



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7822
Fax: (03) 9655 0410
Email: margaret.williams@airc.gov.au

Ms Roslyn Grimes-Harvey
President
The Restaurant and Catering Association of Victoria

email: info@rcv.asn.au

Dear Ms Grimes-Harvey

Re: Financial Report for Year Ended 31 December 2007 - FR2007/606
Schedule 1 to the Workplace Relations Act 1996 (RAO Schedule)

Thank you for the financial report of The Restaurant and Catering Association of Victoria for the year ended 31 December 2007. The documents were lodged in the Industrial Registry on 22 August 2008.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

TIMESCALE REQUIREMENTS

A financial report should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within certain timescale requirements. From the information available, the documents were presented to a meeting on 25 March 2008 but were not lodged in the Registry until 22 August 2008.

In future financial years the documents should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented – see section 268 of the RAO Schedule.

DESIGNATED OFFICER'S CERTIFICATE

Last year we advised you that the reference to s.233 of Schedule 1 in the first and third dotpoints of your covering certificate, should read s.265(1) and section 268 respectively.

AUDITOR'S REPORT

(a) Auditor's Qualifications

In future financial years the Auditor's Report should be amended so that it provides details of the Auditor's qualifications to confirm he or she is an 'approved auditor' under s256 of the RAO Schedule and Regulation 4 of the RAO Regulations.

Regulation 4 defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the

National Institute of Accountants and holds a current Public Practice Certificate.

(b) Auditor's Opinion

The Audit opinion should read relevantly presents fairly in accordance with *Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) to the Workplace Relations Act 1996*.

Please draw these matters to the attention of your auditor.

OPERATING REPORT

(a) Results of principal activities

I refer to the Operating Report, in particular to the "Principal Activities". I note that subsection 254(2)(a) of Schedule 1 requires the operating report to include a review of the principal activities of the reporting entity, the results of those activities and any significant changes in the nature of those activities eg items which are included in "Highlights in 2007".

The "Operating Result" requirement contemplates reference in the operating report to results directly related to the principal activities as opposed to the reporting entity's financial result, particularly as measured in dollar 'surplus' or 'loss' terms. Although this may not be stated explicitly in the text of the subsection, I think it is reasonable to infer this is what the legislators had in mind given that the subsection is referring primarily to the principal activities and secondly, the actual financial outcome is elaborated elsewhere in the financial documents, such as the Balance Sheet and/or the Profit and Loss statement.

I refer you to Regulation 159 (c) which states:

"(c) the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the **period** for which he or she held such a **position**".

(b) Right of members to resign:

Subsection 254(2)(c) requires the operating report to "give details" of the right of members to resign from the reporting unit under section 174 of the RAO Schedule. The requirement may be met by the inclusion of the text of the relevant resignation rule, in this case Rule 10.

GENERAL PURPOSE FINANCIAL REPORT (GPFR)

The Notes to the GPFR are required to include a notice drawing attention to the fact that information that is prescribed by the RAO Regulations is available to members on request (see Guideline 8(c) of the Reporting Guidelines and section 272(5) of the RAO Schedule).

Specifically, the GPFR is required to include a copy of subsections 272(1), (2) and (3) as follows:

Information to be provided to members or Registrar

The s.272 notice should be reproduced as set out in the RAO Schedule to the Workplace Relations Act 1996, which states:

“A member of a **reporting unit**, or a Registrar, may apply to the **reporting unit**” etc

(1) A member of a reporting unit, or a registrar, 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).

Note: This subsection is a civil penalty provision (see section 305).”

You are requested to include this information in future.

DISCLOSURE OF EXPENDITURE

An organisation is required to disclose a wide range of expenditure items in the main body of the accounts. It is noted however that the expenditure information provided in the Income Statement was grouped in very broad categories such as “Professional Services” and “Functions and Events” rather than discrete items such as:

- Legal Costs (11(j)) and
- Conferences – fees/allowances for attendance (11(k)).

Accordingly, in future financial years please ensure items of expenditure are separately disclosed in the accounts as required by the Industrial Registrar’s Reporting Guidelines at Note 11 – see enclosed.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, please contact me on (03) 8661-7822 or email: margaret.williams@airc.gov.au.

Yours sincerely



Margaret Williams
Statutory Services Branch

18 September 2008

Workplace Relations Act 1996 Schedule 1

Australian Industrial Registry
Principal Registry
Nauru House
Level 5, 11 Exhibition Street
Melbourne Vic 3000
(Postal Address:
GPO Box 1994
Melbourne Vic 3001)

Determination of reporting guidelines for the purposes of section 253 of RAO Schedule

Application

1. These reporting guidelines are made under section 255 of Schedule 1B (the RAO Schedule) of the *Workplace Relations Act 1996* (the Act).
2. These reporting guidelines apply to all general purpose financial reports of a reporting unit as defined in section 242 of the RAO Schedule except where a Registrar has issued a certificate under subsection 270(1) to the reporting unit in relation a financial year. Separate reporting guidelines made under section 255 of the RAO Schedule for purposes of section 270 apply to a general purpose financial report of a reporting unit in relation to the financial year for which a certificate has been issued under subsection 270(1).
3. In the event of a conflict between a requirement of these reporting guidelines and a requirement of an Australian Accounting Standard, the requirement of the Standard prevails unless there has been a determination under section 241 of the RAO Schedule that the Standard or the relevant part of the Standard does not apply in relation to an organisation or a class of organisations.

Operative Date

4. These reporting guidelines apply to each financial year of an organisation that starts on or after 1 November 2004.

Purpose of Reporting Guidelines

5. These reporting guidelines apply for purposes of section 253 of the RAO Schedule.
6. Under subsection 253(1) of the RAO Schedule a reporting unit is required to have a general purpose financial report (GPFR) prepared. The GPFR must be prepared in accordance with Australian Accounting Standards. These reporting guidelines prescribe certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the RAO Schedule.
7. The disclosure requirements prescribed by these reporting guidelines are directed towards providing members of a reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to

improve the quality of information available to users of the GPFR about the reporting unit's economic support of, or economic dependency on, other reporting units of the organisation.

General Requirements for Presentation and Disclosures in GPFR

8. The reporting unit must disclose in the notes to the financial statements:

(a) where the reporting unit is dependent on another reporting unit of the organisation for a significant volume of revenue or financial support and that dependency is not clearly discernible from a separate line item in the profit and loss statement or the balance sheet:

- (i) the name of the reporting unit on which there is an economic dependency; and
- (ii) the amount of revenue or financial support derived from the other reporting unit;

(b) information for the preceding corresponding financial year which corresponds to the disclosures specified for the current financial year must be disclosed, except where, in respect of the financial year to which these reporting guidelines are first applied, corresponding information was not required under the Act or the Workplace Relations Regulations or a superseded version of these reporting guidelines; and

(c) the notice required by subsection 272(5) of the RAO Schedule drawing attention to subsections (1), (2) and (3) of section 272 and setting out those subsections.

9. Where a reporting unit acquires during the financial year an asset or a liability as a result of:

- (a) an amalgamation under Chapter 3, Part 2 of the RAO Schedule in which the organisation was the amalgamated organisation; or
 - (b) a restructure of the branches of the organisation; or
 - (c) a determination by the Industrial Registrar under subsection 245(1) of the RAO Schedule of an alternative reporting structure for the organisation; or
 - (d) a revocation by the Industrial Registrar under subsection 249(1) of the RAO Schedule of a certificate issued to an organisation under subsection 245(1),
- the reporting unit must disclose in the notes to the financial statements in respect of each such asset or class of assets or each such liability or class of liabilities:
- (e) date acquired;
 - (f) description; and
 - (g) name of the entity (including a reporting unit of the organisation or that of another organisation) from which it was acquired.

Profit and Loss Statement

10. Balances for the following items of revenue must be disclosed by the reporting unit in the notes to the financial statements unless already disclosed on the face of the profit and loss statement in accordance with Australian Accounting Standards:

- (a) entrance fees or periodic subscriptions (in these guidelines referred to as membership subscriptions) in respect of membership of the organisation;
- (b) where under the rules of the organisation or a branch of the organisation a reporting unit may receive from another reporting unit of the organisation as a contribution towards the general administrative expenses of the reporting unit a proportion of the total amount

received by the other reporting unit as entrance fees or membership subscriptions - the amount and the name in respect of each such reporting unit;

(c) where the circumstances specified in subparagraph (b) apply in relation to more than one other reporting unit of the organisation - the aggregate amount for all such reporting units;

(d) compulsory levies raised from the members or as appeals for voluntary contributions for the furtherance of particular purposes - the amount and a brief description of the purpose of each such levy or appeal; and

(e) donations or grants (other than voluntary contributions referred to in subparagraph (d)).

11. Balances for the following items of expense must be disclosed by the reporting unit in the notes to the financial statements unless already disclosed on the face of the profit and loss statement in accordance with Australian Accounting Standards:

(a) expenses incurred as consideration for employers making payroll deductions of membership subscriptions;

(b) where under the rules of the organisation or the rules of a branch of the organisation the reporting unit must pay to another reporting unit of the organisation as a contribution towards the administrative expenses of the other reporting unit a proportion of the total amount derived by the reporting unit as entrance fees or membership subscriptions - the amount and the name in respect of each such reporting unit;

(c) where the circumstances specified in subparagraph (b) apply in relation to more than one other reporting unit of the organisation - the total amount in respect of all other reporting units;

(d) fees and periodic subscriptions in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters;

(e) compulsory levies imposed on the reporting unit - for each such levy, the amount, a brief description of purpose and the name of the entity imposing the levy (including another reporting unit of the organisation);

(f) grants or donations;

(g) employee benefits to holders of office of the reporting unit;

(h) employee benefits to employees (other than holders of offices) of the reporting unit;

(i) fees or allowances (other than any amount included in an amount referred to in subparagraphs (g) or (h) of this paragraph) to persons in respect of their attendances as representatives of the reporting unit at conferences or other meetings;

(j) legal costs and other expenses related to litigation or other legal matters;

(k) expenses (other than expenses included in an amount referred to elsewhere in this paragraph) incurred in connection with meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible; and

(l) penalties imposed on the reporting unit under the Act or Regulations.

12. Balances for the following items must be disclosed by the reporting unit in the notes to the financial statements unless already disclosed on the face of the profit and loss statement in accordance with Australian Accounting Standards:

- (a) where any amount (other than an amount included in an amount referred to elsewhere in these reporting guidelines) has been transferred to a fund or account kept for a specific purpose by the reporting unit or any such amount has been withdrawn from such a fund or account - the amount transferred to, or withdrawn from, that fund or account, as the case may be, and the name of the fund or account; and
- (b) the net surplus or net deficit of the reporting unit that has been transferred to the general fund.

Balance Sheet

13. Where an item is disclosed on the face of the balance sheet as:

- (a) a receivable or other right to receive cash; or
 - (b) a payable or other financial liability; and
 - (c) the item or a part of the item has been derived as a result of one or more transactions and/or other past events with another reporting unit of the organisation,
- the following additional disclosures should be made in the notes to the financial statements about the item or the part of the item:
- (d) name of the other reporting unit; and
 - (e) cost or value attributable to the other reporting unit.

14. Total amounts for the following items must be disclosed by the reporting unit in the notes to the financial statements unless already disclosed on the face of the balance sheet in accordance with Australian Accounting Standards:

Liabilities

- (a) payables to employers as consideration for the employers making payroll deductions of membership subscriptions;
- (b) payables in respect of legal costs and other expenses related to litigation or other legal matters;
- (c) employee benefits in respect of holders of offices in the reporting unit;
- (d) employee benefits in respect of employees (other than holders of offices) of the reporting unit;

Equity

- (e) name and balance of each fund or account operated in respect of compulsory levies raised by the reporting unit or voluntary contributions collected from members of the reporting unit;

(f) where moneys, or the balance of moneys, standing to the credit of a fund or account referred to in subparagraph (e) have been invested in any assets - the name of the fund or account and the value of those assets;

(g) name and balance of each fund or account operated (other than the general fund or a fund referred to in (e)) the operation of which is required by the rules of the organisation including the rules of a branch of the organisation; and

(h) the balance of the general fund.

Statement of Cash Flows

15. Where another reporting unit of the organisation is the source of a cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit concerned.

Recovery of wages activity financial report

16. Where the reporting unit has undertaken recovery of wages activity (and has derived revenues for the financial year in respect of such activity) the reporting unit must cause to be prepared for purposes of paragraph 253(2)(c) of the RAO Schedule a financial report in which is disclosed financial information associated with such activity.

17. The financial report required under paragraph 16 should be prepared and presented in a manner consistent with Australian Accounting Standards and Statements of Accounting Concepts approved by the Australian Accounting Standards Board.

18. Comparatives for the preceding financial year must be disclosed in the financial report required under paragraph 16 except where, in respect of the financial year to which these reporting guidelines are first applied, comparatives were not required under a superseded version of these reporting guidelines.

19. The financial report required under paragraph 16 may be prepared under the cash basis of accounting or the accrual basis of accounting, at the option of the organisation provided that all reporting units of the organisation use the same. The Appendix to these reporting guidelines provides for purposes of illustration only the format of this financial report prepared under the cash basis of accounting.

20. Balances including nil amounts for the following items of revenue must be disclosed in the financial report required under paragraph 16:

(a) amounts in aggregate recovered from employers in respect of recovery of wages activity; and

(b) interest received on recovered moneys.

21. Balances including nil amounts for the following items of outgoings from recovered moneys must be disclosed in the financial report required under paragraph 16:

(a) deductions of amounts payable in aggregate in respect of membership of the organisation where at the time of deduction the amounts had become payable:

(i) 12 months before or earlier; or

(ii) greater than 12 months before; and

(b) deductions of donations or other contributions made to a fund or account of the reporting unit showing the name and amount in aggregate in respect of each such fund or account; and

(c) deductions of donations or other contributions made to a fund or account of another reporting unit of the organisation showing the name of the other reporting unit and the name and amount in aggregate in respect of each such fund or account; and

(d) deductions of donations or other contributions made to a fund or account of another entity showing the name of the other entity and the name and amount in aggregate in respect of each such fund or account; and

(e) deductions in aggregate of fees charged or reimbursements in aggregate of expenses incurred by the reporting unit in respect of recovery of wages activity; and

(f) amounts in aggregate distributed to workers as recovered moneys.

22. Balances including nil amounts for cash assets attributable to recovered moneys must be disclosed in the financial report required under paragraph 16 as at the:

(a) beginning of the financial year; and

(b) end of the financial year.

23. For purposes of subparagraph 253(2)(b)(ii) of the RAO Schedule the notes to the financial statements must contain the following information in relation to recovery of wages unless already disclosed in the financial report required under paragraph 16:

(a) the number of workers to which the moneys recovered mentioned in subparagraph 20(a) relate; and

(b) aggregate payables to workers attributable to recovered moneys but not yet distributed; and

(c) the number of workers to which the payables mentioned in subparagraph (b) relate; and

(d) name and balance of each fund or account operated for recovery of wages activity; and

(e) where moneys, or the balance of moneys, standing to the credit of a fund or account referred to in subparagraph (d) have been invested in any assets - the name of the fund or account and the value of those assets.

Committee of Management Statement

24. For purposes of paragraph 253(2)(c) of the RAO Schedule the reporting unit must cause to be prepared a committee of management statement containing declarations by the committee of management in relation to the GPFR.

25. The committee of management statement must include declarations by the committee of management as to whether in the opinion of the committee of management that:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (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 including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

26. The committee of management statement must:

- (a) be made in accordance with such resolution as is passed by the committee of management of the reporting unit in relation to the matters requiring declaration;
- (b) specify the date of passage of the resolution;
- (c) be signed by a designated officer within the meaning of section 243 of the RAO Schedule; and
- (d) be dated as at the date the designated officer signs the statement.

Auditor's Statement

27. The auditor's statement required under section 257(5) of the RAO Schedule must include a declaration as to whether in the auditor's opinion the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

- (a) the Australian Accounting Standards;
- (b) in relation to recovery of wages activity;
 - (i) that the scope of the audit encompassed recovery of wages activity;
 - (ii) that the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Industrial Registrar, including;
 - 1. any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - 2. any donations or other contributions deducted from recovered money; and
- (c) any other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the RAO Schedule.

Glossary of Terms

28. The following terms are used in these reporting guidelines - the meaning of any term defined in the Australian Accounting Standards is not modified by the following glossary:

amalgamated organisation has the meaning provided in section 35 of the RAO Schedule.

assets are future economic benefits controlled by the reporting unit as a result of past transactions or other past events.

Australian Accounting Standards means the accounting standards issued by the Australian Accounting Standards Board (AASB) or issued by CPA Australia and by The Institute of Chartered Accountants in Australia and adopted by the AASB (section 6 of the RAO Schedule).

cash assets means cash on hand and cash-equivalent assets.

cash-equivalent assets means highly liquid investments with short periods to maturity which are readily convertible to cash on hand at the investor's option and are subject to an insignificant risk of changes in value.

cash flows means cash movements resulting from transactions with parties external to the reporting unit.

cash on hand means notes and coins held, and deposits held at call with a financial institution.

comparatives mean the corresponding amounts and other disclosures for the preceding financial year presented for comparative purposes as part of the current year's financial report.

designated officer is an officer of the reporting unit within the meaning of section 243 of the RAO Schedule.

employee benefits means all forms of consideration given by the reporting unit in exchange for services rendered by holders of office or employees.

entity means any legal, administrative, or fiduciary arrangement, organisational structure (including a reporting unit of an organisation) or other party (including a person) having the capacity to deploy scarce resources in order to achieve objectives.

equity means the residual interest in the assets of the reporting unit after deduction of its liabilities.

financial liability includes an obligation to deliver cash to another entity.

financial records to the extent that they relate to finances or financial administration includes a register, any other record of information, financial reports or financial records, however compiled, recorded or stored, a document (section 6 of the RAO Schedule).

financial statements comprise a profit and loss statement, a balance sheet and a statement of cash flows (paragraph 253(2)(a) of RAO Schedule).

financial year in relation to an organisation means the period of 12 months commencing on 1 July in any year or another period of 12 months as is provided in the rules of the organisation (section 6 of RAO Schedule) or a different period in the special circumstances set out in section 240 of the RAO Schedule.

general administrative expenses includes expenses in respect of the office of the reporting unit, and other expenses that arise at the reporting unit level and relate to the reporting unit as a whole.

general fund means the equity of the reporting unit other than in relation to any fund operated by the reporting unit for a specific purpose.

general purpose financial report has the meaning set out in subsection 253(2) of the RAO Schedule.

grant or donation is taken to have the same meaning as used in section 149 or section 237 of the RAO Schedule though is not limited by amount.

liabilities are the future sacrifices of economic benefits that the reporting unit is presently obliged to make to other entities as a result of past transactions or other past events.

membership subscriptions means periodic subscriptions in respect of membership of the organisation.

notes to the financial statements comprise notes required by Australian Accounting Standards and information required by the reporting guidelines (paragraph 253(2)(b) of the RAO Schedule).

organisation means an organisation registered under the RAO Schedule.

payables are amounts owed by the reporting unit to other entities for goods or services delivered.

RAO Schedule means Schedule 1B to the *Workplace Relations Act 1996*.

RAO Regulations means the *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003*.

receivables are amounts owed to the reporting unit by other entities (including members of the reporting unit) for goods or services delivered (including membership subscriptions).

recovery of wages activity means work by the organisation to recover from employers money due and payable to workers under awards, certified agreements or Australian Workplace Agreements and contracts of employment.

reporting unit has the meaning set out in section 242 of the RAO Schedule.

revenues are inflows or other enhancements, or savings in outflows, of future economic benefits in the form of increases in assets or reductions in liabilities of the reporting unit that result in an increase in equity during the financial year.

rules of an organisation are the rules that an organisation must have under Chapter 5, Part 2 of the RAO Schedule.

workers means, in the context of recovery of wages activity, an employee of an employer who may or may not be a member of the organisation engaging in the recovery of wages activity.

Dated: 12 October 2004

Nicholas Wilson

Industrial Registrar

[full name of reporting unit]

**Statement of receipts and payments for recovery of wages activity - Cash
Basis - for year ended 30 June 2004**

Note 2004 2003

\$ \$

Cash assets in respect of recovered money at beginning of year X X

Receipts

Amounts recovered from employers in respect of wages etc X X

Interest received on recovered money X X

Total receipts X X

Payments

Deductions of amounts due in respect of membership for:

- 12 months or less (X) (X)
- greater than 12 months (X) (X)

Deductions of donations or other contributions to accounts or funds of:

- the reporting unit -
 - ⌚ [name of account] (X) (X)
 - ⌚ [name of fund] (X) (X)
 - ⌚ [name of fund] (X) (X)
- [name of other reporting unit of the organisation] -
 - ⌚ [name of account] (X) (X)
 - ⌚ [name of fund] (X) (X)
 - ⌚ [name of fund] (X) (X)
- [name of other entity] -
 - ⌚ [name of account] (X) (X)
 - ⌚ [name of fund] (X) (X)
 - ⌚ [name of fund] (X) (X)

Deductions of fees or reimbursements of expenses (X) (X)

Payments to workers in respect of recovered money (X) (X)

Total payments (X) (X)

Cash assets in respect of recovered money at end of year X X

17 August 2008

Industrial Registrar
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Major
Sponsor



Corporate
Partners



FOODSERVICES
Dairy for Today's Professionals



Dear Sir,

Re: **Lodgement of Reports Relating to the Financial Year Ended 31 December 2007— The Restaurant and Catering Association of Victoria - FR 2006/551**

As per the requirements of Schedule 1 of the *Workplace Relations Act 1996* the following documents are submitted to the Australian Industrial Registry:

- General Purpose Financial Report
- Auditors Report
- Operating Report by the Committee of Management
- Certificate of Secretary or other Authorised Officer

Please do not hesitate to contact me on 9654 5866 or info@rcv.asn.au should you require any additional information or clarification.

Yours sincerely



Roslyn Grimes- Harvey
President

Certificate of Secretary or other Authorised Officer

S268 of Schedule 1 *Workplace Relations Act 1996*

I, Roslyn Grimes-Harvey, being the President of The Restaurant and Catering Association of Victoria certify:

- that the documents lodged herewith are copies of the full report referred to in s233 of the Schedule 1; and
- that the full report was provided to members of the Management Committee on 26 February 2008 at the first meeting. The full report was posted onto the website of The Restaurant and Catering Association of Victoria (www.restaurantcatervic.asn.au) on 26 February 2008 and members advised in writing of its availability and
- that the full report was presented to a general meeting (the second meeting) of members of The Restaurant and Catering Association of Victoria on 25 March 2008 in accordance with section 233 of the Schedule 1.

Signed:



Roslyn Harvey-Grimes
President

Dated this: 17th day of August 2008



Annual Report 2007



Restaurant & Catering Victoria

Annual Report 2007

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Financial Report

Contact Us

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President's Report



At the conclusion of my second term as president of Restaurant & Catering Association of Victoria it gives me great pleasure to report that the Association has performed well over the last year.

Following the appointment of a new CEO early in 2007, the Association is growing with membership on the rise, a range of new commercial relationships in development, several new member services in development and two additional members of staff at Restaurant & Catering Victoria.

Of course the second half of 2007 was dominated by the Federal election. A change of government at the Federal level and Labour governments in all states and territories of Australia will no doubt be a recipe for change over the coming 12 months.

Workplace relations, as many would know, is high on the reform agenda for the new Federal government in addition to the environment, education and training. Restaurant & Catering Victoria in partnership with Restaurant & Catering Australia is working to influence the shaping of new legislation in these areas on behalf of members and the broader hospitality industry.

With the appointment of a new CEO, the Association has taken the opportunity to review its direction and look to the future with renewed energy. Having undertaken a strategic planning process toward the end of 2007, several broad objectives were established which will guide the development of the Association over the next five years.

These include:

- Unite the industry behind a common voice.
- Grow professionalism within the industry.
- Assist members with operational challenges.
- Influence the regulatory environment.
- Develop guidelines and standards designed to reduce the regulatory burden on member businesses.

The Association is well positioned for a sustained period of growth with a new direction and an Executive Council that is focused on the development of the Association over the coming years.

Whilst the industry has seen record growth in terms of turnover during 2007, cost increases and challenging operating conditions have resulted in continuing pressure on profitability for many members. Although the drought appears to be receding in many areas of Australia, high interest rates, fuel prices and a shortage of labour are all challenges that appear here to stay over the coming months.

I would like to take this opportunity to thank my fellow members of the Restaurant & Catering Victoria Executive Council. After a significant period of renewal on the council over the last couple of years, it is pleasing to see the significant stability in relation to council members. In addition I also

welcome a small number of new talented individuals who will be able to make a significant contribution to the Association moving forward. My gratitude goes to Vice-Presidents Gian Blundo and Matteo Pignatelli as well as Treasurer Michael Milburn, they have made very significant contributions to the Association throughout the year.

Our Corporate partners and supporters have also made a very significant contribution, without whom, the Association could not operate. Our Major Sponsor Fosters have once again been enormously supportive and I would like to acknowledge the valued support of our Corporate partners HOSTPLUS, OAMPS, American Express, Power Direct and CGU. Together they have provided the resources that we need to operate and grow the Association.

Restaurant & Catering Victoria does not operate in isolation. Our National body Restaurant & Catering Australia and the other state Associations combine to deliver outcomes for members on a broad range of issues and business challenges. Victoria once again performed well in the Restaurant & Catering Australia Savour Australia Awards for Excellence in Adelaide, picking up several category winners in addition to the Restaurant of the Year. Vue de monde was acknowledged as the Fine Dining Restaurant of the Year at both a state and national level in addition to winning the overall prize as the Savour Australia Restaurant of the Year for 2007.

Our membership has continued to grow in 2007 breaking through the important 1000 members mark. Restaurant & Catering Victoria has set itself the objective of attracting 50% of all hospitality businesses in Victoria as members within 5 years, which will mean growing our membership by more than 3 times. This is a lofty objective, but one that we see as important in an industry that continues to be challenged by regulatory change from all levels of government. I would like to thank our current members for their support over the past 12 months; we look forward to working with a much larger slice of the industry over the coming years.

The administrative team lead by new CEO Todd Blake has served the Association well over the past year. There a number of new faces whom many members will have worked with over the last twelve months in addition a well experienced group of long serving people. Thank you to Michael, Briony, Philip, Jeffrey, Teigen and Todd for the work throughout the year.

Finally I would like to wish you a prosperous years trading during 2008, the year is shaping up to be another busy and challenging period. Your Association is working through a period of change and growth. I look forward to working for our industry on a range of levels to ensure your Association is delivering outcomes for all members.



Roslyn Harvey
President
Restaurant & Catering Victoria

CEO's Report



Over the last 12 months there has been significant change within Restaurant & Catering Victoria. The Association has appointed a new CEO and taken some time to look critically at its operations before thinking about the Association's strategic direction over the next five years.

As part of a structure strategic planning process, a range of industry issues were identified by the Executive Council that will impact on industry over the next five years.

- Industry wide profitability
- Workplace relations
- Human resources and labour management
- Communications and information technology
- General operating costs

Given the diversity and complexity of the industry serviced by The Restaurant & Catering Victoria Association, this provides significant scope within which the Association can grow its operations over coming years.

These are issue impact on all businesses within the industry, the challenge for the Association will be to provide services and undertake initiatives that address these issues on an industry wide bases.

As part of the strategic planning process the Association was able to define the mission of Restaurant & Catering Victoria moving forward. A number of key statements of purpose have been identified.

- Unite the industry behind a common voice.
- Grow professionalism within the industry
- Assist members with operational challenges
- Influence the regulatory environment
- Develop guidelines and standards designed to reduce the regulatory burden on member businesses.

The strategic planning process generated a suite of short, medium and long term objectives designed to address current and future industry issues and facilitate the delivery of the statement of purpose.

Each objectives will see the Association develop into new areas of activity or expand it's operations to more comprehensively address changeless faced by our industry.

Eleven objectives have been established which in combination will shape the operations of the Association over the next five years.

- Achieve membership coverage equal to 50% of the industry.
- Establish a resource base for efficient advocacy and collective leverage
- Establish a revenue model that will mean membership income is 25% of total income.
- Facilitate the entry of new employees into the industry and assist member to successfully retain the labour force already driving our industry forward.
- Establish efficient training and recruitment services for members and their staff.
- Develop commercially competitive business services for members on a fee-for-service basis.
- To be sensitive to the social environmental and community issues.
- Become recognised as the 'voice' of the industry in Victoria.
- Position the Association brand, Victoria's leading hospitality business services and industry advocacy organisation.
- To establish an efficient purchasing platform for member businesses which accurately matches the needs of members business with suppliers in the marketplace.
- Embrace the power of information technology and new business media channels to deliver an efficient and timely member experience.

Our activities in 2007 have focused on the repositioning of the Association. These include;

- development of new member's services diversifying product offering
- adding value to member businesses in the areas of human resources, workplace relations, business information, purchasing, and education.

Our advocacy on behalf of members has been extensive throughout 2007. Specific focus has been on Workplace Relations, Liquor Licensing, Planning, The Environment, Outdoor Dining, Food Safety and Education. As the workplace relations landscape continues to evolve, the Association has remained at the forefront of advocacy at a Federal level. In particular, the development of significant resources that relates to interpretation and implementation of new laws at an enterprise level. Strategic business planning for members striving to achieve best practice in the area of workplace relations or information and assistance for businesses simply trying to 'keep up' with the never ending round of changes has also featured heavily in the Associations activities.

Our networking and education activities have also been well supported in the year past. The successful 'Chefs in the City' initiative once again saw twelve regional apprentices experience the broader industry while three young chefs experienced the work placement of a life time in France as part of the Thierry Marx Career Development Award. A record number of entrants for the Awards for Excellence following the re-branding of the awards program resulted in over 650 industry professionals getting together for the exciting presentation event at Crown.

Our training partners Hospitality Training Australia have gone from strength to strength after the development of a dedicated training facility in Collins Street. Over 5000 students passed through their courses during 2007 and work is well underway on the development of a fully operational training restaurant in near the Queen Victoria Market in North Melbourne. This initiative will see several hundred thousand dollars invested in training and development facilities for the hospitality industry.

As always the Annual Golf Challenge was well received and our 'Doing Business Better' series tackled subjects such as liquor licensing, food costing, information technology and Industrial relations.

We have welcomed two new members of the Restaurant and Catering Victoria team 2007. Jeffery Rohde, Group Purchasing Manager and Teigen Marriott who has joined us in a Membership and Advertising Sales role, both positions are designed to implement elements of the Association strategic plan.

In closing my sincere thanks go to all members, associate members, corporate partners and our major sponsor for their support throughout the year. Thanks also to the Executive Council for their leadership and guidance during my first year in the role as CEO of Restaurant and Catering Victoria. Finally to the dedicated staff team, for their efforts in what has been a busy, challenging and rewarding year I offer my sincere personal thanks.

The future for Restaurant and Catering Victoria is bright; Wendy Jones who vacated this role almost 12 months ago left the Association with a very strong foundation upon which we are set to grow significantly over the coming year.



Todd Blake
Chief Executive Officer

Our Association

Restaurant & Catering Victoria is the trading name of The Restaurant and Catering Association of Victoria.

Restaurant & Catering Victoria is recognised as the peak industry body for restaurants, cafés, function & reception centres and caterers - industrial, corporate, function, venue and alike in Victoria.

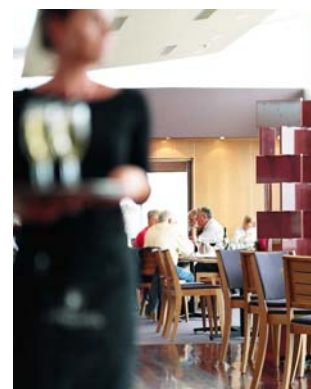
Restaurant & Catering Victoria is a Registered Organisation of employers under the *Workplace Relations Act 1996* and represents the interests of its members to all levels of government, helping to shape and influence the environment within which they operate. Restaurant & Catering Victoria also provides a wide range of services and benefits to assist operators in their conduct of their business on a day to day basis.

Activities include:

- representation and advocacy to government
- representation on a range of boards, bodies and consultative groups
- policy development
- providing products and services
- networking opportunities
- professional development

Restaurant & Catering Victoria, together with like Associations in other States, is part of a national network - Restaurant & Catering Australia. The role of Restaurant & Catering Australia is to represent the interests of restaurateurs and caterers at a national level.

Restaurant & Catering Victoria had 1016 members as at 31 December 2007. Some 84% are restaurants and cafes and nearly 7% are caterers while a further 9% are Associate Members.



The Executive Council

Name	Business
Roslyn Harvey President	The Grand Dining Room & Bar
Gian Blundo Vice President	Ascot House Receptions
Matteo Pignatelli Vice President	Matteo's
Michael Milburn Treasurer	Epicure Catering
Gary Mehigan	Maribyrnong Boathouse
Wylie Dalziel	Chefs on the Run
Frank Wilden	Oyster Little Bourke
Bryan Derrick	Paladarr Thai Issan
Dur-e Dara OAM	EQ Cafébar
Jai Anand	Everest Indian Restaurant
Quinton Fortune	Ferguson Street Provisions ⁷
John Chalker	The Owl and the Pussy Cat
Olivier Normandin	Chez Olivier
Oron Raviv	Catering On The Move
Walter Wagner	Number 8 – Crown
Deepak Prakash	Vegetarian Nirvana Indian Restaurant
Victoria Lambe	Lamaro's ⁸

Restaurant & Catering Victoria Staff

Wendy Jones	Chief Executive Officer ¹
Todd Blake	Chief Executive Officer ²
Michael Tan	Membership Coordinator ³
Philip Pearson	Project Officer
Briony Fay	Administration Co-ordinator
Susan Beniston	Accounts Co-ordinator ⁴
Shane McEwan	Project Manager - Purchasing ⁵
Jeffery Rohde	Project Manager - Purchasing ⁶

¹ Resigned January 2007

² Commenced March 2007

³ Interim Operations Manager January to March 2007

⁴ Part - time

⁵ July to August 2007

⁶ Commenced August 2007

⁷ Resigned November 2007

⁸ Casual appointment November 2007

Sponsors and Partners

Major Sponsor



Corporate Partners



Training Partner



Hospitality Training Australia (HTA) is an employer focused training organisation that delivers training to:

- jobseekers through short courses
- employees through traineeships and apprenticeships
- managers through management programs and
- international students through its newly acquired training campus

Hospitality Training Australia offers all training participants access to its network of restaurants, cafes, catering venues, pubs, clubs and accommodation venues.

HTA was established in 1998 to provide quality training outcomes to member of the Restaurant and Catering Association of Victoria and to the industry as a whole. Restaurant & Catering Victoria retains a 30% shareholding in Hospitality Training Australia.

Highlights in 2007 Included



- An extensive **education program** for members revolving around the introduction of WorkChoices Fairness Test including seminars, one-on-one consultations, guidance material and agreement making frameworks.
- An **expanded Awards for Excellence program** including three dedicated regional categories. **Spotless at Deloitte** was named Caterer of the Year in Victoria and **Vue de monde Restaurant** of the Year, while **Vue de monde** went on to be named the *Savour Australia™* Restaurant of the Year nationally.
- Awarding of the fifth annual **Life Time Achievers Award** to **Hermann Schneider** in recognition of his outstanding contribution to the restaurant and catering industry.



- The fourth annual '**Chefs in the City**' initiative held providing twelve regional apprentices an opportunity to experience the broader industry in Melbourne.
- The inaugural **Thierry Marx Award** saw three young chefs spending a month in France working with some of the worlds greats chefs.



- The **growth of membership** by just under 4% coming off a year of strong growth in 2006. Building further on many years of steady growth, total membership reached over 1000 business. Making Restaurant & Catering Victoria by far the largest hospitality industry business network in Victoria.

- **Improved communication channels** with the development of the Restaurant & Catering Victoria Members Handbook, the significant upgrading of www.rcv.asn.au to provide a members only information. The Essence magazine and E-Essence e-mail newsletter has been significantly overhauled.



- **Representation and lobbying activity** across the broad spectrum of members interests including workplace relations, training and skill development, immigration, food safety and liquor licensing legislation.
- The development of a **member purchasing program** has been established with member businesses able to save time and save money by utilising the expertise of the Association to purchase business inputs on their behalf.

2007 Awards for Excellence

The Awards for Excellence program was our largest ever in 2007 with the development a more regional participation and the continuation of the new self-nomination application process.

The self-nomination process, which involved the payment of a nomination fee, continues to be enthusiastically embraced by members who recognised that the fee was returned to their business when anonymously visited by two trained evaluators for judging purposes.

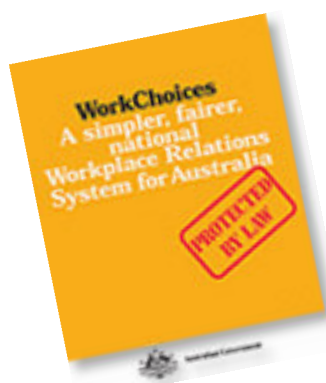
The program, judged using the independent Restaurant and Catering Evaluation System (RACES) provides a truly independent system of judging that is recognised nationally. Under the guidance of Diane Holuigue as the Chair of Judges, the judging process culminated at the presentation function staged at Studio 3 @ on Monday 17 September and attended by over 650 members, sponsors and guests.

Winners from Victoria went onto to participate in the *Savour Australia*TM 2007 Restaurant & Catering Australia Awards for Excellence where **Vue de monde** was successful in taking out both Restaurant of the Year and the Fine Dining category. **Spotless at Deloitte** claimed the prestigious Caterer of the Year title; **Silks** the Chinese Restaurant category and **Lake House** the Tourism Restaurant award. **Crown Food & Beverage** was successful in taking out the George Mure Memorial Award for Professional Development and **The Press Club Restaurant & Bar** took out the New Restaurant.

The Awards for Excellence also marked the awarding of the 5th Annual Life Time Achievers Award to **Hermann Schneider** in recognition of his outstanding contribution to the restaurant and catering industry.



Workplace Relations



There is no doubt that the most important event to impact upon the restaurant and catering industry in 2007 was the further refinement of *WorkChoices*. Following its introduction in 2006 the implementation of the Fairness Test leading up to the federal election generated a significant demand for training and advice.

Restaurant & Catering Victoria was at the forefront of education for its members throughout 2007 delivering some 13 WorkChoices Information seminars through the ***WorkChoices Employer Advisory Program*** funded by the Department of Employment and Workplace Relations.

Held throughout regional and metropolitan Victoria, including locations such as Mornington, Echuca, Bendigo, Geelong, Melbourne and Suburbs. The workshops were well received by members and provided a solid basis from which they could make informed decisions about WorkChoices and what it meant for their business. The workshops were complimented by an extensive program of one-on-one consultations in during 2007.

Restaurant & Catering Victoria assisted members to take advantage of the flexibilities offered by WorkChoices and work through the complexities of the system as new legislation was developed with the release of a new suite of **Australian Workplace Agreement Frameworks** and **Collective Agreements** for both Restaurants and Caterers.

The Frameworks, complimented by a suite of Information Sheets and quick links to information from external sources can be accessed through the member's only log in of www.rcv.asn.au. In all, the Association is well equipped to assist members with workplace relations information at all levels.

Communications

Six editions of the flagship communication vehicle of Restaurant & Catering Victoria **Essence** magazine were released in 2007. Designed to keep members informed on issues, news and trends in the industry Essence is circulated to over 1200 members and related bodies each edition. Essence was further supported throughout 2007 by **Restaurant & Catering Australia – The Magazine** which was sent to all members on a monthly basis.



Complimenting Essence, **e-Essence** Restaurant & Catering Victoria's electronic news bulletin which is viewed by over 31,000 businesses annually was sent to members each fortnight using an undated format on a Wednesday to keep members up-to-date between editions of Essence. Short, sharp and easy to read, e-Essence is a valuable form of contact between the Association and its members.



As the Restaurant & Catering Victoria's events and education program developed Events Essence was launching toward the end of the year. This fortnightly e-mail newsletter will keep members up to date with the vast array of training, education, social and networking event created by the association and its partners.

Regular updates are also provided to members by the way of **Information Updates** ensuring that they are kept up to date with important legislative changes. In 2007 Information Updates were released on topics such as the Australian Fair Pay Commission Wage Increase; Pay Slip Requirements; Long Service Leave Changes and Record Keeping Requirements.



The association web site which attracts over 38,000 unique visitors during 2007 continued to be a vital resource. Several initiatives are in development which will add large quantities of additional information to the website, all of which will make the members only section an invaluable business resource. A new easier to use URL has also be registered at www.rcv.asn.au.





The Business

Following the appointment of a new CEO the successful management of the business function of Restaurant & Catering Victoria was an important feature of 2007. **With membership growth of just under 4% total membership reached 1016 at year end.**

Continued strong financial performance, allowed membership fees to remain at 2006 levels. Additional staffing was put in place to drive membership sales in 2008 and create the foundations for a new member purchasing program to be fully rolled out in 2008. IT infrastructure has been updated and new outsourced systems have been established to provide great security and stability to the IT system. In addition staffing numbers were increased from 4 to 6 full-time and 1 part-time in 2007 reflecting the increased work load and breadth of services offered by the Association.

Income in the areas of trade commissions, events, membership and Projects all showed a strong increase. Overall income was in line with the 2006 result however due to investments in a number of areas the overall operating surplus fell by around \$65,000.00.

Relationships with our major sponsor **Fosters Australia** were strengthened in 2007 and corporate partnerships with **HOSTPLUS**, **American Express**, **CGU Workers Compensation** and **OAMPS Insurance Brokers** were either continued or expanded.

**Restaurant & Catering Association of Victoria
ABN 31 739 604 819
Financial Statements
For the Year Ended 31 December 2007**

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

For the Year Ended 31 December 2007

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Financial Statements

- Operating Report by the Committee of Management
- Committee of Management Statement
- Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements
- Independent Audit Report

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Operating Report by the Committee of Management

31 December 2007

Your committee members submit the financial report of the Restaurant & Catering Association of Victoria for the financial year ended 31 December 2007.

1. General information

(a) Committee Members

The names of committee members throughout the year and at the date of this report are:

Ros Harvey	Matteo Pignatelli
Gian Blundo	Michael Milburn
Frank Wilden	Bryan Derrick
Dur-e Dara	Gary Mehigan
Jai Anand	John Chalker
Oliver Normandin	Oron Raviv
Walter Wagner	Deepak Prakash
Wylie Dalziel	Victoria Lambe

(b) Principal Activities

The principal activity of association during the financial year was representing the interests of its members in the restaurant and catering industry.

(c) Significant Changes

No significant change in the nature of these activities occurred during the year.

2. Business review

(a) Operating Surplus

The surplus of the association for the financial year amounted to \$ 38,562.

3. Other items

(a) After balance date events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations or the state of affairs of the association in future financial years.

4. Numbers of Members

The association had 940 members and 76 associate members (2006: 894 members and 84 associate members) at the financial year end.

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Operating Report by the Committee of Management

31 December 2007

5. Number of Employees

The association had 5 (2006: 5) employees at financial year end.

6. Trustees of Superannuation Funds

No officer or member of the Committee of Management was a:

- (i) trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

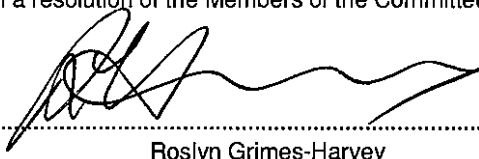
Where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organization-see section (2) (d) of Schedule 1 of the Workplace Relations Act 1996.

7. Members right to resign

A member has the right to resign from the association in accordance with Rule 10. Resignation or Termination of Membership (c) (1) - (6) of the Restaurant & Catering Association of Victoria.

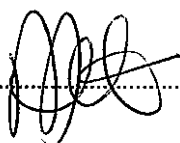
Signed in accordance with a resolution of the Members of the Committee:

President:



Roslyn Grimes-Harvey

Vice-President:



Matteo Pignatelli

Matteo Pignatelli

22/2/2008

Dated: 5th February 2008

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Committee of Management Statement

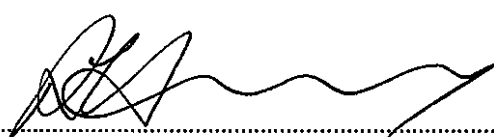
On 5th February 2008 the Committee of Management of the Restaurant & Catering Association of Victoria passed the following resolution in relation to the general purpose financial report (GPFR) of the Restaurant & Catering Association of Victoria for the financial year ended 31 December 2007.

The Committee of Management declares in relation to the GPFR that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards
- b) the financial statements and notes comply with the reporting guidelines of the Industrial Registry
- c) the financial statements and notes gives a true and fair view of the financial performance,
- d) there are reasonable grounds to believe that the association will be able to pay its debts as and
- e) during the financial year to which the GPFR relates and since the end of the year:
 - i) meetings of the committee of management were held in accordance of the rules of the
 - ii) the financial affairs of the reporting unit have been managed in accordance with the
 - iii) the financial records of the reporting units have been kept and maintained in accordance with the RAO Schedules and RAO Regulations
 - iv) no requests have been made from any members of the association or a Register under
 - v) no orders have been made by the Commission under section 273 of the RAO Schedule

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

President


Roslyn Grimes- Harvey

Vice-President


Matteo Pignatelli

Dated: 5 February 2008

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Income Statement

For the Year Ended 31 December 2007

	Note	2007 \$	2006 \$
Revenue	2	670,876	647,835
Employee benefits expense		(285,102)	(217,276)
Depreciation, amortisation and impairments		(5,251)	(3,719)
Professional Fees		(19,470)	(9,436)
Occupancy Expenses		(125,276)	(95,939)
Printing, Postage & Stationary		(49,384)	(50,249)
Functions & Events		(70,699)	(56,429)
Project Expenses		(2,875)	(21,477)
Advertising & Promotion		(6,793)	(22,552)
Restaurant & Catering Australia Expenses		(38,208)	(36,330)
Consultancy Expenses		(1,984)	(4,133)
Other expenses		(27,272)	(24,331)
Operating Surplus		38,562	105,964

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Balance Sheet

31 December 2007

	Note	2007 \$	2006 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	414,293	394,772
Trade and other receivables		49,409	21,962
Other current assets	5	2,037	2,536
Total current assets		465,739	419,270
Non-current assets			
Rent Bond	6	24,926	23,523
Property, plant and equipment	7	11,155	13,630
Total non-current assets		36,081	37,153
TOTAL ASSETS		501,820	456,423
LIABILITIES			
Current liabilities			
Trade and other payables	8	36,800	35,514
Short-term provisions	9	18,489	12,940
Total current liabilities		55,289	48,454
Non-current liabilities		-	-
TOTAL LIABILITIES		55,289	48,454
NET ASSETS		446,531	407,969
EQUITY			
Issued capital		12,260	12,260
Retained earnings		434,271	395,709
TOTAL EQUITY		446,531	407,969

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Statement of Changes in Equity

For the Year Ended 31 December 2007

2007

	Surplus	Total
	\$	\$
Balance at Monday, 1 January 2007	407,969	407,969
Operating Surplus	38,562	38,562
Sub-total	38,562	38,562
Balance at Monday, 31 December 2007	446,531	446,531

2006

	Surplus	Total
	\$	\$
Balance at Sunday, 1 January 2006	302,005	302,005
Operating Surplus	105,964	105,964
Sub-total	105,964	105,964
Balance at Sunday, 31 December 2006	407,969	407,969

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Statement of Cash Flows

For the Year Ended 31 December 2007

	Note	2007 \$	2006 \$
Cash from operating activities:			
Receipts from customers		339,174	306,457
Other receipts		279,592	320,848
Interest received		24,662	19,884
Payments to suppliers and employees		(621,131)	(591,324)
Net cash provided by (used in) operating activities	10	<u>22,297</u>	<u>55,865</u>
Cash flows from investing activities:			
Dividends received		-	30,000
Purchase of Plant & Equipment		(2,776)	(12,226)
Net cash provided by (used in) investing activities		<u>(2,776)</u>	<u>17,774</u>
Cash flows from financing activities:		<u>-</u>	<u>-</u>
Other activities:			
Net increase (decreases) in cash held		19,521	73,639
Cash at beginning of financial year		394,772	321,133
Cash at end of financial year	10	<u><u>414,293</u></u>	<u><u>394,772</u></u>

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2007

1 Statement of Significant Accounting Policies

(a) General information

The financial report is a general purpose financial report that has been prepared in accordance with the requirements of the Workplace Relations Act 1996, applicable Accounting Standards and other mandatory professional reporting requirements. The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non current assets. The accounting policies have been consistently applied unless otherwise stated.

(b) Statement of Compliance

Statement of compliance IFRS

The financial report complies with Australian Accounting Standards which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising of the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(c) Revenue

Subscriptions from members are accounted for on a receipts basis rather than an accruals basis as allowed under the Workplace Relations Act 1996.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

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

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(e) Property, Plant and Equipment

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

(i) Depreciation

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

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2007

1 Statement of Significant Accounting Policies continued

(e) Property, Plant and Equipment continued

(ii) Method and rates

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

Class of Fixed Asset

Plant & Equipment	40%
Furniture, Fixtures & Fittings	20%

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

(f) Employee Benefits

Provision is made for the Restaurant & Catering Association of Victoria'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, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash flows to be made for those benefits.

(g) 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 Taxation 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 balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2007

2 Revenue

(a) Detailed table

	2007	2006
	\$	\$
Membership income and other revenue	598,666	585,176
Interest Received	24,662	19,884
Dividends Received	-	30,000
Commission received	47,548	12,775
Total	670,876	647,835

3 Profit from Ordinary Activities

Profit (losses) from ordinary activities have been determined after:

(a) Expenses:

	2007	2006
	\$	\$
Depreciation of non current assets		
- plant & equipment	5,251	3,719
Remuneration of the auditors for		
- audit or review services	9,000	8,800
Affiliation fees or subscriptions to political parties or industrial bodies	1,527	1,608
Employee benefits to employees (other than holders of office)	285,102	217,276

(b) Significant Revenue & (Expenses)

The following significant revenue and expense items are relevant in explaining the financial performance:

- OAMPS Insurance Sponsorship Back payment	22,969	-
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4 Cash and Cash Equivalents

	2007	2006
	\$	\$
Cash on hand	685	200
Cash at bank	413,608	394,572
	414,293	394,772

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2007

5 Other Assets

	2007	2006
	\$	\$
OTHER CURRENT ASSETS		
Prepayments	2,037	2,536
	<u>2,037</u>	<u>2,536</u>

6 Trade and Other Receivables

	2007	2006
	\$	\$
NON CURRENT		
- Rent Bond	24,926	23,523
	<u>24,926</u>	<u>23,523</u>

7 Property Plant and Equipment

	2007	2006
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	26,649	23,873
Less accumulated depreciation	(17,760)	(13,686)
Total plant and equipment	<u>8,889</u>	<u>10,187</u>
Furniture, fixture and fittings		
At cost	28,945	28,945
Less accumulated depreciation	(26,679)	(25,502)
Total furniture, fixture and fittings	<u>2,266</u>	<u>3,443</u>
Total property, plant and equipment	<u>11,155</u>	<u>13,630</u>

8 Trade and Other Payables

	2007	2006
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	1,637	11,626
Sundry Creditors & Accruals	35,163	23,888
	<u>36,800</u>	<u>35,514</u>

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2007

9 Provisions

Current Provisions

	2007	2006
	\$	\$
Employee Benefits	18,489	12,940
	<u>18,489</u>	<u>12,940</u>

10 Cash Flow Information

(a) Reconciliation of cash

	Note	2007	2006
		\$	\$
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:			
Cash and cash equivalents		<u>414,293</u>	<u>394,772</u>
		<u>414,293</u>	<u>394,772</u>

(b) Reconciliation of Cash Flows from Operations with Profit

	2007	2006
	\$	\$
Net income/ (loss) for the period	38,562	105,964
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	5,251	3,719
Net loss on disposal of plant and equipment	-	1,238
Relocation to investing activities		
Dividends from HTV	-	(30,000)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in current and non current receivables	(28,850)	(3,954)
(Increase)/decrease in prepayments	498	(2,536)
Increase/(decrease) in payables and accruals	1,286	(21,208)
Increase/(decrease) in provisions	5,550	2,642
	<u>22,297</u>	<u>55,865</u>

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2007

11 Financial Instruments

(a) Interest Rate Risk

The Restaurant & Catering Association of Victoria's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Maturing within 1 Year
	2007	2006	2007	2006	2007
	%	%	\$	\$	\$
Financial Assets:					
Cash and cash equivalents	2.25	1.50	-	-	65,077
Short term deposits	6.25	6.25	349,015	356,108	-
Receivables	-	-	-	-	-
Non Current Receivable	4.60	5.50	24,926	23,522	-
Total Financial Assets			373,941	379,630	65,077
Financial Liabilities:					
Trade and sundry payables	-	-	-	-	-
Total Financial Liabilities			-	-	-

	Non-interest Bearing		Total		
	2006	2007	2006	2007	2006
	\$	\$	\$	\$	\$
Financial Assets:					
Cash and cash equivalents	38,463	200	200	65,277	38,663
Short term deposits	-	-	-	349,015	356,108
Receivables	-	49,408	21,961	49,408	21,961
Non Current Receivable	-	-	-	24,926	23,522
Total Financial Assets	38,463	49,608	22,161	488,626	440,254
Financial Liabilities:					
Trade and sundry payables	-	36,799	35,513	36,799	35,513
Total Financial Liabilities	-	36,799	35,513	36,799	35,513

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2007

12 Contingent Liabilities and Contingent Assets

A rental agreement signed on 5 July 2007 with prior managers of the building included an incentive where the lessor was to contribute \$52,000 plus GST towards the Lessee's fitout and any portion of which is not paid as fitout was to be credited against monthly rent.

As at 31 December 2007, new management of the building occupied by Restaurant & Catering Association of Victoria had announced that they have had no prior knowledge of the agreement dated 20 June 2007.

Subsequently on the 18th February 2008, the association was notified that certain terms of the contract would not be honored. Lawyers for the association have commented on the basis of prima facie evidence that the association is in a good legal position to obtain a remedy.

13 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

14 Information to be provided to Members or the Registrar

In accordance with the requirements of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of sub-sections (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 prescribed information in relation to the organisation;
- (2) An organisation shall, on an application made under sub-section 1 by a member of the organisation or a Registrar, make the specified information available to the member or Registrar may only make an application within such time, as is prescribed;
- (3) 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 the member information received because of an application made at the request of the member.

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Independent Audit Report to the members of Restaurant & Catering Association of Victoria

Scope

We have audited the financial report of Restaurant & Catering Association of Victoria for the financial year ended at 31 December 2007 comprising the Income Statement, Balance Sheet, Statement of Changes in Equity and Statement of Cash Flows, accompanying notes to the financial statements, and the Committee of Management Statements of The Restaurant & Catering Association of Victoria, for the year ended 31 December 2007.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the Association. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance 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 whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Association'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.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional and ethical pronouncements and section 256 of the RAO Schedule to the Workplace Relations Act 1996.

Audit Opinion

In our opinion, the general purpose financial report of The Restaurant & Catering Association of Victoria presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia as well as the requirements of section 256 to the RAO Schedule of the Workplace Relations Act 1996.

WHK Horwath Melbourne



Peter Sexton
Partner

Registered company Auditor number: 85044

Dated: *25 February 2008*

Proudly supported by

Major Sponsor





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