



28 August 2017

Mr Andrew Cameron
Executive Officer
TGFA Industrial Association

Sent via email: andrew@primaryemployers.com.au

cc. Mr Michael Harvey at info@mdhaccounting.com.au

Dear Mr Cameron

Re: TGFA Industrial Association – financial report for year ending 31 December 2016 (FR2016/356) (supplementary)

Further to my correspondence of same date, I wish to draw your auditor's attention to the following, in respect of the abovementioned financial report of the TGFA Industrial Association.

New Format for Auditor's Statement

The Auditing and Assurance Standards Board (AUASB) has released new requirements for auditor reports effective for financial reporting periods ending on or after 15 December 2016. The Auditor's Statement for the organisation was not prepared in accordance with the new format required by ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

Please ensure that the auditor's statement in relation to next year's financial report is prepared in accordance with ASA 700. The new format for the auditor's statement must include any additional information/declarations required by the applicable Reporting Guidelines.¹

If you have any queries regarding this letter, please contact me via email at stephen.kellett@roc.gov.au.

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett".

Stephen Kellett
Financial Reporting
Registered Organisations Commission

¹ As of the date of this letter, the Guidelines include declarations under guidelines 38 and 39 of the 4th edition.



28 August 2017

Mr Andrew Cameron
Executive Officer
TGFA Industrial Association

Sent via email: andrew@primaryemployers.com.au

Dear Mr Cameron

Re: TGFA Industrial Association – financial report for year ending 31 December 2016 (FR2016/356)

I refer to the financial report of the TGFA Industrial Association. The documents were lodged with the Registered Organisations Commission ('the Commission') on 10 July 2017. A copy of the Operating report and a Designated Officer's certificate were received on 16 August 2017.

The financial report has now been filed. The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

I make the following comments to assist you when preparing the next financial report. Please note that the financial report for the period ending 31 December 2017 may be subject to an advanced compliance review.

Auditor's Statement and Operating Report must be signed before full report provided to members

Sub-section 265(1) of the Act makes clear that the full report comprises of (i) the general purpose financial report,¹ (ii) the operating report and (iii) the auditor's report. This means that the full report cannot be said to have been provided to the members for the purposes of sub-section 265(5) of the Act until all the signed documents have been provided.

The Designated Officer's Certificate states that the full report was provided to members on 11 May 2017. However the Auditor's Statement was not signed until 9 June and the Operating report was not signed until 16 August. In our conversation last week you advised me that the operating report would be added to the other documents already published on the organisation's website.

In this case, the true date on which the full report was provided to members was the day on which the signed operating report, being the final signed document, was published on the organisation's website.²

¹ The date of the general purpose financial report is taken from the date on which the committee of management statement is signed.

² i.e. according to my understanding, on 23/24 August 2017

The requirement of section 266, that the full report must be presented to a general meeting within six months of the end of the financial year, means that the latest date by which the full report, including all signed documents, can be (and in this case should have been) provided to the members is (was) 9 June.

In this case, the organisation has not complied with sub-section 265(5).

If in future, the organisation anticipates it will not be able to provide the full report to the members by 9 June at the latest (or the day that is 21 days before the general meeting, if that is earlier), it must apply to the Registered Organisations Commissioner for an extension of the time in which to hold the general meeting, because it must still observe a 21 day period between providing the report under sub-section 265(5) and presenting the report under sub-section 266(1).

Any such application must be signed by the prescribed officer, and state the grounds for which the organisation seeks the extension of time.

Operating report must be signed before presentation to general meeting

It is clear from the above that, if the Operating report was not signed until 16 August, it could not be the case that the full report was properly presented to the general meeting on 29 June.

In this case, the organisation has not complied with sub-section 266(1).

Please ensure that in future years, the organisation provides the complete full report and presents the complete full report within the respective prescribed time frames.

Please note that both sub-sections 265(5) and 266(1) are civil penalty provisions. Future failure to comply may result in an inquiry into the organisation. In that event, and depending on the findings, the Commissioner of the ROC may apply under s.310(1) of the RO Act to the Federal Court of Australia for a pecuniary penalty order to be imposed on your organisation and, potentially, an officer whose conduct led to the non-compliance.

Reporting Requirements

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Please note that new Reporting Guidelines will apply to organisations and branches with financial years *commencing* on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

If you have any queries regarding this letter, please contact me via email at stephen.kellett@roc.gov.au.

Yours faithfully



Stephen Kellett
Financial Reporting
Registered Organisations Commission

Certificate of Secretary or Other Authorised Officer

Section 268 of *Fair Work (Registered Organisations) Act 2009*

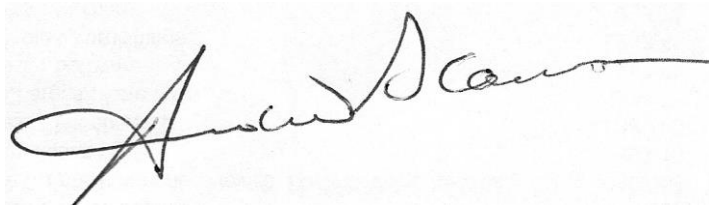
I, Andrew Stuart Cameron, being the Executive Officer of the TFGA industrial Association certify:

That the documents lodged are copies of the full report, referred to in Section 268 of the *Fair Work (Registered Organisations) Act 2009*; and

That the full report was provided to members on 11th May 2017; and

That the full report was presented to a general meeting of members of the reporting unit on 29th June 2017 in accordance with the section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signed:

A handwritten signature in black ink, appearing to read 'Andrew Cameron', written over a light grey rectangular background.

Andrew Cameron

16 August, 2017

TFGA INDUSTRIAL ASSOCIATION

OPERATING REPORT

Operating Report for the TFGA Industrial Association for the year ended 31st December 2016 in accordance with Section 254 *Fair Work (Registered Organisations) Act 2009*.

- 254 (2) (a) The principal activities for the Association during 2016 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, plus the provision of shearer/wool handler training.

This involves providing advice in respect of the *Fair Work Act 2009* and the new modern awards, including rates of pay and conditions, negotiations with the relevant unions, advocacy before Fair Work Ombudsman, the Fair Work Commission and Federal Court, negotiations and advice in respect of Workplace Health and Safety Legislation and training for the Tasmanian Wool Industry.

- (b) There have not been any significant changes to the financial affairs of the TFGA Industrial Association during the year ended 31st December 2016.
- (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 31st December 2016 the Association had 549 persons recorded on the register of members. .
- (f) (b) As at the 31st December 2016 the Association had one full time person engaged on a consulting basis, and one part-time employee.
- (f) (c) The Committee of Management for 2016 was as follows:

President:

From 30 June, 2016	Glynn Williams (Farmer) PO Box 3014, Launceston Tas 7250
Retired 30 June, 2016	Keeton Miles (Farmer) PO Box 3014, Launceston Tas 7250

Vice President: Gerald Archer
(Farmer)
PO Box 3014, Launceston, Tas 7250

Treasurer:

From 15 July, 2016	David Byard (Farmer) PO Box 3014, Launceston, Tas 7250
--------------------	--

Retired 30 June, 2016	Warwick O'Connor (Farmer) PO Box 3014, Launceston, Tas 7250
-----------------------	---

Trustee:

From 30 June, 2016 Yvonne Bowling
(Farmer)
PO Box 3014, Launceston Tas 7250

Retired 30 June, 2016 Richard Boland
(Farmer)
PO Box 3014, Launceston, Tas 7250

Executive Officer:

From 27 October, 2016 Andrew Stuart Cameron
(Executive Officer)
PO Box 3014 Launceston, Tas 7250

Retired 30 June, 2016 Keith James Rice
(Executive Officer)
PO Box 3014, Launceston, Tas 7250

Executive Committee:

Warwick O'Connor
(Farmer)
PO Box 3014, Launceston, Tas 7250

Sam Riggall
(Farmer)
PO Box 3014, Launceston Tas 7250

From 30 June, 2016 Ferdie Foster
(Farmer)
PO Box 3014, Launceston Tas 7250

From 30 June, 2016 Ben Grubb
(Farmer)
PO Box 3014, Launceston Tas 7250

From 30 June, 2016 Felicity Richards
(Farmer)
PO Box 3014, Launceston Tas 7250

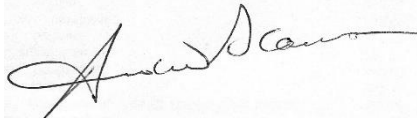
From 30 June, 2016 Damian Waller
(Farmer)
PO Box 3014, Launceston Tas 7250

Retired 30 June, 2016 John Watson
(Farmer)
PO Box 3014, Launceston, Tas 7250

Retired 11 February, 2016 Jay Summers
(Farm Manager)
PO Box 3014, Launceston, Tas 7250

Retired 30 June, 2016 Greg Bradfield
(Farmer)
PO Box 3014, Launceston Tas 7250

On the 11th May, 2017 the Committee of Management of the TFGA Industrial Association passed a resolution approving the Operating Report of the TFGA Industrial Association for the financial year ended 31st December 2016 as prepared by its Executive Officer, Andrew Stuart Cameron.

A handwritten signature in black ink, appearing to read 'Andrew Cameron', written over a light grey rectangular background.

Andrew Cameron
Executive Officer

Launceston, 16 August, 2017

9 June 2017

Private and Confidential

The Committee Members,
TFGA Industrial Association,
28 Garfield Street
LAUNCESTON TAS 7250

To the Members of the Committee,

RE: AUDIT MANAGEMENT LETTER

I wish to advise that the audit of the TFGA Industrial Association for the year ended 31 December 2016 has recently been completed.

Our standard practice is to issue management letters at the completion of each audit as a means of advising the committee of any matters noted during the course of the audit.

My audit work involves examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report in order to form an opinion as to whether, in all material respects, the financial report is fairly stated in accordance with the accounting policies described in the notes thereto.

I advise that I have not encountered any matters during the course of the audit that I believe should be brought to your attention.

Should you wish to discuss the above, please do not hesitate to contact the undersigned.

Yours faithfully,
MDH Accounting Pty Ltd


Michael Harvey
Auditor

Independent auditor's report

To the members of TFGA Industrial Association

We have audited the accompanying financial report, being a general purpose financial report of TFGA Industrial Association, which comprises the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the statement of cash flows for the year ended 31 December 2016, notes comprising a summary of significant accounting policies and other explanatory information and the Committee of Management's assertion statement.

The Committee of Management's responsibility for the financial report

The committee of management are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the financial reporting requirements of the Fair Work (Registered Organisations) Act 2009 and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the general purpose financial report, based on our audit, as to whether in all material respects; it complies with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, the requirements of the Fair Work (Registered Organisations) Act 2009 and the requirements of the association's constitution. The scope of our audit also encompassed recovery of wages activity under the Fair Work (Registered Organisations) Act 2009.

We have conducted our audit in accordance with Australian auditing standards. Those 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 entity's preparation of the financial report that gives a fair presentation, 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 as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Audit Opinion

In our opinion, in all material respects, the general purpose financial report complies with:

- Australian Accounting Standards and other mandatory financial reporting requirements in Australia,
- The requirements of the association's constitution,
- The reporting requirements of the Fair Work (Registered Organisations) Act 2009

So as to present fairly, in all material respects, the financial position of TFGA Industrial Association as at 31 December 2016 and of its financial performance and cash flows for the year then ended.

In relation to recovery of wages activity:

- The financial statements and accompanying notes fairly report all information required by the reporting guidelines of the General Manager, including:
 - Any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
 - Any donations or other contributions deducted from recovered money.

As part of the audit, I have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

I am an approved auditor according to the definition under the Fair Work (Registered Organisations) Act 2009. I am a full member of CPA Australia and hold a public practice certificate.



.....
Michael Harvey
Certified Practising Accountant
Member No. 1478155
MDH Accounting Pty Ltd
Dated 9 June 2017

TFGA Industrial Association
Statement of Comprehensive Income
for the year ended 31 December 2016

	Note	2016 \$	2015 \$
Income			
Subscriptions and levies	2	192,395	206,333
Sponsorships	3	4,000	5,723
Grants received or receivable	4	185,100	189,412
Interest earned	5	17,217	19,149
Other income	6	164	4,547
Total income		<u>398,876</u>	<u>425,164</u>
Expenses			
Direct program expenses	7	3,934	4,516
Special project expenses	8	9,783	8,755
Administration expenses	9	48,604	58,525
Staff expenses	10	350,097	322,678
Depreciation and low cost assets	11	960	1,053
Other expenses	12	4,240	1,284
Total expenses		<u>417,618</u>	<u>396,811</u>
Total comprehensive income/(loss)		<u>(18,742)</u>	<u>28,353</u>

These financial statements and the accompanying notes should be read in conjunction with the attached auditor's report

TFGA Industrial Association
Statement of Financial Position
as at 31 December 2016

	Note	2016 \$	2015 \$
Assets			
Current Assets			
Cash and deposits	13	543,672	541,709
Trade and other receivables	15	62,421	85,149
Prepayments and accrued income	16	600	-
Total current assets		<u>606,693</u>	<u>626,858</u>
Non-current Assets			
Property, plant and equipment	17	798	1,758
Total non-current assets		<u>798</u>	<u>1,758</u>
Total assets		<u>607,491</u>	<u>628,616</u>
Liabilities			
Current Liabilities			
Trade and other payables	18	12,639	20,246
Other current liabilities	19	865	1,040
Provisions	20	11,143	5,744
Total current liabilities		<u>24,647</u>	<u>27,030</u>
Total liabilities		<u>24,647</u>	<u>27,030</u>
Net assets		<u>582,844</u>	<u>601,586</u>
Members funds			
Accumulated surpluses		508,553	529,390
Reserves		74,291	72,196
Total members funds		<u>582,844</u>	<u>601,586</u>

TFGA Industrial Association
Statement of Changes in Equity
for the year ended 31 December 2016

	Note	Accumulated surpluses \$	Training Funds ex RITE \$	Total \$
Balance as at 1 January 2015		503,581	69,654	573,235
Net surplus/(deficit)		28,351	-	28,351
Transfers from accumulated surpluses	27	(2,542)	2,542	-
Balance as at 31 December 2015		529,390	72,196	601,586
Net surplus/(deficit)		(18,742)	-	(18,742)
Transfers from accumulated surpluses	27	(2,094)	2,094	-
Balance as at 31 December 2016		508,553	74,291	582,844

TFGA Industrial Association
Statement of Cash Flows
for the year ended 31 December 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Grants received		203,435	209,393
Receipts from general operations		219,523	156,741
Interest received		17,217	19,149
Other receipts		164	4,547
Payments to suppliers for goods and services		(76,760)	(72,500)
Payments to and on behalf of employees		(344,698)	(323,842)
Other payments		(16,918)	(13,618)
Net cash inflow/(outflow) from operating activities	14	<u>1,963</u>	<u>(20,129)</u>
Cash flows from investing activities			
Payments for plant and equipment		-	(600)
Net cash inflow/(outflow) from investing activities		<u>-</u>	<u>(600)</u>
Net increase/(decrease) in cash held		1,963	(20,729)
Cash and cash equivalents - opening balance		<u>541,709</u>	<u>562,438</u>
Cash and cash equivalents - closing balance	13	<u><u>543,672</u></u>	<u><u>541,709</u></u>

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the association is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost method, except for certain assets and liabilities that are measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

b. Comparative Amount

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

c. Significant Accounting Estimates and Judgements

The committee evaluates estimates and judgements 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.

Grant revenue recognition

"Revenue and Other Income" discloses income received by way of grants from government and other funding bodies (less Income in Advance, where applicable). The association's grant funding is accounted for under AASB 1004 'Contributions'. AASB 1004 requires such contributions to be recognised immediately as revenue when:

- (a) the entity obtains the control of the contribution or the right to receive the contribution;
- (b) it is probable the economic benefits comprising the contribution will flow to the association;
- and
- (c) the amount of the contribution can be measured reliably.

The association's specific purpose grant funding is recognised immediately as revenue where all these criteria are met. For the reporting period, the committee has assessed the specific purpose grant income received and the relevant grant funding agreement to determine that grant income meets the criteria set out above.

d. New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

Future Australian Accounting Standards Requirements

There are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on the association.

e. Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Receivables for goods and services are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

f. Government Grants

Government grants are not recognised until there is reasonable assurance that the association will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised as income on a systematic basis over the periods in which the association recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the association with no future related costs are recognised in profit or loss in the period in which they become receivable.

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

g. Gains

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

h. Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of the end of the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the association in respect of services provided by employees up to the reporting date.

The association does not have any obligations under a defined contribution retirement benefit plan in relation to any of its employees.

Provision is made for separation and redundancy benefit payments. The association recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. No provision is required, as such, for the current period.

i. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

There are no finance leases for the reporting period.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

j. Borrowing Costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

k. Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments (with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value) and bank overdrafts.

l. Financial Instruments

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Cash and Cash Equivalents

Cash on hand and at bank and money market call account are valued at face value.

Trade and Other Receivables

Receivables are carried at cost as amounts are typically expected to be received within 12 months. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred at which point the impairment loss is recognised in profit or loss. Collectability of overdue accounts is assessed on an ongoing basis.

Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods and services provided to the association as at balance date whether or not invoices have been received. General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt. Payables are not discounted as amounts are expected to be settled within 12 months.

m. Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

n. Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

o. Property, Plant and Equipment

Property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Estimated useful lives are as follows:

Buildings	50 years
Motor Vehicles	5 years
Plant & equipment	5 years
Computer equipment	3 years
Office furniture & fittings	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in comprehensive income.

p. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. Provision for GST is shown on a gross basis in the statement of financial position under "Trade and other receivables" and "Trade and other payables".

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flow arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

q. Income Tax

The association is a tax exempt body under s50.15 of the Income Tax Assessment Act 1997, therefore, no provision for income tax has been made.

r. Going Concern and Financial Support

The association is not reliant on associated reporting units for financial support to continue as a going concern.

The association has not made any commitments to financially support associated reporting units.

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

	2016	2015
	\$	\$
2 Subscriptions and levies		
Subscriptions	192,395	206,333
	<u>192,395</u>	<u>206,333</u>
<p>No capitation fees or other financial support has been received in relation to an associated reporting unit of the association.</p> <p>No compulsory levies were raised from the members or as appeals for voluntary contributions for the furtherance of a particular purpose.</p>		
3 Sponsorships		
Sponsorship Income	4,000	5,723
	<u>4,000</u>	<u>5,723</u>
4 Grants		
Wool Harvesting Training Funds	185,100	189,412
	<u>185,100</u>	<u>189,412</u>
5 Interest earned		
Interest Received	17,217	19,149
	<u>17,217</u>	<u>19,149</u>
6 Other income		
Reimbursement-Poppies Printing	164	4,583
Sale of Publications	-	(36)
	<u>164</u>	<u>4,547</u>
7 Direct program costs		
Equipment -Shearer Training	3,934	4,516
	<u>3,934</u>	<u>4,516</u>
8 Special project expenditure		
Special Projects	9,783	8,755
	<u>9,783</u>	<u>8,755</u>
9 Administration expenses		
Accounting/Bank & Audit Fees	14,846	14,878
C.C.H.	109	5,507
Computer Expenses	1,688	967
Equipment Rental	-	1,579
Ricoh - Metered Charges	6,134	8,310
Insurance	3,942	3,567
Legal Expenses	2,203	7,642
Postage	7,173	4,711
Printing & Stationery	2,222	1,111

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

	2016	2015
	\$	\$
9 Administration expenses (continued)		
Telephone & Fax	5,287	5,253
Affiliation Fees	5,000	5,000
	48,604	58,525

None of the above legal expenses relate to litigation.

No penalties have been imposed under the RO Act with respect to conduct of the association.

No grants or donations have been paid.

No compulsory levies have been imposed on the association.

The affiliation fees disclosed above were for non-voting associate membership of the National Farmers Federation. No other fees or subscriptions were paid in respect of the association's affiliation to any political party, federation, congress, council or group of associations, or any International body having an interest in industrial matters.

No capitation fees have been paid to an associated reporting unit of the association.

10 Staff costs

Chairman's allowance	10,000	10,000
Consultancy Fees	150,809	126,009
Wages & Salaries	144,752	153,336
Staff Training	13,304	10,981
Superannuation	12,409	13,241
Meeting Expenses	4,197	2,987
Meeting Expenses-State	-	-
Travel & Accomodation	9,227	7,289
LSL & ALV Expenses	5,399	(1,165)
	350,097	322,678

None of the above employee expenses relate to the officeholders. The chairman's allowance is paid to the president as an allowance. Likewise, amounts paid to the executive officer form part of consultancy fees.

There has been no recovery of wages activity for the association.

There have been no expenses incurred as consideration for employers making payroll deductions of membership subscriptions.

There were no expenses relating to separations and redundancies.

Meeting expenses includes \$3,906 incurred in the current period for committee meetings and general meetings for which the association was primarily responsible (2015: \$2,453).

No fees or allowances have been paid to persons in respect of their attendances as representatives of the association at conferences or other meetings other than as reimbursements of direct out of pocket expenses or as disclosed under chairman's allowance.

11 Depreciation and low cost assets

Depreciation and amortisation	960	1,053
	960	1,053

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

	2016	2015
	\$	\$
12 Other expenses		
Sundry expenses	552	1,284
	4,240	1,284
13 Cash and deposits		
Westpac Cheque Account	5,140	30,388
Bendigo Term Deposit KA02	102,750	99,857
Bendigo-Training Fund ex RITE	74,291	72,196
Bendigo Term 142845114	127,425	123,774
Tasmanian Trustees	98,398	103,233
Westpac Max-i Direct	30,670	10,280
Westpac Term 640208 3mth	104,998	101,981
	543,672	541,709
14 Cash flow information		
Reconciliation of cash flows from operating activities to net surplus/(deficit):		
Net surplus/(deficit)	(18,742)	28,353
Depreciation and low cost assets	960	1,053
<u>Decreases/(increases) in assets:</u>		
Trade and other receivables (current)	22,728	(55,887)
<u>Increases/(decreases) in liabilities:</u>		
Trade and other payables (current)	(7,607)	6,477
Unexpended grants	(175)	1,040
Provisions (current)	5,399	(1,164)
Net cash inflow/(outflow) from operating activities	1,963	(20,128)
There are no cash flows relating to associated reporting units.		
15 Trade and other receivables		
<u>Trade and other receivables (current):</u>		
Trade Debtors	56,826	77,616
GST Paid	5,163	7,533
Sundry Debtor	432	-
	62,421	85,149
Total trade and other receivables	62,421	85,149
None of the above receivables relate to an associated reporting unit		
16 Prepayments and accrued income		
Prepaid Expenses	600	-
	600	-

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

	2016	2015
	\$	\$
17 Property, plant and equipment		
Furniture & Equipment at Cost	15,073	15,073
Accum Depr'n Furniture & Equip	(14,275)	(13,315)
	798	1,758

Furniture & Equipment	Gross	Accum. Dep'n	WDV
Opening balance as at 1 January 2015	14,473	(12,262)	2,211
Additions	600	-	600
Depreciation for period	-	(1,053)	(1,053)
Closing balance as at 31 December 2015	15,073	(13,315)	1,758
Additions	-	-	-
Depreciation for period	-	(960)	(960)
Closing balance as at 31 December 2016	15,073	(14,275)	798

18 Trade and other payables

Trade and other payables (current):

Accrued Superannuation	977	1,403
Trade Creditors	247	567
GST Collected	8,989	10,443
Accrued Expenses	-	4,675
Suspense	2,426	3,158
	12,639	20,246
Total trade and other payables	12,639	20,246

None of the above payables relate to:

- legal costs whether for litigation or other legal matters
- payroll deductions for membership subscriptions
- a payable or other financial liability relating to an associated reporting unit

19 Other current liabilities

Income received in advance	865	1,040
	865	1,040

20 Provisions

Provisions (current):

Accrued Annual Leave	9,692	4,851
Accrued LSL	1,451	893
Provision for Redundancy	-	-
Other employee provisions	-	-
	11,143	5,744
Total provisions	11,143	5,744

None of the above employee provisions relate to office holders.

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

	2016	2015
	\$	\$
21 Related Party Disclosures		
Transactions entered into during the year with committee members, and other related parties were within normal customer relationships, on regular commercial terms and conditions.		
Chair fees paid to the president of the committee	<u>10,000</u>	<u>10,000</u>
22 Key Management Personnel Remuneration		
Executive Officer - Consultancy Fees	<u>116,009</u>	<u>116,009</u>
23 Remuneration of Auditors		
Financial statement audit services	3,000	3,000
Other services	<u>2,000</u>	<u>3,250</u>
	<u>5,000</u>	<u>6,250</u>
24 Financial Instruments		
<u>Financial Assets:</u>		
Cash and cash equivalents	543,672	541,709
Trade and other receivables (current)	<u>62,421</u>	<u>85,149</u>
Total financial assets	<u>606,093</u>	<u>626,858</u>
<u>Financial Liabilities:</u>		
Trade and other payables (current)	<u>12,639</u>	<u>20,246</u>
Total financial liabilities	<u>12,639</u>	<u>20,246</u>

The committee considers that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximate their fair values.

Financial risk management objectives

The association's finance function provides services to the business, co-ordinates access to financial markets and manages the financial risks relating to operations of the association. The association does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The association's activities expose it primarily to changes in interest rates.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 1 to the financial statements.

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

24 Financial Instruments (continued)

Capital risk management

The association manages its capital to ensure it will be able to continue as a going concern. The capital structure of the association consists of cash and cash equivalents and equity attributable to members of the association, comprising retained earnings and reserves.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the committee of management, who have built an appropriate liquidity risk management framework with management of the association's short, medium and long-term funding and liquidity management requirements.

Liquidity and interest risk tables

2016	WAEI %	Floating interest rate \$	Fixed interest maturing in 1 yr or less \$	Non-interest bearing \$	Total \$
<u>Financial assets</u>					
Cash and cash equivalents	2.66	543,672	-	-	543,672
Trade and other receivables (current)	-	-	-	62,421	62,421
Total financial assets		543,672	-	62,421	606,093
<u>Financial Liabilities</u>					
Trade and other payables (current)	-	-	-	12,639	12,639
Total financial liabilities		-	-	12,639	12,639

2015	WAEI %	Floating interest rate \$	Fixed interest maturing in 1 yr or less \$	Non-interest bearing \$	Total \$
<u>Financial assets</u>					
Cash and cash equivalents	2.78	541,709	-	-	541,709
Trade and other receivables (current)	-	-	-	85,149	85,149
Total financial assets		541,709	-	85,149	626,858
<u>Financial Liabilities</u>					
Trade and other payables (current)	-	-	-	20,246	20,246
Total financial liabilities		-	-	20,246	20,246

Credit risk management

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the association. The association has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The association measures credit risk on a fair value basis.

The association does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the association's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

25 Events After the Reporting Period

There were no events that occurred after the balance date, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the association.

	2016	2015
	\$	\$
26 Contingent Assets, Liabilities and Commitments		
<u>Operating lease commitments as lessee:</u>		
One year	-	-
Between one and five years - future values	-	-
Total operating lease commitments	-	-

There are no finance lease commitments.

There are no contingent assets or liabilities as at the date of this report that have been brought to the attention of the committee.

27 Going Concern and Financial Support

The association is not reliant on associated reporting units for financial support to continue as a going concern. The association has not made any commitments to financially support associated reporting units.

28 Business Combinations

The association has not acquired any assets or liabilities during the financial year as a result of any of the following:

- an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation was the amalgamated organisation
- a restructure of the branches of the organisation
- a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation
- a revocation by the General Manager under subsection 249(1) of the RO Act or a certificate issued to an organisation under subsection 245(1)
- any other business combination as defined under Australian Accounting Standards

TFGA Industrial Association
Notes to the Financial Statements
for the year ended 31 December 2016

29 Amounts Shown in Equity

There are no amounts shown in equity that relate to the following:

- funds held in respect of compulsory levies raised or voluntary contributions collected from members of the association;
- funds other than general funds, whereby the operation of which is by the rules of the association including the rules of a branch of the association.

"Training Funds ex RITE" represent an amount received from Tas Rural Industry Training Board which was wound up. The committee have decided to keep such funds aside in equity with the intention that funds are to be expended on training related matters. The association holds a bank account designated for these funds disclosed separately at note 13. Interest earned on such funds are also set aside upon receipt. Transfers to this reserve from general funds for the period represent interest earned over the period.

30 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or the General Manager of Fair Work Australia:

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

31 Association Details

TFGA Industrial Association is an employer body for primary producers.

The association's principal place of business is:

TFGA Industrial Association
28 Garfield Street
Launceston TAS 7250

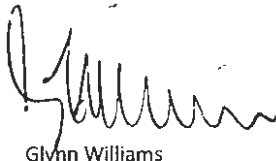
TFGA Industrial Association Committee of Management Statement

On the ^{11th}~~xxxx~~ May 2017 the committee of management of TFGA Industrial Association passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2016:

The committee declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
 - (ii) the committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements;
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

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



Glynn Williams
President



Gerald Archer
Vice President

Dated 11th May 2017

DECLARATION

(1) Here insert name, address and occupation of person making the declaration.

I,

Andrew Cameron of PO Box 3014 Launceston, Tasmania 7250

Being the Executive Officer of the TFGA Industrial Association certify in accordance with Section 233 (1) (a) and (b) of the Fair Work (Registered Organisations) Act 2009 that:

1 (a) The Register of Members of the TFGA Industrial Association has for the calendar year 2016 been kept and maintained as required by paragraph 230 (1) (a) and subsection 230 (2) of the Fair Work (Registered Organisations) Act 2009; and

1 (b) A copy of the records required to be kept under paragraphs 230 (1) (b), (c) and (d) and Regulation 147 of the Fair Work (Registered Organisations) Act 2009 is a correct statement of the information contained in those records.

(2) Here insert matter declared to. Where the matter is long, add the words "as follows" and set the matter out in numbered paragraphs.

(2) The principal and only office of the TFGA Industrial Association is situated at 28 Garfield Street, South Launceston, Tasmania.

(3) The list of offices and details of persons holding office of the TFGA Industrial Association are as follows:

President:

From 30 June, 2016 Glynn Williams
(Farmer)
PO Box 3014, Launceston Tas 7250

Retired 30 June, 2016 Keeton Miles
(Farmer)
PO Box 3014, Launceston Tas 7250

Vice President: Gerald Archer
(Farmer)
PO Box 3014, Launceston, Tas 7250

Treasurer:
From 15 July, 2016 David Byard
(Farmer)
PO Box 3014, Launceston, Tas 7250

Retired 30 June, 2016 Warwick O'Connor
(Farmer)
PO Box 3014, Launceston, Tas 7250

Trustee:
From 30 June, 2016 Yvonne Bowling
(Farmer)
PO Box 3014, Launceston Tas 7250

Retired 30 June, 2016 Richard Boland
(Farmer)
PO Box 3014, Launceston, Tas 7250

Executive Officer:

From 27 October, 2016 Andrew Stuart Cameron
(Executive Officer)
PO Box 3014 Launceston ,Tas 7250

Retired 30 June, 2016 Keith James Rice
(Executive Officer)
PO Box 3014, Launceston, Tas 7250

Executive Committee:

Warwick O'Connor
(Farmer)
PO Box 3014, Launceston, Tas 7250

Sam Riggall
(Farmer)
PO Box 3014, Launceston Tas 7250

From 30 June, 2016 Ferdie Foster
(Farmer)
PO Box 3014, Launceston Tas 7250

From 30 June, 2016 Ben Grubb
(Farmer)
PO Box 3014, Launceston Tas 7250

From 30 June, 2016 Felicity Richards
(Farmer)
PO Box 3014, Launceston Tas 7250

From 30 June, 2016 Damian Waller
(Farmer)
PO Box 3014, Launceston Tas 7250

Retired 30 June, 2016 John Watson
(Farmer)
PO Box 3014, Launceston, Tas 7250

Retired 11 February, 2016 Jay Summers
(Farm Manager)
PO Box 3014, Launceston, Tas 7250

Retired 30 June, 2016 Greg Bradfield
(Farmer)
PO Box 3014, Launceston Tas 7250

TFGA Industrial Association is required by its rules to call for nominations for the offices of ten members of the Executive Committee in each year and for the office of Trustee and Executive Officer in each fourth year.

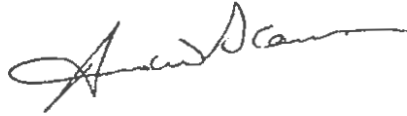
- (4) The four-year term for the office of Trustee and Executive Officer will expire in June 2020.

The Offices of President, Vice President and Treasurer shall be elected annually by and from the members of the Executive Committee.

- (5) In accordance with paragraph 230(1)(d) Regulation 147(f) of the Fair Work (Registered Organisations) Act 2009, the number of members of the TFGA Industrial Association as at the 31st December 2016 was 549.

(3) Signature of person
making the
declaration

Declared at LAUNCESTON on the 1st February 2017 by

A handwritten signature in black ink, appearing to read 'Andrew Cameron', written in a cursive style.

Andrew Cameron
Executive Officer