



FAIR WORK
AUSTRALIA

28 July 2011

Mr Matteo Pignatelli
President
The Restaurant and Catering Association of Victoria

email: info@rcv.asn.au

Dear Mr Pignatelli

Re: Financial Report for The Restaurant and Catering Association of Victoria for year ended 31 December 2010 – FR2010/2871

I acknowledge receipt of the financial report for The Restaurant and Catering Association of Victoria (the Association) for the year ended 31 December 2010. The report was lodged with Fair Work Australia (FWA) on 30 June 2011.

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.

General purpose financial report to be prepared on accrual basis

[Section 252](#) of the *Fair Work (Registered Organisations) Act 2009* (the Act) places obligations upon organisations to *keep* financial records. Under section 252(4) an organisation may *keep* the financial records for its membership subscriptions on a cash basis.

This is distinct from the obligation under [section 253](#) to *prepare* a general purpose financial report (GPFR). Section 253 requires that '...a reporting unit must cause a general purpose financial report to be *prepared*, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year...'. Please note that paragraph 27 of Australian Accounting Standard 101 states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'.

Thus sections 252 and 253 of the *Fair Work (Registered Organisations) Act 2009* (the Act) impose quite separate and distinct obligations upon reporting units. When read together they require that, while some financial records may be *kept* on a cash basis, a GPFR must be *prepared* on an accrual basis whether or not records were kept on a cash or accrual basis.

In future the GPFR should be prepared on an accrual basis as required by section 253 of the Act and the relevant Australian Accounting Standard (AASB 101(27)). It is further noted that this will result in a change of accounting policy that will need to be disclosed in accordance with AASB 108 (Accounting Policies, Changes in Accounting Estimates and Errors). You may need to discuss this with your auditor.

Disclosure of employee benefits to office holders and other employees

The General Manager's Reporting Guidelines (the guidelines) require reporting units to disclose in the income statement or in the notes to the financial statements employee benefits to holders of office (item 11(g)) and employee benefits to other employees (item 11(h)). Note 3 to the financial statements does not distinguish between employee benefits for office holders and other employees. These should be separately disclosed.

The guidelines also require either the balance sheet or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 14(c) and 14 (d)). Note 11 discloses these liabilities but does not distinguish between provisions for office holders and other employees. These should be separately disclosed.

Disclosure of finance costs

AASB 101(82)(b) requires the statement of comprehensive income to include a line item that presents the finance costs for the period. In future years please ensure that the statement of comprehensive income includes this item.

Designated Officer's certificate

I note that the Association has chosen to utilise the sample designated officer's certificate supplied by FWA. In future years please ensure that any references which are not applicable to the Association's financial statements are deleted from this certificate. For example, if the Association has not prepared a concise report, the reference to the concise report should be deleted. Also, if the audited GPFR was not presented to the Committee of Management, this should also be deleted.

Committee of Management statement

It appears that items (e)(ii) and (iv) contained in the Committee of Management statement are not complete. In future years please ensure that these items contain the necessary details as required by the guidelines.

Notes to the financial statements

Notice under section 272(5) of the Act

As you are aware the notes to the General Purpose Financial Report are required to include a notice drawing attention to the fact that information prescribed by the Fair Work (Registered Organisations) Regulations 2009 is available to members on request. Note 17 to the financial statements reproduces the wording from outdated legislation. Instead the wording should read as follows:

- (1) A member of a reporting unit, or the General Manager, 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).

Please ensure that future notes contain this extract of the Act word for word.

Timing of Financial Documents - Lodgement of documents with Fair Work Australia

[Section 268](#) of the Act requires the Association to lodge its financial documents with FWA within 14 days of the date of the General Meeting of Members at which they were presented (that is, 1 June 2011). The documents were not lodged with FWA until 30 June 2011. In future years please ensure that financial reports are lodged with FWA within 14 days of the General Meeting of Members.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to be 'K Donnellan', with a long horizontal stroke extending to the right.

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

Designated Officer's Certificate or other Authorised Officer¹

s268 Fair Work (Registered Organisations) Act 2009

I, Matteo Pignatelli being the President of the Restaurant and Catering Association of Victoria certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]²*, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the *full report*, was provided to members on 23 March 2011; and
- that the full report was presented to *[a general meeting of members **OR** a meeting of the committee of management]³* of the reporting unit on 18 May 2011; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.



Signature

Date: 30 June 2011

¹ *The relevant regulations prescribe the designated officer for the purpose of s268 of the Fair Work (Registered Organisations) Act 2009 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

² *Only applicable where a concise report is provided to members*

³ *Insert whichever is applicable*

Designated Officer's Certificate or other Authorised Officer¹

s268 Fair Work (Registered Organisations) Act 2009

I, Matteo Pignatelli being the President of the Restaurant and Catering Association of Victoria certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]²*, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the *full report*, was provided to members on 23 March 2011; and
- that the full report was presented to *[a general meeting of members **OR** a meeting of the committee of management]³* of the reporting unit on *[insert date]*; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.



Signature

Date: 30 June 2011

¹ *The relevant regulations prescribe the designated officer for the purpose of s268 of the Fair Work (Registered Organisations) Act 2009 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

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³ *Insert whichever is applicable*

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Financial Statements

For the Year Ended 31 December 2010

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

For the Year Ended 31 December 2010

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Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Operating Report By Committee of Management

31 December 2010

Your committee members submit the financial report of the association for the financial year ended 31 December 2010.

1. General information

Committee Members

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

Matteo Pignatelli	President
Victoria Wilson	Vice President
Ros Harvey	Treasurer/Vice President
Richard Harper	
Walter Wagner	
Olivier Normandin	
Mark Haynes	
Leslye Thies	Resigned 1 st October 2010
George Sykiotis	
Steven Mercer	
Christine Yong	
Rudi Winkler	Appointed 23/3/2010
Anna Augustine	Appointed 23/3/2010
Fiona Robison	Appointed 23/3/2010
Jeff Roberts	Appointed 23/3/2010
	Resigned 4 May 2010

Principal Activities

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

Significant Changes

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

2. Operating Results and Review of Operations for the Year

Operating result

The financial deficit incurred by the association for the financial year to 31 December 2010 was \$(143,906)(2009: \$ (468)).

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Operating Report By Committee of Management

31 December 2010

After balance date events

No matter 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.

3. Number of Members

The association had 1078 members and 74 associate members (2009: 1105 members and 86 associate members) at the financial year end.

4. Number of Employees

The association had 4 (2009: 12) employees at financial year end.

5. 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 organisation-see section (2) (d) of Schedule 1 of the Fair Work (Registered Organisations) Act 2009.

6. 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:

Matteo Pignatelli

Treasurer:

Bos Harvey

Dated: 23 March 2011

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Committee of Management Statement

On 23 March 2011 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 2010.

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 Fair Work Australia
- 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 when they become due and payable
- 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 Fair Work (Registered Organisations) Act 2009
 - 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 Fair Work

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

President
Matteo Pignatelli

Treasurer.....
Ros Harvey

Dated: 23/3/2011

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Statement of Comprehensive Income

For the Year Ended 31 December 2010

	Note	2010 \$	2009 \$
Revenue	2	888,738	899,628
Employee benefits expense	3	(396,500)	(438,884)
Depreciation and amortisation expense	3	(14,247)	(13,795)
Professional Fees	3	(37,296)	(24,315)
Occupancy Expenses		(133,887)	(147,564)
Printing, Postage & Stationery		(50,250)	(78,633)
Functions & Events		(110,246)	(110,470)
RCA Management Services		(158,008)	-
Advertising & Promotion		(14,786)	(10,958)
Restaurant & Catering Australia Expenses		(37,206)	(44,218)
Consultancy Expenses		(9,254)	(120)
Other expenses	3	(70,964)	(31,139)
Net surplus/(deficit)		(143,906)	(468)
Other comprehensive income		-	-
Total comprehensive income for the year		(143,906)	(468)

The accompanying notes form part of these financial statements.

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Statement of Financial Position

31 December 2010

	Note	2010 \$	2009 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	289,448	411,282
Trade and other receivables	5	64,307	108,061
Other assets	6	-	3,922
TOTAL CURRENT ASSETS		353,755	523,265
NON-CURRENT ASSETS			
Property, plant and equipment	7	76,246	84,515
Intangible assets	8	9,146	12,608
Other assets	6	15,127	14,517
TOTAL NON-CURRENT ASSETS		100,519	111,640
TOTAL ASSETS		454,274	634,905
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	71,969	93,561
Short-term provisions	11	10,971	21,645
TOTAL CURRENT LIABILITIES		82,940	115,206
NON-CURRENT LIABILITIES			
Long-term provisions	11	1,753	1,082
Other liabilities	10	14,963	20,093
TOTAL NON-CURRENT LIABILITIES		16,716	21,175
TOTAL LIABILITIES		99,656	136,381
NET ASSETS		354,618	498,524
EQUITY			
Retained Earnings		354,618	498,524
MEMBERS FUNDS		354,618	498,524

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 2010

2010

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2010	498,524	498,524
Surplus/(deficit) attributable to members of the entity	(143,906)	(143,906)
Balance at 31 December 2010	354,618	354,618

2009

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2009	498,992	498,992
Surplus/(deficit) attributable to members of the entity	(468)	(468)
Balance at 31 December 2009	498,524	498,524

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 2010

	Note	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Subscription Income		443,109	378,962
Payments to suppliers and employees		(1,051,203)	(835,888)
Interest received		17,974	14,675
Other receipts		470,802	441,161
Net cash provided by (used in) operating activities	12(b)	<u>(119,318)</u>	<u>(1,090)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investment		-	50,000
Rental bonds		-	25,483
Purchase of plant and equipment		<u>(2,516)</u>	<u>(30,422)</u>
Net cash provided by (used in) investing activities		<u>(2,516)</u>	<u>45,061</u>
Net increase (decrease) in cash held		(121,834)	43,971
Cash and cash equivalents at beginning of financial year		<u>411,282</u>	<u>367,311</u>
Cash and cash equivalents at end of financial year	4	<u><u>289,448</u></u>	<u><u>411,282</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 2010

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Australian Accounting Interpretations and the *Fair Work (Registered Organisations) Act 2009*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Revenue and Other Income

Subscriptions from members are accounted for on a receipts basis rather than an accruals basis as allowed under the *Fair Work (Registered Organisations) Act 2009*.

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

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

(c) 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 in the statement of financial position.

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Summary of Significant Accounting Policies continued

(d) Property, Plant and Equipment

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis or diminishing-value basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset

Plant and Equipment	4 - 67%
Furniture, Fixtures and Fittings	10 - 40%
Leasehold improvements	2.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(e) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(f) Critical Accounting Estimates and Judgments

The committee members evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

Key estimates - Impairment

The association assesses impairment at the end of the reporting period by evaluating conditions specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Summary of Significant Accounting Policies continued

(f) Critical Accounting Estimates and Judgments continued

Key judgments - Provision for impairment of receivables

Included in trade receivables and other receivables at the end of the reporting period is a provision for doubtful debts of \$50,544.

Key judgments - Provision for impairment of intangibles

Intangible assets represent the capitalised value of the membership database which is being amortised over its useful life, no provision for impairment has been deemed necessary.

(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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2010

2 Revenue and Other Income

Revenue from Continuing Operations

	2010	2009
	\$	\$
Membership fees	394,580	434,094
Sponsorship income	62,140	73,366
Interest received	18,580	14,675
Project revenue	136,855	88,603
Advertising revenue	31,017	42,326
Events & functions	128,285	135,433
Commission received	97,094	80,457
Other revenue	20,187	30,674
Total Revenue	888,738	899,628

3 Surplus/(deficit) for the Year

Surplus/(deficit) from ordinary activities have been determined after:

Expenses

Depreciation of non current assets	10,785	10,333
Remuneration of the auditors for - audit and accounts preparation	10,500	10,000
Affiliation fees or subscriptions to political parties or industrial bodies	1,841	1,753
Employee benefits	396,500	438,884

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2010

4 Cash and Cash Equivalents

	2010	2009
	\$	\$
Cash on hand	200	200
Cash at bank	289,248	411,082
	<u>289,448</u>	<u>411,282</u>

5 Trade and Other Receivables

Trade receivables	99,851	96,836
Provision for impairment	(50,544)	-
Other receivables - Related Party	15,000	11,225
	<u>64,307</u>	<u>108,061</u>

6 Other Assets

CURRENT		
Prepayments	-	3,922
NON-CURRENT		
Rental Bond	15,127	14,517

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2010

7 Property, Plant and Equipment

	2010	2009
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	34,422	32,761
Accumulated depreciation	(21,895)	(15,809)
Total plant and equipment	12,527	16,952
Furniture, fixture and fittings		
At cost	36,720	35,866
Accumulated depreciation	(10,325)	(6,569)
Total furniture, fixture and fittings	26,395	29,297
Leasehold Improvements		
At cost	39,281	39,281
Accumulated depreciation	(1,957)	(1,015)
Total leasehold improvements	37,324	38,266
Total property, plant and equipment	76,246	84,515

8 Intangible Assets

Database software		
Cost	17,310	17,310
Accumulated amortisation and impairments	(8,164)	(4,702)
Total intangibles	9,146	12,608

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2010

9 Trade and Other Payables

	2010	2009
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	38,629	30,435
Sundry creditors and accruals	33,341	63,126
	<u>71,970</u>	<u>93,561</u>

10 Other Liabilities

NON-CURRENT		
Rent free period liability	14,963	20,093

11 Provisions

Employee benefits (Current)	10,971	21,645
Employee entitlements (Non-current)	1,753	1,082
Total Provisions	<u>12,724</u>	<u>22,727</u>

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2010

12 Cash Flow Information

(a) Reconciliation of cash

	2010	2009
	\$	\$
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	289,448	411,282

(b) Reconciliation of Cash Flow from Operations with Profit after Income Tax

Surplus/(Deficit) for the year	(143,906)	(468)
Cash flows excluded from deficit attributable to operating activities		
Non-cash flows in deficit		
- Depreciation	14,246	13,795
Changes in assets and liabilities		
- (Increase)/decrease in trade receivables	48,529	(55,133)
- (Increase)/decrease in other receivables	(5,381)	(9,698)
- (Increase)/decrease in prepayments	3,922	3,103
- (Increase)/decrease in rent free period asset	-	25,223
- Increase/(decrease) in payables and accruals	(21,595)	22,745
- Increase/(decrease) in provisions	(10,003)	4,473
- Increase/(decrease) in other liabilities	(5,130)	(5,130)
	<u>(119,318)</u>	<u>(1,090)</u>

13 Financial Risk Management

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

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2010

13 Financial Risk Management continued

Liquidity risk

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

Credit risk

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position and notes to the financial statements.

Trade and other receivables

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.

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.

Restaurant & Catering Association of Victoria

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Notes to the Financial Statements

For the Year Ended 31 December 2010

13 Financial Risk Management continued

Interest Rate Risk continued

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

	Weighted Average Effective Interest Rate		Floating Interest Rate		Maturing within 1 Year		Non-interest Bearing		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets:										
Cash and cash equivalents	0.05	0.05	37,667	38,868	-	-	200	200	37,867	39,068
Short term deposits	6.10	6.80	-	-	281,835	386,731	-	-	281,835	386,731
Receivables	-	-	-	-	-	-	64,307	108,061	64,307	108,061
Total Financial Assets			37,667	38,868	281,835	386,731	64,507	108,261	384,009	533,860
Financial Liabilities:										
Trade and sundry payables	-	-	-	-	-	-	71,970	93,562	71,970	93,562
Total Financial Liabilities							71,970	93,562	71,970	93,562

14 Geographic Segment

The association only accounts within Victoria.

15 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. Management of the association was carried out by Restaurant and Catering Australia during the year and management fees of \$187,094 were paid for these services.

16 Capital and Leasing Commitments

(a) Operating Lease Commitments

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

	2010	2009
	\$	\$
Payable - minimum lease payments:		
- not later than 12 months	56,197	52,971
- between 12 months and 5 years	107,487	163,684
	<u>163,684</u>	<u>216,655</u>

17 Information to be provided to Members or the Registrar

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, as amended, the attention of members is drawn to the provisions of sub-sections (1), (2), and (3) of Section 272 of Part 3 of Chapter 8, 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).

18 Association Details

The registered office of the association is:
Restaurant & Catering Association of Victoria
Suite 5, 84 Church Street
Richmond Victoria 3121

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

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

Report on the Financial Report

We have audited the accompanying financial report of Restaurant & Catering Association of Victoria, which comprises the statement of financial position as at 31 December 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended that date a summary of significant accounting policies, other explanatory notes and the committee of management statement.

Directors' Responsibility for the Financial Report

The Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with the Fair Work (Registered Organisations) Act 2009. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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.

Restaurant & Catering Association of Victoria

ABN: 31 739 604 819

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and *section 257 of the Fair Work (Registered Organisations) Act 2009*.

Auditor's Opinion

In our opinion the general purpose financial report of Restaurant & Catering Association of Victoria for the year ended 31 December 2010 presents fairly in accordance with applicable Australian Accounting Standards, the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Fair Work (Registered Organisations) Act 2009, and other mandatory professional reporting requirements in Australia.

WHK HORWATH MELBOURNE



Peter Sexton CA
Partner

Registered company auditor number: 85044

Dated: 23 March 2011