

FR 2005/655

**Certificate of Secretary or other Authorised Officer**  
**S268 of Schedule 1B Workplace Relations Act 1996**

I, Keith James Rice, being the Executive Officer of the TFGA Industrial Association certify:

that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and

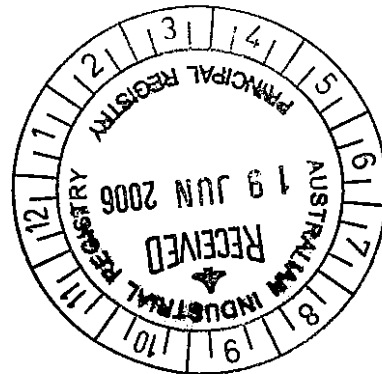
that the full report was provided to members on 20<sup>th</sup> May 2006; and

that the full report was presented to a general meeting of members of the reporting unit on 15<sup>th</sup> June 2006 in accordance with Section 266 of the RAO Schedule.

Signed:

Signature  
*Keith J Rice*

.....  
Keith J Rice



Date: 16<sup>th</sup> June 2006

***TFGA INDUSTRIAL  
ASSOCIATION***

***FINANCIAL REPORT***

***FOR THE YEAR ENDED***

***31 December 2005***

**TFGA INDUSTRIAL ASSOCIATION**

***Statement by Committee Members***

In our opinion :-

(a) the accompanying accounts of the TFGA Industrial Association, as set out on pages 1 to 11 annexed hereto, are drawn up so as to give a true and fair view of the Association for the year ended 31 December 2005 and the state of affairs of the Association at that date,

(b) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due, and

(c) the accounts have been prepared in accordance with applicable Australian Accounting Standards.

President:

*W O Connor*

Treasurer :

*AA*

Launceston

24<sup>th</sup> May 2006

# TFGA Industrial Association

## Operating Report

Your Committee of Management present their report for the year ended 31 December 2005.

### COMMITTEE OF MANAGEMENT

The following people hold office at the date of this report.

| COMMITTEE             | EXPERIENCE      | SPECIAL RESPONSIBILITIES |
|-----------------------|-----------------|--------------------------|
| Warwick O'CONNOR      | Farmer          | President                |
| Keeton MILES          | Farmer          | Vice-President           |
| Lionel HARRISON       | Farmer          | Treasurer                |
| Graeme ALLAN          | Viticulturalist |                          |
| Gerald ARCHER         | Farmer          |                          |
| Allan CAMERON         | Farmer          |                          |
| Carey LANGTON         | Farmer          |                          |
| Michael LEGGE         | Farmer          |                          |
| Andrew SMITH          | Farmer          |                          |
| Denise SWAN           | Farmer          |                          |
| Rod THIRKELL-JOHNSTON | Farmer          |                          |

### PRINCIPAL ACTIVITIES

The principal continuing activities of the Association during the year were the provision of workplace relation services to primary industries. There were no significant changes in the nature of the principal activities of the Association during the year.

### OPERATING RESULT

|                          | 2005   | 2004  |
|--------------------------|--------|-------|
|                          | \$     | \$    |
| Net Surplus for the year | 21 428 | 7 419 |

### DIVIDENDS

The Rules of the Association states that no portion of income or property derived by Association shall be paid or transferred by way of dividend, bonus or otherwise.

# TFGA Industrial Association

## Operating Report

### MEMBERSHIP

|   | 2005       | 2004       |
|---|------------|------------|
| Number of Members at year end (Federal) | <u>714</u> | <u>672</u> |

A member may resign from membership by written notice addressed and delivered to the Executive Officer of the Association. The notice of resignation takes effect on the day the notice is received by the Association, on the day specified in the notice or, in any other case, at the end of two weeks after the notice is received by the Association.

### EMPLOYEES

|                                 | 2005     | 2004     |
|---------------------------------|----------|----------|
| Number of Employees at year end | <u>1</u> | <u>1</u> |

### REVIEW OF OPERATIONS

During the year, the Association continued to protect the interests of primary industries on workplace relations issues.

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Association during the reporting period.

### LIKELY DEVELOPMENTS AND RESULTS

The Association expects to maintain the present status and level of operations and there are no significant likely developments foreseen for future financial years.

### MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

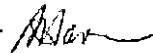
At the date of this report, there is no matter or circumstance that has arisen since the end of the financial year that has significantly affected or may affect the operations of the Association, the results of those operations or the state of affairs of the Association in financial years subsequent to 31 December 2005.

This declaration is made in accordance with a resolution of the Committee of Management.

President



Treasurer



LAUNCESTON

21<sup>st</sup> May 2006

# TFGA INDUSTRIAL ASSOCIATION

## STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2005

|  | Note      | 2005<br>\$        | 2004<br>\$        |
|--|-----------|-------------------|-------------------|
| <i>Revenue</i>                               |           |                   |                   |
| Consultancy- State                           |           | 24,319            | 26,500            |
| Interest Received                            |           | 10,905            | 7,324             |
| Service Fees - TFGA                          |           | 25,000            | 25,000            |
| Sponsorship and Advertising                  |           | 26,893            | 10,000            |
| Subscriptions                                |           | 176,653           | 168,473           |
| Sundry Income                                |           | 6,339             | 1,884             |
| <b>Total Revenue</b>                         |           | <b>\$ 270,109</b> | <b>\$ 239,181</b> |
| <i>Expenditure</i>                           |           |                   |                   |
| Advertising                                  |           | 109               | 1,330             |
| Audit and Accountancy                        |           | 15,016            | 13,120            |
| Computer and Internet Expenses               |           | 378               | 1,442             |
| Consultancy Fees                             |           | 108,000           | 99,260            |
| Depreciation                                 |           | 4,046             | 4,801             |
| Insurance                                    |           |                   | (251)             |
| Legal Expenses                               |           | 3,521             | 5,561             |
| Meeting Expenses                             |           | 2,189             | 1,299             |
| Postage and Public Relations                 |           | 5,572             | 4,233             |
| Members' Allowances                          |           | 7,750             | 7,825             |
| Employers' Handbooks                         |           | 20,564            |                   |
| Printing Stationery and Copying              |           | 19,663            | 10,146            |
| (Profit)/Loss on Sale of Assets              |           |                   | 1,153             |
| Staff Training                               |           | 400               | 2,946             |
| Subscriptions and Periodicals                |           | 436               | 5,384             |
| Sundry Expenses                              |           | 638               | 1,052             |
| Superannuation                               |           | 3,555             | 5,820             |
| Provision for Annual and Long Service Leave  |           | 8,940             |                   |
| Telephone and Facsimile                      |           | 5,915             | 7,098             |
| Travel and Accommodation                     |           | 3,723             | 7,021             |
| Staff Wages and Salaries                     |           | 38,266            | 52,522            |
| <b>Total Expenditure</b>                     |           | <b>\$ 248,681</b> | <b>\$ 231,762</b> |
| <b>Surplus (Deficit) from Operations</b>     | <b>10</b> | <b>\$ 21,428</b>  | <b>\$ 7,419</b>   |
| <i>Accumulated Funds at 1 January 2005</i>   |           | 145,590           | 138,171           |
| <i>Accumulated Funds at 31 December 2005</i> |           | <b>\$ 167,018</b> | <b>\$ 145,590</b> |

*The accompanying notes form part of these accounts*

# TFGA INDUSTRIAL ASSOCIATION

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2005

|                                      | Note | 2005              | 2004              |
|--------------------------------------|------|-------------------|-------------------|
|                                      |      | \$                | \$                |
| <i>Current Assets</i>                |      |                   |                   |
| Cash at Bank                         | 4    | 23,247            | 51,580            |
| Petty Cash                           | 4    | 107               | 200               |
| Debtors and Prepayments              | 5    | 1,403             | 4,577             |
| GST Refund                           | 5    | 2,666             |                   |
| Investments                          | 6    | 148,552           | 102,874           |
| <b>Total Current Assets</b>          |      | <u>\$ 175,975</u> | <u>\$ 159,231</u> |
| <i>Non-Current Assets</i>            |      |                   |                   |
| Furniture and Fittings               | 7    | 28,441            | 24,755            |
| Less Accumulated Depreciation        |      | <u>18,444</u>     | <u>14,398</u>     |
| <b>Total Non-Current Assets</b>      |      | <u>\$ 9,997</u>   | <u>\$ 10,357</u>  |
| <b>TOTAL ASSETS</b>                  |      | <u>\$ 185,972</u> | <u>\$ 169,588</u> |
| <i>Current Liabilities</i>           |      |                   |                   |
| Trade Creditors and Accruals         | 8    | 7,954             | 19,938            |
| Income in Advance                    | 8    | 250               |                   |
| Provision for Annual Leave           | 9    | 5,658             | 1,810             |
| Other                                |      |                   | 2,250             |
| <b>Total Current Liabilities</b>     |      | <u>13,862</u>     | <u>23,998</u>     |
| <i>Non-Current Liabilities</i>       |      |                   |                   |
| Provision for Long Service Leave     | 9    | <u>5,092</u>      | -                 |
| <b>Total Non-Current Liabilities</b> |      | <u>5,092</u>      | -                 |
| <b>TOTAL LIABILITIES</b>             |      | <u>\$ 18,954</u>  | <u>\$ 23,998</u>  |
| <b>NET ASSETS</b>                    |      | <u>\$ 167,018</u> | <u>\$ 145,590</u> |
| <b>MEMBERS FUNDS</b>                 |      |                   |                   |
| Accumulated Funds                    | 10   | <u>\$ 167,018</u> | <u>\$ 145,590</u> |
| <b>TOTAL MEMBERS FUNDS</b>           |      | <u>\$ 167,018</u> | <u>\$ 145,590</u> |

# TFGA INDUSTRIAL ASSOCIATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2005

|  | Note | 2005<br>\$        | 2004<br>\$        |
|--|------|-------------------|-------------------|
| <b><i>Cash Flows from Operating Activities</i></b>                                       |      |                   |                   |
| Receipts from customers and members  |      | 288,751           | 263,973           |
| Payments to suppliers and employees  |      | (262,570)         | (252,640)         |
| Interest received  |      | 10,905            | 7,324             |
| GST remitted   |      | (16,148)          | (9,238)           |
| <b><i>Net cash flows from Operating Activities</i></b>                                   |      | <b>\$ 20,938</b>  | <b>\$ 9,419</b>   |
| <b><i>Cash Flows from Investing Activities</i></b>                                       |      |                   |                   |
| Payments for plant and equipment   |      | (3,686)           | (5,571)           |
| Payments from sale of plant and equipment  |      | -                 | 28,000            |
| <b><i>Net cash flows from Investing Activities</i></b>                                   |      | <b>\$ (3,686)</b> | <b>\$ 22,429</b>  |
| <b><i>Net increase in cash held</i></b>  |      | 17,252            | 31,848            |
| <b><i>Cash at the beginning of the financial year</i></b>                                |      | 154,654           | 122,806           |
| <b><i>Cash at the end of financial year</i></b>  | 4    | <b>\$ 171,906</b> | <b>\$ 154,654</b> |
| <b><i>Reconciliation of Operating Surplus to Cash Flow from Operating Activities</i></b> |      |                   |                   |
| <b><i>Net Surplus for Year</i></b>   |      | 21,428            | 7,419             |
| <b><i>Depreciation</i></b>   |      | 4,046             | 4,800             |
| <b><i>Gain/Loss on sale of assets</i></b>  |      | -                 | 1,153             |
| <b><i>Change in operating assets and liabilities</i></b>                                 |      |                   |                   |
| Receivables  |      | 508               | 3,838             |
| Accounts Payable   |      | (11,734)          | 3,244             |
| Employee Entitlements  |      | 8,940             | (13,285)          |
| Grants   |      | (2,250)           | 2,250             |
| <b><i>Net cash flows from Investing Activities</i></b>                                   |      | <b>\$ 20,938</b>  | <b>\$ 9,419</b>   |



# TFGA Industrial Association

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

### 1. (a) Statement of Accounting Policies

The financial report is a general purpose financial report prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

The report is prepared on an accrual basis from the records of the Association. They are based on historic costs and do not take into account changing money values and, except where specifically stated, the current value of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the report. The accounting policies have been consistently applied unless otherwise stated.

### (b) Revenue Recognition

Revenue from point of sale levies is recognised on an accrual basis in accordance with recipient created tax invoices supplied by the customer or their agent. Revenue from the sale of goods and rendering of services is recognised on the delivery of the goods and services to the customer. Grants and government funding are recognised as revenue in the period in which the funds are provided is incurred. Any unexpended funds are treated as a liability. Other revenue items, including interest and sponsorship, are recognised upon receipt.

### (c) Income Tax

No income tax provision has been included as 'Trade Unions' are exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997, as amended.

### (d) Goods and Services Tax

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or for receivables and payables which are recognised inclusive of GST as are operating items in the statement of cash flows.

### (e) Cash

For the purposes of the statement of cash flows, cash includes cash on hand, cash at bank and deposits at call net of outstanding bank overdrafts.

### (f) Property Plant and Equipment

Property plant and equipment are stated at the lower of cost less depreciation over the expected useful life of each asset using the diminishing value basis.

# TFGA Industrial Association

## **NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005**

The carrying amount of property plant and equipment is reviewed annually by the Committee of Management to ensure that it is not in excess of the recoverable amount of these assets. The recoverable amount of an asset is the net amount that is expected to be recovered through the net cash inflows arising from its continued use and subsequent disposal. In determining the recoverable amount of non-current assets, the expected net cash flows have not been discounted to their present value.

The following estimated useful lives have been used in the calculation of depreciation

|                               |            |
|-------------------------------|------------|
| Furniture Plant and Equipment | 3-15 Years |
|-------------------------------|------------|

### **(g) Employee Entitlements**

Liabilities for salaries, wages, annual leave and sick leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of the employees' service up to that date.

Provision is made for long service leave for all employees after the completion of four years service. An assessment of the financial impact of expressing the provision using present value basis of measurement indicated that the method currently used is more prudent but not materially different. The assessment will be undertaken each time the Association prepares financial statements.

## **2. Information to be provided to Members and Registrar**

In accordance with Section 272(4) of the Workplace Relations Act 1996, the attention of members is drawn to the following –

- (a) a member of the Association or a Registrar may apply to the Association for specified prescribed information in relation to the Association, and
- (b) A Registrar may only make an application under Subsection (1) at the request of a member of the Association and the Registrar shall provide to a member information received because of an application made at the request of the member,

# TFGA Industrial Association

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

### 3. Profit (Loss) from Ordinary Activities

Profit (Loss) from ordinary activities included the following specific items –

|                                    | 2005  | 2004     |
|------------------------------------|-------|----------|
| Expenses                           | \$    | \$       |
| Depreciation                       |       |          |
| Furniture and Equipment            | 4 046 | 3 063    |
| Motor Vehicles                     |       | 1 738    |
|                                    | 4 046 | 4 801    |
| Other Provisions                   |       |          |
| Employee Entitlements              | 8 940 | (1 964)  |
|                                    | 8 940 | (1 964)  |
| Net Gains (Losses)                 |       |          |
| Proceeds on Disposal of Assets     | Nil   | 28 000   |
| Carrying amount of assets disposed | Nil   | (29 153) |
| Net Gain (Loss) on Disposal        | Nil   | (1 153)  |

### 4. Cash

|   | 2005      | 2004     |
|---|-----------|----------|
| Expenses                                      | \$        | \$       |
| Cash on Hand                                  | 107       | 200      |
| Cash at Bank                                  | 23 247    | 51 580   |
| <i>Total Cash</i>                             | 23 354    | \$51 780 |
| <br>  |           |          |
| Total Cash as above                           | 23 354    | 51 780   |
| Current Investments                           | 6 148 552 | 102 874  |
| <i>Balance as per Statement of Cash Flows</i> | 171 906   | 154 654  |

### 5. Receivables

|                                  | 2005  | 2004  |
|----------------------------------|-------|-------|
|                                  | \$    | \$    |
| Trade Debtors                    | 1 403 | -     |
| GST Receivables                  | 2 666 | 4 577 |
| <i>Total Current Receivables</i> | 4 069 | 4 577 |

### 6. Investments

|                                  | 2005    | 2004    |
|----------------------------------|---------|---------|
|                                  | \$      | \$      |
| Current Investments              | 148 552 | 102 874 |
| <i>Total Current Investments</i> | 148 552 | 102 874 |

### 7. Plant and Equipment

|                                      | 2005   | 2004   |
|--------------------------------------|--------|--------|
|                                      | \$     | \$     |
| Furniture and Equipment (at cost)    | 28 440 | 24 755 |
| Less Accumulated Depreciation        | 18 444 | 14 398 |
| <i>Total Furniture and Equipment</i> | 9 996  | 10 357 |

# TFGA Industrial Association

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

|  |                |                                    |
|--|----------------|------------------------------------|
| <b>Movement in carrying amounts</b>              |                | <i>Furniture and<br/>Equipment</i> |
| Opening Balance                                  |                | 10 357                             |
| Additions  |                | 3 685                              |
| Disposals  |                | -                                  |
| Depreciation                                     |                | (4 046)                            |
| Closing Balance                                  |                | <u>9 996</u>                       |
| <br>   |                |                                    |
| <b>8. Accounts Payable</b>                       | <b>2005</b>    | <b>2004</b>                        |
|  | <b>\$</b>      | <b>\$</b>                          |
| Trade Creditors                                  | 7 954          | 18 473                             |
| Income in Advance                                | 250            |                                    |
| Accrued Expenses                                 |                | 485                                |
| PAYG Withholding Payable                         |                | 980                                |
| <i>Total Accounts Payable</i>                    | <u>8 204</u>   | <u>19 938</u>                      |
| <br>   |                |                                    |
| <b>8. Provisions</b>                             | <b>2005</b>    | <b>2004</b>                        |
|  | <b>\$</b>      | <b>\$</b>                          |
| <b>Current</b>                                   |                |                                    |
| Employee Entitlements                            | 5 658          | 1 810                              |
| <i>Total Current Provision</i>                   | <u>5 658</u>   | <u>1 810</u>                       |
| <br>   |                |                                    |
| <b>Non- Current</b>                              |                |                                    |
| Employee Entitlements                            | 5 092          | Nil                                |
| <i>Total Non-Current Provision</i>               | <u>5 092</u>   | <u>Nil</u>                         |
| <br>   |                |                                    |
| <i>Number of Employees at year end</i>           | 1              | 1                                  |
| <br>   |                |                                    |
| <b>9. Other Liabilities</b>                      | <b>2005</b>    | <b>2004</b>                        |
|  | <b>\$</b>      | <b>\$</b>                          |
| Unexpended Grants                                | Nil            | 2 250                              |
| <i>Total Other Liabilities</i>                   | <u>Nil</u>     | <u>2 250</u>                       |
| <br>   |                |                                    |
| <b>10. Retained Surpluses</b>                    | <b>2005</b>    | <b>2004</b>                        |
|  | <b>\$</b>      | <b>\$</b>                          |
| Retained Surpluses at beginning of the year      | 145 590        | 138 171                            |
| Net Surplus for the year                         | 21 428         | 7 419                              |
| <i>Retained Surpluses at the end of the year</i> | <u>167 018</u> | <u>145 590</u>                     |
| <br>   |                |                                    |
| <b>11. Auditors Remuneration</b>                 | <b>2005</b>    | <b>2004</b>                        |
|  | <b>\$</b>      | <b>\$</b>                          |
| Audit of the Financial Report                    | 2 800          | 1 050                              |
| Other Services                                   | -              | -                                  |
|  | <u>2 800</u>   | <u>1 050</u>                       |

# TFGA Industrial Association

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

### 12. Post Balance Day Events

At the date of this report, there does not exist any transaction including contingent liabilities or charges on assets of the Association which has arisen since the end of the financial year which are likely to affect the results of the Association's operations for the next succeeding year.

### 13. Financial Instruments

#### *Interest Rate Risk Exposure*

TFGA industrial Association' exposure to interest rate risk and the weighted average effective interest rate (WAEI) for each class of financial asset and financial liability is as follows -

| 2005                          | WAEI % | Floating Interest Rate | Fixed Interest maturing in 1 Year or less | Non-Interest Bearing | Total   |
|-------------------------------|--------|------------------------|---|----------------------|---------|
| <i>Financial Assets</i>       |        | \$                     | \$  | \$                   | \$      |
| Cash                          | 3.7%   | 23 354                 |   | 107                  | 23 247  |
| Investments                   | 5.4%   | 148 552                |   |                      | 148 552 |
| Receivables                   |        |                        |   | 4 069                | 4 069   |
| <i>Total Financial Assets</i> |        | 171 906                | Nil                                       | 4 176                | 175 868 |

|                                    | WAEI % | Floating Interest Rate | Fixed Interest maturing in 1 Year or less | Non-Interest Bearing | Total |
|------------------------------------|--------|------------------------|---|----------------------|-------|
| <i>Financial Liabilities</i>       |        | \$                     | \$  | \$                   | \$    |
| Accounts Payable                   |        |                        |   | 7 954                | 7 954 |
| Other Liabilities                  |        |                        |   | 250                  | 250   |
| <i>Total Financial Liabilities</i> |        | Nil                    | Nil                                       | 8 204                | 8 204 |

| 2004                          | WAEI % | Floating Interest Rate | Fixed Interest maturing in 1 Year or less | Non-Interest Bearing | Total   |
|-------------------------------|--------|------------------------|---|----------------------|---------|
| <i>Financial Assets</i>       |        | \$                     | \$  | \$                   | \$      |
| Cash                          | 3.7%   | 51 580                 |   | 200                  | 51 780  |
| Investments                   | 5.2%   | 102 874                |   |                      | 102 874 |
| Receivables                   |        |                        |   | 4 577                | 4 577   |
| <i>Total Financial Assets</i> |        | 154 154                | Nil                                       | 4 777                | 159 231 |

|                                    | WAEI % | Floating Interest Rate | Fixed Interest maturing in 1 Year or less | Non-Interest Bearing | Total  |
|------------------------------------|--------|------------------------|---|----------------------|--------|
| <i>Financial Liabilities</i>       |        | \$                     | \$  | \$                   | \$     |
| Accounts Payable                   |        |                        |   | 19 938               | 19 938 |
| Other Liabilities                  |        |                        |   | 2 250                | 2 250  |
| <i>Total Financial Liabilities</i> |        | Nil                    | Nil                                       | 22 188               | 22 188 |

#### *Credit Risk Exposure*

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements. The Association does not have any material credit risk to any single debtor or group of debtors under financial instruments entered into by the Association.

# TFGA Industrial Association

## *NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005*

### *Net Fair Value of Financial Assets and Liabilities*

The net fair value of financial assets and liabilities approximates their carrying value. No financial assets or liabilities are readily traded on organized markets in standardized form. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

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

### **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. The aggregate amount of the allowances paid for the financial year was \$7 700 (in 2004 - \$7 825).

### **15. Impact of Adoption of Australian Equivalents to International Financial Reporting Standards**

The Association has reviewed the impact of the adoption of Australian Equivalents to International Financial Reporting Standards (IFRS). IFRS requires the production of accounting data for comparative purposes. No financial adjustment to restate comparative figures from the previous year has been deemed necessary.

The Association currently determines the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the asset's use and subsequent disposal. In terms of AASB 136 *Impairment of Assets*, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use. It is likely that this change in accounting policy will lead to impairments being recognised more often than under the existing approach.

Other changes in application of IFRS are expected to have minimal (if any) impact on the Association's disclosure policies.

### **16. Association Details**

The Association's principal place of business is:

*TFGA Industrial Association  
28 Garfield Street  
LAUNCESTON Tasmania 7250*

## INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE TFGA INDUSTRIAL ASSOCIATION

### Scope

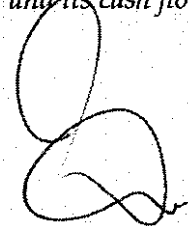
*I have audited the financial report of TFGA Industrial Association for the year ended 31 December 2005 as set out on pages 1 to 11. The Committee of Management is responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the members.*

*My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, the requirements of the Workplace Relations Act 1996 and the requirements of the Association's Constitution so as to present a view which is consistent with my understanding of the TFGA Industrial Association's financial position, the results of its operations and its cash flows.*

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

### Audit opinion

*In my opinion, the financial report presents fairly, in accordance with Australian Accounting Standards, other mandatory professional reporting obligations, the Industrial Registrar's Reporting Guidelines and Schedule 1B of the Workplace Relations Act 1996 and the Association's Constitution, the financial position of the TFGA Industrial Association as at 31 December 2005 and the results of its operations and its cash flows for the year then ended.*



**John Baker FCPA**

Launceston

26<sup>th</sup> May 2006

## OPERATING REPORT

Operating Report for the TFGA Industrial Association for the year ended 31<sup>st</sup> December 2005 in accordance with Section 254 of the RAD Schedule and Regulation 159 of the RAD Schedule.

254 (2) (a) The principal activities for the Association during 2005 have been to represent the Workplace Relations interests of employers engaged in the agricultural, fruit growing, vineyard, livestock, dairying and vegetable industries situated in Tasmania.

This involves providing advice in respect of the relevant federal awards, including rates of pay, negotiations with the relevant unions, advocacy before the AIRC and Federal Court, promotion of Australian Workplace Agreements and promoting Workplace Health and Safety.

(b) There have not been any significant changes to the financial affairs of the TFGA Industrial Association during the year ended 31<sup>st</sup> December 2005.

(c) The right of members to resign from the Association is in accord with Clause 13 of its Constitution which states:

### 13.0 Membership Resignation

13.1 A member of the Association may resign from membership by written notice addressed and delivered to the Executive Officer of the Association.

13.2 A notice of resignation from membership of the Association takes effect:

(a) where the member ceases to be eligible to become a member of the Association:

(i) on the day on which the notice is received by the Association; or

(ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later; or

(b) in any other case:

(i) at the end of 2 weeks after the notice is received by the Association; or

(ii) on the day specified in the notice;

whichever is later.

13.3 Any dues payable but not paid by a former member of the Association in relation to a period before the member's resignation from the Association took effect, may be sued for and recovered in the name of the Association, in a court of competent jurisdiction, as a debt due to the Association.

13.4 A notice delivered to the Executive Officer of the Association shall be taken to have been received by the Association when it was delivered.

13.5 A notice of resignation that has been received by the Association is not invalid because it was not addressed and delivered in accordance with Rule 13.1.

13.6 A resignation from membership of the Association is valid even if it is not affected in accordance with this Rule 13 if the member is informed in writing by or on behalf of the Association that the resignation has been accepted.



- (d) The Association does not have any member of its staff or Committee of Management who is:
- (i) a 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; and
- where a criterion for the officer being the trustee or director is that the officer or member is an officer or member of a registered organisation.
- (e) There is no other information to report that the Association considers relevant.
- (f) (a) As at the 31<sup>st</sup> December 2005 the Association had 714 persons recorded on the register of members.
- (f) (b) As at the 31<sup>st</sup> December 2005 the Association had two full time employees, one engaged as a direct employee, the other on a consulting basis.
- (f) (c) The Committee of Management for 2005 is as follows:

|                        |                                    |
|------------------------|------------------------------------|
| Mr W. O'Connor         | 1 January 2005 to 31 December 2005 |
| Mr KHR Miles           | 1 January 2005 to 31 December 2005 |
| Mr LI Harrison         | 1 January 2005 to 31 December 2005 |
| Mr G Archer            | 1 January 2005 to 31 December 2005 |
| Mr EA Cameron          | 1 January 2005 to 31 December 2005 |
| Mr C Dobson            | 1 January 2005 to 15 June 2005     |
| Mr W Fergusson         | 1 January 2005 to 15 June 2005     |
| Mr D Swan              | 1 January 2005 to 31 December 2005 |
| Mr R Thirkell-Johnston | 1 January 2005 to 31 December 2005 |
| Mr M Legge             | 1 January 2005 to 31 December 2005 |
| Mr A Smith             | 1 January 2005 to 31 December 2005 |
| Mr E Langton           | 15 June 2005 to 31 December 2005   |
| Mr G Allen             | 15 June 2005 to 31 December 2005   |

On Tuesday 11<sup>th</sup> April 2006 the Committee of Management of the TFGA Industrial Association passed a resolution supporting the Operating Report for the TFGA Industrial Association for the financial year ended 31<sup>st</sup> December 2005 as prepared by its Executive Officer, Keith James Rice.

Prepared by: Keith James Rice  
 Title of Office held: Executive Officer

Signature:

Date:

*KJR*  
 signature  
 10<sup>th</sup> April 2006



**Australian Government**

**Australian Industrial Registry**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9380 6990  
Email: sydney@air.gov.au

Mr Keith J Rice  
Executive Officer  
TFGA Industrial Association  
PO Box 1000  
Launceston Tasmania 7250

Dear Mr Rice

**Re: Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule)  
Financial Reports for the year ended 31 December 2005 – FR2005/655**

I have received your Secretary's Certificate dated 16 June 2006 accompanied by a copy of the financial documents of the Association for the year ended 31 December 2005. The documents were lodged in the Industrial Registry on 19 June 2006.

The documents have been filed.

There are a number of matters I need to bring to your attention so that steps may be taken prior to the lodgement of your next set of financial documents to ensure full compliance with legislative requirements.

**1 Committee of Management Statement**

In accordance with paragraph 253(2)(c) of the RAO Schedule and the Industrial Registrar's Reporting Guidelines 24, 25 and 26, a comprehensive Committee of Management Statement must be provided as part of the general purpose financial report (GPFR). As part of the Association's GPFR for the 2004 financial year such a statement was produced and fully complied with the legislative requirements. It was titled "Committee of Management Statement", it was dated 16 May 2005 and was signed by both the President and Treasurer. As part of the GPFR for the 2005 financial year a document titled "Statement by Committee Members" was included which appears to be a much abridged version of the statement required by the Registrar.

Please ensure that in your next financial return the Committee of Management Statement reverts to full compliance with legislative requirements so as not to delay the filing of the documents and to ensure the Association is not exposed to the potential of a monetary penalty.

**2 Operating Report**

There appear to be 2 operating reports submitted as part of your GPFR. The first is a 2 page document, signed by you in your capacity as Executive Officer and is dated 10 April 2006. It is comprehensive and meets all the legislative requirements. The second operating report is a single page document, signed by the President and Treasurer and is dated 24 May 2006. It is an abridged version of what is required.

Please revert to producing just one operating report, as the Association did for the 2004 financial year, and ensure that it fully complies with all legislative requirements.

### 3 Notes to the financial statements

Mr Paul Herrod, of the Statutory Services Branch of the Registry, in his letter to you dated 20 July 2005, pointed out that the reference to "section 274(4)" of the Act in Note 2 to the financial statements for year ended 31 December 2004 should have been "section 272(4)". You have amended Note 2 to the financial statements for year ending 31 December 2005 accordingly. However, Mr Herrod should also have advised you that the subsection of section 272 that you should be referring to is in fact subsection (5) and not (4). Subsection 272(5) requires that a GPFR "must include a notice drawing attention to subsections (1), (2) and (3) of this section and setting out those subsections." Your Note 2 only provides details of subsections(1) and (4) of section 272 of the RAO Schedule.

In the next GPFR please ensure that in compliance with subsection 272(5) the details of subsections 272 (1), (2) and (3) are set out in the Notes to the financial statements. Your Note 2 could read as follows:

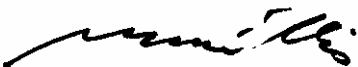
#### **"Information to be provided to members or Registrar**

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of subsections(1), (2) and (3) of section 272 of Schedule 1B which read as follows:-

- (1) A member of the Association, or a Registrar, may apply to the Association for specified prescribed information in relation to the Association 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 Association.
- (3) The Association must comply with an application made under subsection (1)."

Please forward a copy of this letter to your auditor, Mr John Baker, for his information. I was unable to locate his address.

Yours sincerely,



Michael Ellis  
Deputy Industrial Registrar

24 August 2006