



Mr Keeton Miles
President
TFGA Industrial Association
PO Box 3014
LAUNCESTON TAS 7250

By email: primaryemployers@bigpond.com

Dear Mr Miles

**Re: Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)
Financial Reports for year ended 31 December 2007 – FR2007/628**

I acknowledge receipt of the financial reports of the TFGA Industrial Association for the year ended 31 December 2007. The documents were lodged in the Industrial Registry on 16 June 2008.

The documents have been filed.

Although the documents have been filed, I like to make some comments to assist you when your organisation next prepares the financial reports. You *do not* need to take any further action in respect of the financial reports already lodged.

1. Committee of Management Statement

Subsection 253(2)(c) of the RAO Schedule and items 24 to 26 of the Reporting Guidelines provide the legislative requirements of the committee of management statement. More specifically, items 25(e)(ii) and (iii) states that the committee of management statement must include, amongst other things, declarations as to whether during the financial year to which the general purpose financial report relates that:

“

- (ii) *the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and*
- (iii) *the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations . . .”*

Therefore, to fully comply with s253(2)(c) and item 25, paragraph 3(b) of your organisation's existing committee of management statement should perhaps be amended to:

“During the financial year and since the end of that year:

- (b) *the financial affairs of the organisation have been managed in accordance with the rules of the organisation and the financial records of the organisation have been kept and maintained in accordance with Schedule 1 of the Workplace Relations Act 1996 and the RAO Regulations 2003.”*

2. Certificate of Secretary

Under the first paragraph of the secretary's certificate, the correct reference to the RAO Schedule is s268 and not s265.

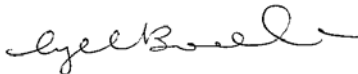
3. Auditor's Report

I note the auditor has provided details of his professional membership to CPA Australia and that he is a Registered Company Auditor. However, regulation 4 of the *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003* specifies an approved auditor must also hold a current Public Practice Certificate. In all likelihood your auditor would hold a current Public Practice Certificate but it is our preference that this is made explicit in the report. I recommend you draw this comment to your auditor's attention.

Also references to Schedule 1B of the *Workplace Relations Act 1996* appearing in the auditor's report should properly be referred to as Schedule 1 or the RAO Schedule of the *Workplace Relations Act 1996*.

Should you wish to discuss any matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7989 on Wednesdays and Thursdays or by email at Cynthia.lobooth@air.gov.au

Yours sincerely,



Cynthia Lo-Booth
Statutory Services Branch

25 June 2008

FR 2007/628

Certificate of Secretary or other Authorised Officer

S268 of Schedule 1B Workplace Relations Act 1996


I, Keeton Harold Robert Miles, being the President of the TFGA Industrial Association certify:

That the documents lodged herewith are copies of the full report, referred to in s265 of the RAO Schedule; and

That the full report was provided to members on 15th May 2008; and

That the full report was presented to a general meeting of members of the reporting unit on 12th June 2008 in accordance with Section 266 of the RAO Schedule.

Signed:


.....
Keeton H. R. Miles
President

13th June 2008

**TFGA INDUSTRIAL
ASSOCIATION**

FINANCIAL REPORT

FOR THE YEAR ENDED

31 December 2007

Baker Accounting Services
CERTIFIED PRACTISING ACCOUNTANTS

TFGA INDUSTRIAL ASSOCIATION

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TFGA INDUSTRIAL ASSOCIATION

OPERATING REPORT

Operating Report for the TFGA Industrial Association for the year ended 31st December 2007 in accordance with Section 254 of the RAO Schedule and Regulation 159 of the RAO Schedule.

- 254 (2) (a) The principal activities for the Association during 2007 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 Workplace Relations Legislation and the relevant federal awards, including rates of pay, negotiations with the relevant unions, advocacy before the AIRC and Federal Court, negotiations and advice in respect of Workplace Health and Safety Legislation.
- (b) There have not been any significant changes to the financial affairs of the TFGA Industrial Association during the year ended 31st December 2007.
- (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.

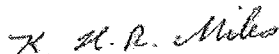
TFGA INDUSTRIAL ASSOCIATION

- 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 31st December 2007 the Association had 675 persons recorded on the register of members.
- (f) (b) As at the 31st December 2007 the Association had two full time persons, one engaged as a direct employee, the other on a consulting basis.
- (f) (c) The Committee of Management for 2007 was as follows:

| | |
|------------------------|----------------|
| Mr KHR Miles | President |
| Mr W. O'Connor | Vice President |
| Mr LI Harrison | Treasurer |
| Mr G Archer | |
| Mr EA Cameron | |
| Mrs D Swan | |
| Mr R Thirkell-Johnston | |
| Mr M Legge | |
| Mr C Langton | |
| Mr G Allen | |
| Mrs S Tennant | |

In April 2008 the Committee of Management of the TFGA Industrial Association passed a resolution supporting the Operating Report of the TFGA Industrial Association for the financial year ended 31st December 2007 as prepared by its Executive Officer, Keith James Rice.

Keeton Miles:
President



Lionel Harrison:
Treasurer
Launceston April 2008



TFGA INDUSTRIAL ASSOCIATION

BALANCE SHEET

AS AT 31 DECEMBER 2007

| | | 2007 | 2006 |
|--------------------------------------|----|-------------------|-------------------|
| | | \$ | \$ |
| <i>Current Assets</i> | | | |
| Cash at Bank | 4 | 51,086 | 16,263 |
| Petty Cash | 4 | 123 | 107 |
| Debtors and Prepayments | 5 | 16,390 | 4,950 |
| GST Refund | 5 | 2,048 | 2,432 |
| Investments | 6 | 227,662 | 199,393 |
| <i>Total Current Assets</i> | | <u>\$ 297,309</u> | <u>\$ 223,144</u> |
| <i>Non-Current Assets</i> | | | |
| Furniture and Fittings | 7 | 29,935 | 28,440 |
| Less Accumulated Depreciation | | 25,993 | 23,001 |
| <i>Total Non-Current Assets</i> | | <u>\$ 3,942</u> | <u>\$ 5,439</u> |
| TOTAL ASSETS | | <u>\$ 301,251</u> | <u>\$ 228,583</u> |
| <i>Current Liabilities</i> | | | |
| Trade Creditors and Accruals | 8 | 23,196 | 1,501 |
| Income in Advance | 8 | 495 | 530 |
| Provision for Annual Leave | 9 | 3,808 | 6,317 |
| Other | 10 | 3,293 | 10,530 |
| <i>Total Current Liabilities</i> | | <u>30,792</u> | <u>18,878</u> |
| <i>Non-Current Liabilities</i> | | | |
| Provision for Long Service Leave | | 8,432 | 6,978 |
| <i>Total Non-Current Liabilities</i> | | <u>8,432</u> | <u>6,978</u> |
| TOTAL LIABILITIES | | <u>\$ 39,224</u> | <u>\$ 25,856</u> |
| NET ASSETS | | <u>\$ 262,027</u> | <u>\$ 202,727</u> |
| MEMBERS FUNDS | | | |
| Accumulated Funds | | \$ 262,027 | \$ 202,727 |
| TOTAL MEMBERS FUNDS | | <u>\$ 262,027</u> | <u>\$ 202,727</u> |

The accompanying notes form part of these accounts

TFGA INDUSTRIAL ASSOCIATION
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007

| | Note | 2007 | 2006 |
|---|------|-------------------|-------------------|
| | | | \$ |
| <i>Revenue</i> | | | |
| Consultancy - State | | 16,011 | 20,140 |
| Interest Received | | 15,887 | 12,603 |
| Service Fees - TFGA | | 25,000 | 25,000 |
| Sponsorship and Advertising | | 10,000 | 3,750 |
| Subscriptions | | 180,564 | 182,196 |
| Sundry Income | | 1,459 | 5,373 |
| WorkChoices Funding | | 69,303 | 59,226 |
| Total Revenue | | <u>\$ 318,024</u> | <u>\$ 308,287</u> |
| <i>Expenditure</i> | | | |
| Advertising | | 3,322 | 1,410 |
| Audit and Accountancy | | 7,827 | 8,263 |
| Computer and Internet Expenses | | 498 | 817 |
| Consultancy Fees | | 133,509 | 137,240 |
| Depreciation | | 2,992 | 4,557 |
| Insurance | | 2,500 | 2,500 |
| Legal Expenses | | 138 | 1,075 |
| Meeting Expenses | | 602 | 4,205 |
| Postage and Public Relations | | 5,835 | 7,158 |
| Members' Allowances | | 7,000 | 7,600 |
| Employers' Handbooks | | - | 13,141 |
| Printing Stationery and Copying | | 14,552 | 19,048 |
| Staff Training | | - | - |
| Subscriptions and Periodicals | | 5,717 | 425 |
| Sundry Expenses | | 153 | 55 |
| Superannuation | | 4,213 | 9,574 |
| Provision for Annual and Long Service Leave | 3 | 3,462 | 2,545 |
| Telephone and Facsimile | | 7,917 | 6,985 |
| Travel and Accommodation | | 15,156 | 14,098 |
| Staff Wages and Salaries | | 43,331 | 39,883 |
| Total Expenditure | | <u>\$ 258,724</u> | <u>\$ 272,579</u> |
| Surplus (Deficit) from Operations | 11 | <u>\$ 59,300</u> | <u>\$ 35,709</u> |

STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2007

| | | |
|---------------------------------------|-------------------|-------------------|
| Accumulated Funds at 1 January 2006 | 202,727 | 167,018 |
| Surplus (Deficit) from Operations | 59,300 | 35,709 |
| Accumulated Funds at 31 December 2007 | <u>\$ 262,027</u> | <u>\$ 202,727</u> |

The accompanying notes form part of these accounts

TFGA INDUSTRIAL ASSOCIATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2007

| | Note | 2007 | 2006 |
|---|------|-------------------|-------------------|
| | | | \$ |
| <i>Cash Flows from Operating Activities</i> | | | |
| Receipts from customers and members | | 315,406 | 303,180 |
| Payments to suppliers and employees | | (247,467) | (253,986) |
| Interest received | | 15,887 | 12,603 |
| GST remitted | | (19,222) | (17,940) |
| <i>Net cash flows from Operating Activities</i> | | <u>\$ 64,604</u> | <u>\$ 43,857</u> |
| <i>Cash Flows from Investing Activities</i> | | | |
| Payments for plant and equipment | | (1,495) | - |
| Payments from sale of plant and equipment | | | - |
| <i>Net cash flows from Investing Activities</i> | | <u>\$ (1,495)</u> | <u>\$ -</u> |
| <i>Net increase in cash held</i> | | 63,109 | 43,857 |
| <i>Cash at the beginning of the financial year</i> | | 215,763 | 171,906 |
| <i>Cash at the end of financial year</i> | 4 | <u>\$ 278,872</u> | <u>\$ 215,763</u> |
| <i>Reconciliation of Operating Surplus to Cash Flow from Operating Activities</i> | | | |
| <i>Net Surplus for Year</i> | | 59,300 | 35,709 |
| <i>Depreciation</i> | | 2,992 | 4,557 |
| <i>Gain/Loss on sale of assets</i> | | | - |
| <i>Change in operating assets and liabilities</i> | | | |
| Receivables | | (11,056) | (2,778) |
| Accounts Payable | | 21,660 | (6,453) |
| Employee Entitlements | | (1,055) | 2,545 |
| Other Liabilities | | (7,237) | 10,277 |
| <i>Net cash flows from Investing Activities</i> | | <u>\$ 64,604</u> | <u>\$ 43,857</u> |

The accompanying notes form part of these accounts

TFGA INDUSTRIAL ASSOCIATION

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

I. (a) Statement of Accounting Policies

The financial report is a general purpose financial report which has been prepared in accordance with the Workplace Relations Act 1996 and applicable Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and complies with other requirements of the law. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS').

The report is prepared on an accrual basis from the records of the Association. They are based on historical 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 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 at the time of receipt. 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 straight-line valuation method.

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 |
|-------------------------------|------------|

TFGA INDUSTRIAL ASSOCIATION

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

(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 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 1 B 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).

3. Profit (Loss) from Ordinary Activities

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

| | 2007 | 2006 |
|------------------------------------|-------|------|
| Expenses | \$ | \$ |
| Depreciation | | |
| Furniture and Equipment | 2 992 | 4557 |
| | 2 992 | 4557 |
| Other Provisions | | |
| Employee Entitlements | 3 462 | 2545 |
| | 3 462 | 2545 |
| Net Gains (Losses) | | |
| Proceeds on Disposal of Assets | Nil | Nil |
| Carrying amount of assets disposed | Nil | Nil |
| Net Gain (Loss) on Disposal | Nil | Nil |

4. Cash

| | 2007 | 2006 |
|---|---------|---------|
| | \$ | \$ |
| Cash on Hand | 123 | 107 |
| Cash at Bank | 51 086 | 16 263 |
| <i>Total Cash</i> | 51 209 | 16 370 |
| Total Cash as above | 51 209 | 16 370 |
| Current Investments | 227 662 | 199 393 |
| <i>Balance as per Statement of Cash Flows</i> | 278 871 | 215 763 |

TFGA INDUSTRIAL ASSOCIATION

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

| | | |
|--|------------------------------------|-----------------|
| 5. Receivables | 2007 | 2006 |
| | \$ | \$ |
| Trade Debtors | 16 390 | 4 950 |
| Tax Refund | 2 048 | 2 432 |
| <i>Total Current Receivables</i> | <u>18 438</u> | <u>7 382</u> |
| 6. Investments | 2007 | 2006 |
| | \$ | \$ |
| Tasmanian Perpetual Trustees | <u>227 662</u> | <u>199 392</u> |
| <i>Total Current Investments</i> | <u>227 662</u> | <u>199 392</u> |
| 7. Plant and Equipment | 2007 | 2006 |
| | \$ | \$ |
| Furniture and Equipment (at cost) | 29 935 | 28 440 |
| Less Accumulated Depreciation | <u>25 993</u> | <u>23 001</u> |
| <i>Total Furniture and Equipment</i> | <u>3 942</u> | <u>5 439</u> |
| | <i>Furniture and Equipment</i> | |
| <i>Movement in carrying amounts</i> | | |
| Opening Balance | | 5 439 |
| Additions | | 1 495 |
| Disposals | | - |
| Depreciation | | <u>(2 992)</u> |
| Closing Balance | | <u>3 942</u> |
| 8. Accounts Payable | 2007 | 2006 |
| | \$ | \$ |
| Trade Creditors | 23 196 | 1 501 |
| Income in Advance | 495 | 530 |
| <i>Total Accounts Payable</i> | <u>23 691</u> | <u>1 831</u> |
| 9. Provisions | 2007 | 2006 |
| Current | \$ | \$ |
| Employee Entitlements | 3 808 | 6 317 |
| <i>Total Current Provision</i> | <u>3 808</u> | <u>6 317</u> |
| Non- Current | | |
| Employee Entitlements | 8 432 | 6 978 |
| <i>Total Non-Current Provision</i> | <u>8 432</u> | <u>6 978</u> |
| <i>Number of Employees at year end</i> | 1 | 1 |

TPGA INDUSTRIAL ASSOCIATION

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007

10. Other Liabilities

| | 2007 | 2006 |
|--------------------------------|--------------|---------------|
| | \$ | \$ |
| FarmBiz Project Funding | 2 040 | 10 530 |
| Superannuation | 1 253 | |
| <i>Total Other Liabilities</i> | <u>3 293</u> | <u>10 530</u> |

11. Retained Surpluses

| | 2007 | 2006 |
|--|----------------|----------------|
| | \$ | \$ |
| Retained Surpluses at beginning of the year | 202 727 | 167 018 |
| Net Surplus for the year | 59 300 | 35 709 |
| <i>Retained Surpluses at the end of the year</i> | <u>262 027</u> | <u>202 727</u> |

12. Auditors Remuneration

| | 2007 | 2005 |
|-------------------------------|--------------|--------------|
| | \$ | \$ |
| Audit of the Financial Report | 1 765 | 1 700 |
| Other Services | - | - |
| | <u>1 765</u> | <u>1 700</u> |

13. 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.

14. Financial Instruments

Interest Rate Risk Exposure

TPGA industrial Association's 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 -

| 2007 | WAEI% | Floating Interest Rate | Fixed Interest maturing in 1 Year or less | Non-Interest Bearing | Total |
|------------------------------------|--------|------------------------|---|----------------------|----------------|
| <i>Financial Assets</i> | | \$ | \$ | \$ | \$ |
| Cash | 3.7% | 51 086 | | 123 | 51 209 |
| Investments | 5.8% | 227 662 | | | 227 662 |
| Receivables | | | | 18 438 | 18 438 |
| <i>Total Financial Assets</i> | | <u>278 748</u> | <u>Nil</u> | <u>4 176</u> | <u>297 309</u> |
| | WAEI % | Floating Interest Rate | Fixed Interest maturing in 1 Year or less | Non-Interest Bearing | Total |
| <i>Financial Liabilities</i> | | \$ | \$ | \$ | \$ |
| Accounts Payable | | | | 23 196 | 23 196 |
| Income in Advance | | | | 495 | 495 |
| Other Liabilities | | | | 3 293 | 3 293 |
| <i>Total Financial Liabilities</i> | | <u>Nil</u> | <u>Nil</u> | <u>26 984</u> | <u>26 984</u> |

TFGA INDUSTRIAL ASSOCIATION

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

| 2006 | WAEI % | Floating Interest Rate | Fixed Interest maturing in 1 Year or less | Non- Interest Bearing | Total |
|------------------------------------|--------|------------------------------|---|-----------------------------|---------|
| <i>Financial Assets</i> | | \$ | \$ | \$ | \$ |
| Cash | 3.7% | 16 263 | | 107 | 16 370 |
| Investments | 5.2% | 199 393 | | | 199 393 |
| Receivables | | | | 7 382 | 7 382 |
| <i>Total Financial Assets</i> | | 215 656 | Nil | 7 489 | 223 145 |
| | WAEI % | Floating Interest Rate | Fixed Interest maturing in 1 Year or less | Non- Interest Bearing | Total |
| <i>Financial Liabilities</i> | | \$ | \$ | \$ | \$ |
| Accounts Payable | | | | 1 501 | 1 501 |
| Other Liabilities | | | | 10 780 | 10 780 |
| <i>Total Financial Liabilities</i> | | Nil | Nil | 12 281 | 12 281 |

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.

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.

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. The aggregate amount of the allowances paid for the financial year was \$7 000 (in 2006 - \$7 600).

16. Association Details

The Association's principal place of business is:

TFGA Industrial Association
28 Garfield Street
LAUNCESTON Tasmania 7250

TFGA INDUSTRIAL ASSOCIATION

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 2007 as set out on pages 1 to 12. 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 2007 and the results of its operations and its cash flows for the year then ended.



John Baker FCPA
Fellow - CPA Australia
Registered Company Auditor

Member No: 410172
ASIC Reference No: 000201

Launceston

8 May 2008

Committee of Management Statement

31 December 2007

We, Keeton Miles and Lionel Harrison, being two members of the Committee of Management of the TFGA Industrial Association, do state on behalf of the Committee and in accordance with a resolution passed by the Committee, at a properly convened meeting of the Committee on the 30th April 2008 that:

In the opinion of the Committee of Management:

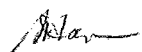
1. The financial statements and notes as set out on the accompanying Financial Statements and notes thereto are in accordance with the Workplace Relations Act (1996), including:
 - (a) complying with Australian Accounting Standards; and
 - (b) complying with the reporting guidelines of the Industrial Registrar; and
 - (c) giving a true and fair view of the company's financial position as at 31 December 2007 and of its performance and cash flows for the year ended on that date.
2. In the Committee of Management's opinion, there are reasonable grounds to believe that the organisation will be able to pay its debts as and when they fall due and payable.
3. During the financial year and since the end of that year:
 - (a) meetings of the committee of management were held in accordance with the rules of the organisation; and
 - (b) the financial affairs of the organisation have been managed in accordance with the rules of the organisation, the Workplace Relations Act 1996 and Schedule 1 of the Workplace Relations Act 1996, 'Registration and Accountability of Organisations Schedule'.
 - (c) the information sought in any request of a member of the organisation or a Registrar duly made under section 272 of the Registration and Accountability of Organisations Schedule has been furnished to the member or Registrar; and
 - (d) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the Registration and Accountability of Organisations Schedule.

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

Keeton Miles
President



Lionel Harrison
Treasurer



Launceston, 30th April 2008.