees related funds	21,300	21,300
TOTAL REVENUE	<u>4,208,250</u>	<u>4,364,664</u>
3. SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES		
a. Expenses		
Management & Administration fees to NSW Farmers' Association	3,200,000	2,731,896
Bligh St tenancy expenses	49,479	239,263
Employers Federation fee	5,724	5,459
Legal and Professional fees	28,365	6,974
Salary and related employment costs	204,316	210,012
Travel costs associated with employees	8,200	5,541
NSW Farmers Scholarships	25,000	25,000
Other Administrative Expenses	93,343	42,852
Remuneration of Auditor		
- For audit services re the accounts	15,996	15,996
- For audit services re Bligh St costs	3,216	8,362
b. Significant Revenue and Expense		
- Special Dividend from Rural Press Limited	-	310,535
- Increment/(Decrement) on Revaluation of Properties (Refer Note 15(b)(i))	2,354,412	(2,354,412)
	<u>2,354,412</u>	<u>(2,043,877)</u>
4. CASH		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and monies on deposit at call. Cash at year end as shown in the statement of cash flows is reconciled to the relevant balance sheet items as follows:		
Cash at Bank	328,286	660,121
Money Market Deposit (Due within 12 months)	-	717,516
TOTAL CASH	<u>328,286</u>	<u>1,377,637</u>

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2001

	<u>2001</u>	<u>2000</u>
	\$	\$
5. RECEIVABLES		
Trade Debtors	4,194	33,704
Due from related parties:		
- NSW Farmers' Association	1,137,709	183,831
- Special Purposes Fund	37,272	41,178
- A S Burdekin Fund	7,800	3,900
TOTAL RECEIVABLES	<u>1,186,975</u>	<u>262,613</u>
6. OTHER FINANCIAL ASSETS		
Listed Shares (market value):		
Rural Press Limited.	6,949,986	7,507,750
Other Listed Shares	3,431,059	2,992,238
	<u>10,381,045</u>	<u>10,499,987</u>
Unlisted Shares:		
NFF House trust units	85,000	85,000
	<u>85,000</u>	<u>85,000</u>
TOTAL OTHER FINANCIAL ASSETS	<u>10,466,045</u>	<u>10,584,987</u>
7. PROPERTY, PLANT AND EQUIPMENT		
<u>Land and buildings (at valuation):</u>		
No 1 Bligh St Sydney	22,000,000	18,900,000
Lot 506 Airds Rd Minto (a)	8,450,000	8,450,000
Unit 1207 "The Highgate"	800,000	800,000
Vanessa St Kingsgrove	9,700,000	9,700,000
Field day sheds	6,000	6,000
NET BOOK VALUE PROPERTY	<u>40,956,000</u>	<u>37,856,000</u>
(a) The property has been mortgaged to Westpac to secure the borrowing by NSW Farmers' Association.		
<u>Plant & Equipment:</u>		
Vanessa St. Kingsgrove fit-out	158,144	158,144
Less Provision for Depreciation Vanessa St. fit-out	(80,389)	64,575
Total Plant and Equipment	77,755	93,569
Artworks	20,155	20,155
NET BOOK VALUE PLANT AND EQUIPMENT	<u>97,910</u>	<u>113,724</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>41,053,910</u>	<u>37,969,724</u>

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2001

	<u>2001</u>	<u>2000</u>
	S	S
8. PAYABLES		
Trade Creditors	69,904	176,380
Accounting & audit fees accrued	12,821	14,478
GST Output Control Tax	74,218	49,008
Unearned income	-	87,201
TOTAL PAYABLES	<u>156,943</u>	<u>327,068</u>
9. OTHER LIABILITIES		
Special Fund	<u>23,760</u>	<u>23,760</u>
This is structured as follows;		
\$100,000 is held in a central fund by the National Farmers Federation and amounts are periodically transferred from general revenue to replenish the central fund:		
There were no transfers in 2001 (2000 - nil)		
10. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING PROFIT AFTER INCOME TAX.		
Operating profit/(loss) after income tax	2,525,960	(1,870,061)
Non cash items		
(Increment)/Decrement in property value	(2,354,412)	2,354,412
Depreciation	15,814	15,814
Profit on Sale of investment	(246,970)	-
	<u>(59,608)</u>	<u>500,165</u>
Decrease/(Increase) in receivables and prepayments	48,130	(33,610)
Decrease in receivable - related parties	(953,872)	115,750
(Decrease)/Increase in creditors	(170,125)	52,769
Cash flows/(used) from operating activities	<u>(1,135,475)</u>	<u>635,074</u>
11. RELATED PARTY TRANSACTIONS		
Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.		
Transactions and Balances with related parties:		
NSW Farmers' Association		
Management fee paid	3,200,000	2,731,896
Rent received	413,406	548,808
Amounts receivable as at year end	1,137,709	183,831
NSW Farmers' Co-operative Limited		
Operating Contribution	-	20,000
	<u>4,751,115</u>	<u>3,484,535</u>

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2001

	<u>2001</u>	<u>2000</u>
	\$	\$
12. ASSETS OF RELATED FUNDS CONTROLLED BY THE ASSOCIATION		
NSW Farmers' Special Purposes Fund		
Cash at bank	2,335	(977)
NFF House trust units	200,000	200,000
Term deposits	102,828	98,286
GST Input Tax Control	691	305
Amounts owing to NSW Farmers General Association	4,177	(41,178)
Amounts owing to NSW Farmers Industrial Association	(19,872)	16,316
Accruals	(2,572)	-
	<u>287,587</u>	<u>272,752</u>
NSW Farmers' A.S. Burdekin Fund		
Cash at bank	26,765	16,160
Term deposits	255,798	244,538
GST Input Tax Control	53	9
Current Account - General Assoc.	(42,351)	(21,000)
Current Account - Industrial Assoc.	(7,800)	(3,900)
Accruals	(292)	-
	<u>232,173</u>	<u>235,807</u>
13. GUARANTEE AND INDEMNITY		
A Guarantee and Indemnity for \$11 million has been provided to the Westpac Bank in respect of the \$11 million bank borrowing of the NSW Farmers' Association.		
14. ACCUMULATED SURPLUS		
Balance brought forward	44,284,642	46,154,703
Surplus/(Deficit) for the year	2,525,960	(1,870,061)
Balance carried forward	<u>46,810,602</u>	<u>44,284,642</u>
15. REVALUATION RESERVE		
a. Shares		
Balance brought forward	5,605,169	-
Revaluation (decrement)/increment	(279,788)	5,605,169
Balance carried forward	<u>5,325,381</u>	<u>5,605,169</u>
b. Properties		
Balance brought forward	-	-
Revaluation increment (i)	745,588	-
Balance carried forward	<u>745,588</u>	<u>-</u>

NSW FARMERS' (INDUSTRIAL) ASSOCIATION
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2001

15. REVALUATION RESERVE cont'd

- (i) In the previous year, properties were revalued which resulted in a revaluation decrement of \$2,354,412, which was charged to the operating results of the entity. However, in the current period, a revaluation of properties resulted in an increment of \$3,100,00. In accordance with AASB 1041, the increment has been first credited to the operating results to the extent the amount was previously debited \$2,354,412 (refer Note 3(b)) and the balance of \$745,588 has been credited to the Asset Revaluation Reserve.

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2001

16. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

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

	Weighted Average Effective Interest Rate		Floating Interest Rate	
	2001	2000	2001	2000
Financial Assets				
Cash at Bank	2.9	3.9	328,286	660,121
	-	5.2	-	717,516
Accounts Receivable			4,194	33,704
Prepayments			27,058	32,830
Investment			10,466,045	10,584,987
Total Financial Assets			<u>10,825,583</u>	<u>12,029,158</u>
Financial Liability				
Creditors and borrowings			156,943	327,068
Total Financial Liability			<u>156,943</u>	<u>327,068</u>

(b) Credit Risk

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

(c) Net Fair Values

The net fair values of listed investments have been valued at the cost price at balance date. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to and forming part of the financial statements.

17. SUBSEQUENT EVENTS

Subsequent to balance date, the market value of the investments increased by approximately \$130,000 as at 3 April 2002.

NSW FARMERS' (INDUSTRIAL) ASSOCIATION
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2001

18. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 274, which read as follows:

- (1) **Application for Information:** A member of an organisation, or a Registrar, may apply to an organisation for specified prescribed information in relation to the organisation.
- (2) **Provision of Information:** An organisation shall, on application made under subsection (1) by a member of the organisation or a registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) **Function of registrar:** A Registrar may only make an application under sub-section (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.

INDEPENDENT AUDIT REPORT

To the Members of NSW Farmers' (Industrial) Association

Scope

We have audited the financial report, being the declaration by the Executive Committee, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to and forming part of the financial report of NSW Farmers' (Industrial) Association for the year ended 31 December 2001. The Executive Committee is responsible for the preparation and presentation of the financial report and the information it contains. We have conducted an independent audit of the 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 Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and statutory requirements so as to present a view of the Association which is consistent with our understanding of its financial position and the results of its operations.

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

Audit Opinion

In our opinion,

- a) For the year ended 31 December 2001 NSW Farmers' (Industrial) Association kept satisfactory accounting records, including:
 - i) records of the sources and nature of the income of the Association (including income from members); and
 - ii) records of the nature and purposes of the expenditures of the organisation; and
- b) The financial report, declaration and certificates prepared under section 273 of the Workplace Relations Act 1996 in relation to the year were properly drawn up so as to give a true and fair view of:
 - i) the financial position of NSW Farmers' (Industrial) Association as at 31 December 2001; and
 - ii) the income and expenditure, and any surplus or deficit of NSW Farmers' (Industrial) Association for the year; and



Haines Norton Chartered Accountants

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J.W. Beale

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

AUDITOR'S DISCLAIMER TO THE MEMBERS

The additional financial data presented on page 18 is in accordance with the books and records of the NSW Farmers' (Industrial) Association which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 31 December 2001.

It will be appreciated that our statutory audit did not cover all the details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

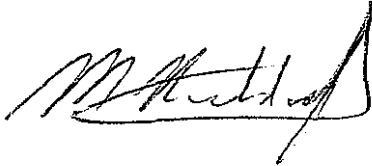
In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than NSW Farmers' (Industrial) Association) in respect of such data, including any errors or omissions therein, arising through negligence or otherwise however caused.

M.D. Nicholaeff
Partner

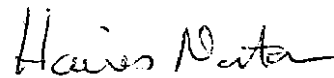
Haines Norton
Chartered Accountants

Signed on 3 June 2002

- c) The financial report of NSW Farmers' (Industrial) Association is properly drawn up in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.
- d) All the information and explanations that under subsection (2) of section 276 of the Workplace Relations Act 1996, officers or employees of NSW Farmers' (Industrial) Association were required to provide were provided.



M.D. Nicholaeff
Partner
Registered Company Auditor



HAINES NORTON
Chartered Accountants

Signed on 3 June 2002

Sydney

**NSW FARMERS' (INDUSTRIAL) ASSOCIATION
REVENUE AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2001**

		<u>2000</u> \$
REVENUE		
Dividends	326,189	640,129
Interest	20,198	59,152
NFF House trust income	11,104	-
Profit on Sale of Investments	246,970	-
Related funds	21,300	21,300
Rental income	3,416,433	3,476,703
Subscription income	12,259	13,583
Sundry Income	153,797	-
	<u>4,208,250</u>	<u>4,210,867</u>
EXPENDITURE		
Audit fees	15,996	15,996
Bank charges and taxes	2,302	870
Bligh St property expenses	406,279	411,776
Bligh St tenancy expenses	49,479	239,263
Employers Federation fee	5,724	5,400
Legal & Professional	28,365	6,974
Management fee paid to NSW Farmers' Association	3,200,000	2,731,896
Warehouse operating costs	15,936	15,873
Presidential Unit operating costs	9,832	7,511
NSW Farmers Scholarships	25,000	25,000
Printing and copying	43,089	15,921
Publications purchased	8,306	4,880
Operational Subsidies - NSW Farmers Co-operative	-	20,000
Staff salaries & Related costs	204,316	210,012
Travel expenses	8,200	5,541
Other	13,878	9,603
	<u>4,036,702</u>	<u>3,726,516</u>
OPERATING SURPLUS /(DEFICIT)	<u>171,548</u>	<u>484,351</u>
 Add/(Deduct) Adjustment to carrying value of properties	 2,354,412	 (2,354,412)
	<u><u>2,525,960</u></u>	<u><u>(1,870,061)</u></u>

**NSW FARMERS' (INDUSTRIAL) ASSOCIATION
REVENUE AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2001**

	<u>2001</u> \$	<u>2000</u> \$
SPECIAL PURPOSES FUND		
Accumulated funds as at 31st December 2000	<u>272,753</u>	<u>330,174</u>
REVENUE		
Contributions	53,514	44,641
Interest	4,590	5,567
NFF trust income	<u>26,306</u>	<u>-</u>
	<u>84,410</u>	<u>50,208</u>
EXPENDITURE		
Contributions to Projects	5,000	23,500
Legal & professional	-	8,889
Bank Charges/Taxes	70	556
Election Campaign expenditure	-	0
Rural Employment Guide	-	11,942
Management fee	17,400	17,400
Media monitoring	15,922	13,983
Primary reports printing expense	29,631	22,994
News Reports	-	485
Annual Conference video production	-	4,110
Rallies & actions	-	0
TV and video	1,553	3,770
Other	<u>-</u>	<u>0</u>
	<u>69,576</u>	<u>107,630</u>
SURPLUS/(DEFICIT) FOR YEAR	<u>14,834</u>	<u>(57,422)</u>
Accumulated funds as at 31st December 2001	<u><u>287,587</u></u>	<u><u>272,753</u></u>

Balance as at end of year comprises:-

Cash at Bank	2,335	(977)
Term Deposits	102,828	98,286
NFF House Trust Units	200,000	200,000
GST Input Tax Control	691	305
Amounts owed by/(owing to) NSW Farmers' (Industrial) Association	(19,872)	(41,178)
Amounts owed by/(owing to) NSW Farmers' (General) Association	4,177	16,316
Accruals	<u>(2,572)</u>	<u>-</u>
	<u><u>287,587</u></u>	<u><u>272,752</u></u>

A.S. BURDEKIN RESEARCH FUND
REVENUE AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2001

	<u>2001</u>	<u>2000</u>
	\$	\$
Accumulated funds as at 31st December 2000	<u>235,807</u>	<u>239,825</u>
REVENUE		
Principal fund investment earnings	10,452	12,032
Interest	<u>11,730</u>	<u>11,548</u>
	<u>22,182</u>	<u>23,580</u>
EXPENDITURE		
Research project costs	796	2,535
Administration of fund	3,900	3,900
Bank Charges/Taxes	120	164
Burdekin research officers	<u>21,000</u>	<u>21,000</u>
	<u>25,816</u>	<u>27,599</u>
SURPLUS / (DEFICIT) FOR YEAR	<u>(3,634)</u>	<u>(4,018)</u>
Accumulated funds as at 31st December 2001	<u><u>232,173</u></u>	<u><u>235,807</u></u>
Balance as at end of Year Comprises:-		
Cash at bank	26,765	16,160
Term deposits	255,798	244,538
GST Input Tax Control	53	9
Current Account - General Assoc.	(42,351)	(21,000)
Current Account - Industrial Assoc.	(7,800)	(3,900)
Accruals	<u>(292)</u>	<u>-</u>
	<u><u>232,173</u></u>	<u><u>235,807</u></u>