



Australian Government
Australian Industrial Registry

1 June 2009

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

By email to Mr. Todd Blake, CEO, todd@rcv.asn.au

Dear Ms. Grimes-Harvey,

Re: Financial Report for The Restaurant and Catering Association of Victoria for year ended 31 December 2008 – FR2008/597

I acknowledge receipt of the financial report for The Restaurant and Catering Association of Victoria for the year ended 31 December 2008. The report was lodged with the Registry on 31 March 2009.

I apologise for the delay in examining the financial report and responding to you.

The examination has now been completed. The financial report has been filed.

The following comments are offered for your assistance when preparing future financial reports. No action is required in relation to the material which has been filed.

Income Statement

The Income Statement at page 4 of the general purpose financial contains a number of generalized items of expenditure, such as "Functions & Events", "Project Expenses" and "Other expenses". These do not appear to be disaggregated in the Notes to the Financial Statements.

You are reminded that should any of these aggregate disclosures refer in whole or part to items specified in the Reporting Guidelines determined by the Industrial Registrar, the amounts in relation to the relevant item must be separately disclosed.

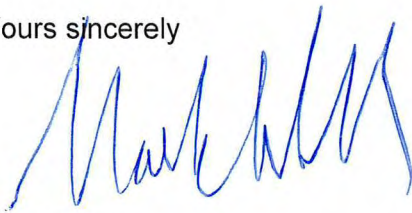
Notes to the Accounts

Note 2 to the Financial Statements at page 10 of the general purpose financial report is titled "Revenue". It discloses a number of revenue items which are aggregated in the Income Statement. The first of those is "Membership and other income". I note the discussion of Sponsorship Income which appears in Note 13. Presumably, the latter form of income is a component of the Membership and other income disclosed in Note 2.

Item 10(a) of the Industrial Registrar's Reporting Guidelines mandates distinct disclosure of entrance fees and periodic subscriptions in respect of membership of the organization. In any event it seems that Sponsorship income is sufficiently material to the RCAV accounts to warrant discrete disclosure.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7811.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Elliott', with a stylized, cursive script.

Mark Elliott
Statutory Services Branch
Principal Registry
Email: mark.elliott@airc.gov.au

ELLIOTT, Mark

From: ELLIOTT, Mark
Sent: Monday, 1 June 2009 3:47 PM
To: 'todd@rcv.asn.au'
Subject: FR2008/597: Financial Report - The Restaurant and Catering Association of Victoria (Sched 1 WRA 1996 Cth)
Attachments: FR2008_597_RCAV_ye31dec08_filed.pdf

Todd,

I apologise for the delay in examining the 31 December 2008 RCAV financial report.

The examination has now been completed.

Please find attached correspondence confirming that the financial report has been filed.

Kind regards,

MARK ELLIOTT
Statutory Services Branch

Australian Industrial Relations Commission
11 Exhibition St, Melbourne Victoria 3000
GPO Box 1994, Melbourne Victoria 3001

Telephone: (03) 8661 7811
International: (613) 8661 7811
Facsimile: (03) 9655 0410
Email: mark.elliott@airc.gov.au



Australian Government
Australian Industrial Registry

26 February 2009

Mr Todd Blake
CEO
The Restaurant and Catering Association of Victoria

(03) 9654 5286

Dear Mr Blake

**Lodgement of Financial Documents for year ended 31 December 2008 [FR2008/597]
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

The financial year of The Restaurant and Catering Association of Victoria (the "reporting unit") has recently ended. This is a courtesy letter to remind you of the obligation to prepare and process the reporting unit's financial documents, and to lodge the full financial report in the Registry within 14 days of it being presented to the relevant meeting.

The RAO Schedule sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. The enclosed *Timeline/Planner* summarises these requirements.

In addition, the following information can be found on the AIRC website:

- Fact Sheet 6 – Accounting, Auditing and Reporting Obligations;
- Fact Sheet 7 – Information Needs of Members;
- Fact Sheet 8 – Financial Reporting Process and Time Limits;
- Fact Sheet 9 – Diagrammatic Summary of Financial Reporting Process and Time Limits;
- Fact Sheet 10 – Auditors.
- Sample Committee of Management Statement and Designated Officer's Certificate;
- RAO Schedule and RAO Regulations;
- Registrar's Reporting Guidelines – the Guidelines set out requirements that must be met in addition to those required by the Australian Accounting Standards.

The above documents may be viewed at: <http://www.airc.gov.au/registered/FR/information.htm>

The Registry encourages you to lodge all financial reports electronically (e.g. as pdf files) at orgs@airc.gov.au. Alternatively, you can forward the documents by fax to (03) 9655 0410.

If you need any further information or if you believe you will be unable to lodge the financial report within 6 ½ months of the end of the financial year please contact me on (03) 8661 7993 or by email at larry.powell@airc.gov.au.

Yours sincerely,

Larry Powell
Statutory Services Branch

TIMELINE/ PLANNER

| | |
|------------------------------------|-----|
| Financial reporting period ending: | / / |
|------------------------------------|-----|

| |
|--|
| Prepare financial statements and Operating Report. |
|--|

| | |
|---|-----|
| (a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement. | / / |
| (b) Two members of the Committee of Management must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR). | |

As soon as practicable after end of financial year

| | |
|---|-----|
| Auditor's Report prepared and signed and given to the Reporting Unit - s257 | / / |
|---|-----|

Within a reasonable time of having received the GPFR
(NB: Auditor's report must be dated on or after date of Committee of Management Statement)

| | |
|---|-----|
| Provide full report free of charge to members – s265 The full report includes: <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. | / / |
|---|-----|

(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,
or
(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.

| | |
|---|-----|
| Present full report to: | / / |
| (a) General Meeting of Members - s266 (1),(2); OR | |
| (b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3) | / / |

Within 6 months of end of financial year

Within 6 months of end of financial year

| | |
|---|-----|
| Lodge full report in the Industrial Registry, together with the Designated Officer's certificate – s268 # | / / |
|---|-----|

Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the certificate stating that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.

26 March 2009

Industrial Registrar
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

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Daily for Today's Professionals



Dear Sir,

Re: **Lodgement of Reports Relating to the Financial Year Ended 31 December 2008 – The Restaurant and Catering Association of Victoria - FR 2008/269V**

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 our Director, Todd Blake on 9654 5866 or at todd@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 1B *Workplace Relations Act 1996*

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

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- that the documents lodged herewith are copies of the full report referred to in s233 of the RAO Schedule; and
- that the full report was provided to members of the Management Committee on 24 February 2009 at the first meeting. The full report was posted onto the website of The Restaurant and Catering Association of Victoria (www.rcv.asn.au) on 26 February 2009 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 24 March 2008 in accordance with section 233 of the RAO Schedule.

Signed:



Roslyn Grimes-Harvey
President

Dated this: 26th day of March 2009

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

**Financial Statements
For the Year Ended 31 December 2008**

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

For the Year Ended 31 December 2008

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Financial Statements

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Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Operating Report by the Committee of Management

31 December 2008

Your committee members submit the financial report of the Restaurant & Catering Association of Victoria for the financial year ended 31 December 2008.

1. General information

(a) Committee Members

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

| | |
|-----------------------------------|------------------------|
| Ros Harvey- President | Victoria Lambie |
| Matteo Pignatelli- Vice President | Gary Mehigan |
| Gian Blundo- Vice President | Dure Dara OAM |
| Frank Wilden- Treasurer | Richard Harper |
| Andrew Blake | Jai Anand |
| Murphy Aneja | Olivier Normandin |
| Oron Raviv | John Chalker |
| Michael Milburn | Walter Wagner |
| - Appointed 25 March 08 | - Appointed 15 July 08 |
| - Resigned 28 May 08 | |

(b) Principal Activities

The principal activities 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 Result

The profit of the association for the financial year amounted to \$ 52,461.

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.

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Operating Report by the Committee of Management

31 December 2008

4. Numbers of Members

The association had 1107 members and 79 associate members (2007 - 940 members and 76 associate members) at the financial year end.

5. Number of Employees

The association had 5 (2007: 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

Rule 10 of the Association's rules sets out the rights of members in relation to resignation or termination of membership. The rule details the process members must follow in order to resign their membership, the related date membership would cease and the right of the Association to recover any dues payable. The rule also sets out the circumstances in which membership may be terminated by the Association and members rights to appeal these circumstances

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

President
Roslyn Grimes- Harvey

Vice-President
Matteo Pignatelli

Dated: 24 February 2009

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Committee of Management Statement

On 24 February 2009 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 2008.

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, financial position and cash flows of the association for the financial year to which they relate
- 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
Matter Pignatelli

Dated: 24 February 2009

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Income Statement

For the Year Ended 31 December 2008

| | Note | 2008 \$ | 2007 \$ |
|--|------|---------------|---------------|
| Revenue | 2 | 948,708 | 670,876 |
| Employee benefits expense | | (399,497) | (285,102) |
| Depreciation, amortisation and impairments | | (10,875) | (5,251) |
| Professional Fees | | (45,673) | (19,470) |
| Occupancy Expenses | | (159,643) | (125,276) |
| Printing, Postage & Stationary | | (67,781) | (49,384) |
| Functions & Events | | (113,017) | (70,699) |
| Project Expenses | | - | (2,875) |
| Advertising & Promotion | | (10,685) | (6,793) |
| Restaurant & Catering Australia Expenses | | (49,147) | (38,208) |
| Consultancy Expenses | | (8,489) | (1,984) |
| Other expenses | | (31,440) | (27,272) |
| Profit attributable to members | | 52,461 | 38,562 |

The accompanying notes form part of these financial statements

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Balance Sheet

31 December 2008

| | Note | 2008 \$ | 2007 \$ |
|--------------------------------------|------|----------------|----------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 4 | 367,311 | 414,293 |
| Trade and other receivables | 5 | 93,231 | 49,409 |
| Other current assets | 6 | 32,917 | 2,037 |
| Total current assets | | 493,459 | 465,739 |
| Non-current assets | | | |
| Property, plant and equipment | 7 | 64,427 | 11,155 |
| Intangible assets | 8 | 16,070 | - |
| Other non-current assets | 6 | 39,331 | 24,926 |
| Total non-current assets | | 119,828 | 36,081 |
| TOTAL ASSETS | | 613,287 | 501,820 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 9 | 70,818 | 36,800 |
| Short-term provisions | 11 | 15,269 | 13,040 |
| Total current liabilities | | 86,087 | 49,840 |
| Non-current liabilities | | | |
| Other long-term provisions | 11 | 2,985 | 5,449 |
| Other non-current liabilities | 10 | 25,223 | - |
| Total non-current liabilities | | 28,208 | 5,449 |
| TOTAL LIABILITIES | | 114,295 | 55,289 |
| NET ASSETS | | 498,992 | 446,531 |
| EQUITY | | | |
| Issued capital | | 12,260 | 12,260 |
| Retained earnings | | 486,732 | 434,271 |
| TOTAL EQUITY | | 498,992 | 446,531 |

The accompanying notes form part of these financial statements

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Statement of Changes in Equity

For the Year Ended 31 December 2008

2008

| | Retained Earnings | Total |
|--------------------------------|----------------------|---------|
| | \$ | \$ |
| Balance at 1 January 2008 | 446,531 | 446,531 |
| Profit attributable to members | 52,461 | 52,461 |
| Balance at 31 December 2008 | 498,992 | 498,992 |

2007

| | Retained Earnings | Total |
|--------------------------------|----------------------|---------|
| | \$ | \$ |
| Balance at 1 January 2008 | 407,969 | 407,969 |
| Profit attributable to members | 38,562 | 38,562 |
| Balance at 31 December 2007 | 446,531 | 446,531 |

The accompanying notes form part of these financial statements

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Statement of Cash Flows

For the Year Ended 31 December 2008

| | Note | 2008 \$ | 2007 \$ |
|--|------|-----------------------|-----------------------|
| Cash from operating activities: | | | |
| Receipts from customers | | 458,922 | 339,174 |
| Other receipts | | 369,161 | 279,592 |
| Interest received | | 26,803 | 24,662 |
| Payments to suppliers and employees | | (854,193) | (621,131) |
| Net cash provided by (used in) operating activities | 12 | <u>693</u> | <u>22,297</u> |
| Cash flows from investing activities: | | | |
| Proceeds from sale of investment | | 50,000 | - |
| Rental Bonds | | (15,075) | - |
| Purchase of intangibles asset- database | | (17,310) | - |
| Purchase of Plant & Equipment | | (65,290) | (2,776) |
| Net cash provided by (used in) investing activities | | <u>(47,675)</u> | <u>(2,776)</u> |
| Net increase (decreases) in cash held | | (46,982) | 19,521 |
| Cash at beginning of financial year | | <u>414,293</u> | <u>394,772</u> |
| Cash at end of financial year | 12 | <u><u>367,311</u></u> | <u><u>414,293</u></u> |

The accompanying notes form part of these financial statements

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2008

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 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 2008

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:

| <i>Class of Fixed Asset</i> | |
|--------------------------------|-----|
| 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 2008

2 Revenue

| | 2008 | 2007 |
|---------------------------|----------------|----------------|
| | \$ | \$ |
| Membership & other income | 766,661 | 598,666 |
| Interest Received | 26,803 | 24,662 |
| Commission received | 55,244 | 47,548 |
| Other income | 100,000 | - |
| | <u>948,708</u> | <u>670,876</u> |

3 Profit from Ordinary Activities

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

(a) Expenses:

| | | |
|---|---------|---------|
| Depreciation of non current assets | 9,635 | 5,251 |
| Remuneration of the auditors for | | |
| - audit or review services | 9,700 | 9,000 |
| Affiliation fees or subscriptions to political parties or industrial bodies | 1,609 | 1,527 |
| Employee benefits to employees (other than holders of office) | 399,732 | 285,102 |
| Legal Costs | 14,077 | 6,842 |

(b) Significant Revenue and Expenses

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

Revenue:

| | | |
|---|---------|---|
| - Disposal of shares in Hospitality Training Victoria Pty Ltd | 100,000 | - |
|---|---------|---|

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2008

4 Cash and Cash Equivalents

| | 2008 | 2007 |
|--------------|----------------|----------------|
| | \$ | \$ |
| Cash on hand | 200 | 685 |
| Cash at bank | 367,111 | 413,608 |
| | <u>367,311</u> | <u>414,293</u> |

5 Trade and Other Receivables

| | | |
|-------------------|---------------|---------------|
| Trade receivables | 29,355 | 49,409 |
| Other receivables | 63,876 | - |
| | <u>93,231</u> | <u>49,409</u> |

6 Other Assets

CURRENT ASSETS

| | | |
|-------------|---------------|--------------|
| Prepayments | 7,024 | 2,037 |
| Rental Bond | 25,893 | - |
| | <u>32,917</u> | <u>2,037</u> |

NON-CURRENT ASSETS

| | | |
|------------------------|---------------|---------------|
| Rental Bond | 14,108 | 24,926 |
| Rent free period asset | 25,223 | - |
| | <u>39,331</u> | <u>24,926</u> |

7 Property, Plant and Equipment

| | | |
|-------------------------------|---------------|--------------|
| Plant and equipment | | |
| At cost | 25,347 | 26,649 |
| Less accumulated depreciation | (10,480) | (17,760) |
| Total | <u>14,867</u> | <u>8,889</u> |

| | | |
|---------------------------------|---------------|--------------|
| Furniture, fixture and fittings | | |
| At cost | 22,580 | 28,945 |
| Less accumulated depreciation | (2,528) | (26,679) |
| Total | <u>20,052</u> | <u>2,266</u> |

| | | |
|-------------------------------|---------------|----------|
| Leasehold Improvements | | |
| At cost | 29,561 | - |
| Less accumulated depreciation | (53) | - |
| Total | <u>29,508</u> | <u>-</u> |

| | | |
|--|----------------------|----------------------|
| Total property, plant and equipment | <u>64,427</u> | <u>11,155</u> |
|--|----------------------|----------------------|

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2008

8 Intangible Assets

| | 2008 | 2007 |
|-------------------------------|---------------|----------|
| | \$ | \$ |
| Database software | | |
| At cost | 17,310 | - |
| Less accumulated amortisation | (1,240) | - |
| Total Intangibles | <u>16,070</u> | <u>-</u> |

9 Trade and Other Payables

CURRENT

| | | |
|-----------------------------|---------------|---------------|
| Unsecured liabilities | | |
| Trade payables | 40,707 | 1,637 |
| Sundry Creditors & Accruals | 30,111 | 35,163 |
| | <u>70,818</u> | <u>36,800</u> |

10 Other Liabilities

NON-CURRENT

| | | |
|----------------------------|---------------|----------|
| Rent free period liability | 25,223 | - |
| | <u>25,223</u> | <u>-</u> |

11 Provisions

| | | |
|---------------------------------|---------------|---------------|
| Employee benefits (Current) | 15,269 | 13,040 |
| Employee benefits (Non-current) | 2,985 | 5,449 |
| | <u>18,254</u> | <u>18,489</u> |

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2008

12 Cash Flow Information

(a) Reconciliation of cash

| | 2008 | 2007 |
|---|----------------|----------------|
| | \$ | \$ |
| 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>367,311</u> | <u>414,293</u> |

(b) Reconciliation of Cash Flows from Operations with Profit

| | | |
|--|------------|---------------|
| Net income/loss for the period | 52,461 | 38,562 |
| Cash flows excluded from profit attributable to operating activities | | |
| Non-cash flows in profit | | |
| Depreciation | 10,875 | 5,251 |
| Assets written off | 2,382 | - |
| Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries | | |
| (Increase)/decrease in current and non current receivables | 7,706 | (28,850) |
| (Increase)/decrease in prepayments | (4,988) | 498 |
| (Increase)/decrease in other receivables | (101,528) | - |
| Increase/(decrease) in payables and accruals | 34,020 | 1,286 |
| Increase/(decrease) in provisions | (235) | 5,550 |
| | <u>693</u> | <u>22,297</u> |

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2008

13 Financial Instruments

(a) Financial Risk Management Policies

The association's financial instruments consist mainly of deposits with banks, accounts receivable and accounts payable.

Interest rate risk

The Association has not borrowed funds so it is not exposed to interest rate risk except in relation to amounts held as cash at bank. Daily funding is managed with a combination of an at call interest bearing account and a business cheque account. Rates are currently low but the Association is not reliant on interest income for its continuing operations.

Liquidity Risk

The association manages liquidity risk by monitoring forecast cash flows particularly in relation to membership fees, sponsorship and commission income

Membership income:

Over the past two years member numbers have been increasing and the related income increased an average of 13% per annum. If this trend continued, income for the next financial year would likely increase by \$51,126. Similarly, membership might decline and every 5% decline is roughly equivalent to \$20,000 of income.

Sponsorship income:

Over the past three years sponsorship income has increased an average of 24% per annum. If this trend continued, income for the next financial year would likely increase by \$24,641. One of the Association's four key sponsors is at the beginning of a 3 year agreement. The balance of the Association's sponsors are based on annually renewing agreements that terminate in April, June or January respectively. For subsequent years an agreement is negotiated in advance of the termination date. These sponsorships are confirmed using a formal sponsorship contract. Sponsorship benefits are not provided until after payment has been received.

Commission income:

Over the past three years commission income has increased but that increase has been volatile particularly in 2007. The main contributor is OAMPS which provides commission in relation to insurance products sold throughout the membership base. Commissions from OAMPS in 2008 totaled \$52,604. OAMPS are in the first year of a five years trailing commission agreement, which in part is supported by business derived from the Hospitality Purchasing Network, all other commissions are driven by sales generated from the Hospitality Purchasing Network and are underpinned by annually renewed contracts.

Credit risk

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

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2008

Trade and other receivables

Included in the year end balance of \$93,231 is an amount of \$50,000 owing by Stanborough Wemyss Contracting Pty Ltd (payable June 2009) in relation to the Association's sale of its interest in Hospitality Training Victoria Pty Ltd during the year as well as an amount of \$19,506 in relation to trail income receivable from OAMPS Insurance Brokers. These amounts are expected to be fully recovered. Apart from these balances, the association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the association.

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 | | Maturing within 1 Year | | Maturing 1 to 5 Years | | Non-interest Bearing | | Total | |
|------------------------------------|--|-----------|------------------------|---------------|-----------------------|----------------|----------------------|---------------|----------------|----------------|
| | 2008 % | 2007 % | 2008 \$ | 2007 \$ | 2008 \$ | 2007 \$ | 2008 \$ | 2007 \$ | 2008 \$ | 2007 \$ |
| Financial Assets: | | | | | | | | | | |
| Cash and cash equivalents | 0.05 | 2.25 | 32,089 | 65,077 | - | - | 1,175 | 200 | 33,264 | 65,277 |
| Short term deposits | 5.00 | 6.25 | - | - | 333,847 | 349,015 | - | - | 333,847 | 349,015 |
| Trade Receivables | - | - | - | - | - | - | 80,883 | 49,408 | 80,883 | 49,408 |
| Other Receivables | 4.70 | 4.60 | - | - | 40,000 | 24,926 | - | - | 40,000 | 24,926 |
| Total Financial Assets | | | 32,089 | 65,077 | 373,847 | 373,941 | 82,058 | 49,608 | 487,994 | 488,626 |
| Financial Liabilities: | | | | | | | | | | |
| Trade and sundry payables | - | - | - | - | - | - | 70,818 | 36,799 | 70,818 | 36,799 |
| Total Financial Liabilities | | | - | - | - | - | 70,818 | 36,799 | 70,818 | 36,799 |

14 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.

15 Capital and Leasing Commitments

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

Payable - minimum lease payments

| | 2008 \$ | 2007 \$ |
|---------------------------------|----------------|---------------|
| - not later than 12 months | 29,925 | 64,257 |
| - between 12 months and 5 years | 221,058 | - |
| | 250,983 | 64,257 |

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2008

16 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 272 of Schedule 1B which reads as follows:

- (1) A member of an organisation, 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 sub-section (1).

Restaurant & Catering Association of Victoria

ABN 31 739 604 819

Independent Audit Report To The Members

Report on the Financial Report

We have audited the financial report of the Restaurant & Catering Association of Victoria for the financial year ended at 31 December 2008 comprising of 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.

Committee of Management's Responsibility for the Financial Report

The Committee of Management is responsible for the preparation and true and fair presentation of the financial report in accordance with the *Workplace Relations Act 1996*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and *section 257 of the Workplace Relations Act 1996*.

Audit Opinion

In our opinion, the general purpose financial report of Restaurant & Catering Association of Victoria for the year ended 31 December 2008, presents fairly in accordance with applicable Australian Accounting Standards, the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996, and other mandatory professional reporting requirements in Australia.

WHK HORWATH MELBOURNE

.....
Peter Sexton CA
Partner

Registered company auditor number : 85044

Dated: 24 February 2009

ELLIOTT, Mark

From: STEWART, Iain
Sent: Monday, 30 March 2009 2:32 PM
To: ELLIOTT, Mark
Subject: FW: Lodge of Reports for financial year 2008 - Restaurant and Catering Association of Victoria

Attachments: Lodgment of Reports R&C Vic 2009.pdf

From: Todd Blake [mailto:todd@rcv.asn.au]
Sent: Monday, 30 March 2009 12:29 PM
To: RESEARCH FAX
Cc: POWELL, Larry
Subject: Lodge of Reports for financial year 2008 - Restaurant and Catering Association of Victoria

Dear Industrial Registrar

Please find attached the Annual Reports lodgment for Restaurant and Catering Association of Victoria.

Please provide me with comment regarding any additional details that may be required in relation to this document.

Kind Regards

Todd Blake
Chief Executive



Restaurant & Catering Victoria

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