



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Ref: FR2005/493-[077N]

Mr Brian Beecroft
Chief Executive Officer
Timber Trade Industrial Association
PO Box 236
DARLINGHURST NSW 1300

Dear Mr Beecroft

Financial Return - year ending 30 June, 2005

Our records show your organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

Attached to this letter are sample forms and checklists to help you prepare and lodge your documents in time. We recommend you give a copy of this letter to the accountant or auditor preparing your accounts and the audit report.

We are happy to comment on any draft documents you or your accountant/auditor prepare before they are finalised.

Review of last year's financial return

We suggest you review any correspondence you received from us about last year's return. If we referred to any deficiencies or omissions, please take them into account in preparing this year's documents.

Legislation

This letter can only summarise the legislation. We strongly recommend your organisation and your accountant/auditor get a copy and refer to it when preparing your return. This is what you will need and where to find it:

- The *Registration and Accountability of Organisations Schedule* (Schedule 1B to the *Workplace Relations Act 1996*). We will call this the "RAO Schedule"¹. It is a part (or "schedule") of the Act but is numbered separately from rest of the Act. *Part 3 – Accounts and audit* of the RAO Schedule contains legislation on financial returns.
- The *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003* – "the RAO Regulations".
- the *Reporting Guidelines* issued by the Industrial Registrar – "the Guidelines".

¹ References in this letter are to the RAO Schedule unless otherwise stated

You can find the RAO Schedule and RAO Regulations under “Procedures and Legislation”, and the Guidelines under “Organisations”, on our website at www.airc.gov.au. You can also view and download full versions of the Act including the RAO Schedule and RAO Regulations from Comlaw at www.comlaw.gov.au.

Timeline Planner and Checklist

The RAO Schedule includes strict timelines for various steps in the reporting process. It is in the interest of your organisation and its officers to know these time limits. Failure to comply with statutory time limits may attract a civil penalty.

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to check your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Guidelines.

In the following section we describe some of the documents your reporting unit² must prepare and the sequence of their preparation and completion.

Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor’s Report, comprise the reporting unit’s financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar’s Reporting *Guidelines*. The GPFR consists of:

Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar’s Reporting *Guidelines* under section 255; and

Committee of Management Statement as required by the Guidelines (a sample Statement is at *Attachment C*)

2. **Operating Report** - this report includes a review of your reporting unit’s principal activities for the year and other specified information. The contents of the operating report are set out in s254 of the RAO Schedule and regulation 159 of the RAO Regulations.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor’s Report**.

² “Reporting Unit” is the term RAO uses to describe a body which has to prepare a financial return. If an organisation is divided into branches, each branch is a “reporting unit”.

First Meeting (Committee of Management)

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the “first meeting”. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a *Committee of Management Statement*.

The Auditor

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

Informing Your Members

The Full Report

Your reporting unit must provide free of charge to its members a copy of the GPFR, the Operating Report and the Auditor’s Report. RAO calls these the “full report”.

A Concise Report

Under certain circumstances, your reporting unit can provide members a more limited *concise report*. If your committee of management resolves to prepare a concise report, you must ensure the contents and format of the report are consistent with the RAO Schedule and RAO Regulations.

Providing the reports to members

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report on a website on the Internet dependent on:

- the extent of the accessibility of the members of the reporting unit to the Internet; and
- that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.
- both financial and unfinancial members should be able to access the report if published on the website

When does the report have to be provided to members?

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

The Second Meeting - if it is a General Meeting of Members

After providing the full or any concise report to members, the full report must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

The Second Meeting - if it is a Committee of Management Meeting

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held to consider the report (see s266(3)), you may present the report directly to a Committee of Management meeting.

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au). When lodging the financial return please quote the **Ref: FR number** at top left of the front page of this letter.

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certificate is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

Extensions of Time

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. If the annual income of a reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association, the Industrial Registrar may grant a certificate reducing the reporting requirements.

If you think you might qualify for "reduced reporting", please contact us for more information and how to make an application for a certificate.

Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at riasydney@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries.

Yours sincerely



Peter McKerrow
for Deputy Industrial Registrar

25 August 2005

Attachment B

Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
1	General Purpose Financial Report	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
2	Committee of Management Statement	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
3	Auditor's Report	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
4	Operating Report	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
5	Concise report*	
6	Certificate of Secretary or other Authorised Officer	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

Committee of Management Statement

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply* with the Australian Accounting Standards;
- (b) the financial statements and notes comply* with the reporting guidelines of the Industrial Registrar;
- (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;
- (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 RAO Schedule and the RAO Regulations; and
 - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been* furnished to the member or Registrar; and
 - #(vi) there has been* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

* Where compliance or full compliance has not been attained - set out details of non compliance instead.

Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]²*, referred to in s268 of the RAO Schedule; and
- that the *[full report OR concise report]³*, was provided to members on *[insert date]*; and
- that the full report was presented to *[a general meeting of members OR the last of a series of general meetings of members OR a meeting of the committee of management]³* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

¹*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

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

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

³*Insert whichever is applicable*

NOTICE REQUIRED BY s272(5) of the RAO Schedule

Your reporting unit must include the text of the Notice below in the Notes to the General Purpose Financial Report and in any Concise Report it prepares.

Information to be provided to members or Registrar

- (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).



TIMBER TRADE INDUSTRIAL ASSOCIATION

Shop 4/160 Goulburn St
Surry Hills NSW 2010
ABN 15 781 125 385

PO Box 236
Darlinghurst NSW 1300
Website: www.ttia.asn.au

Telephone: (02) 9264 0011
Fax: (02) 9264 1924
Email: ttia@ttia.asn.au

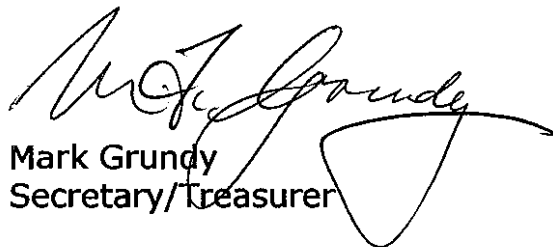
Deputy Industrial Registrar
Australian Industrial Registry
Level 8, Terrace Towers
80 William Street
East Sydney, NSW 2011

8 December 2005

Dear Registrar,

I enclose the required annual return. The Annual General Meeting of this Association was held on 7 December 2005. Notice of the meeting was issued to Members on 16 November 2005 along with a copy of the audited accounts for the year ended 30 June 2004, a copy of which is attached.

Yours faithfully,



Mark Grundy
Secretary/Treasurer





TIMBER TRADE INDUSTRIAL ASSOCIATION

Shop 4/160 Goulburn St
Surry Hills NSW 2010
ABN 15 781 125 385

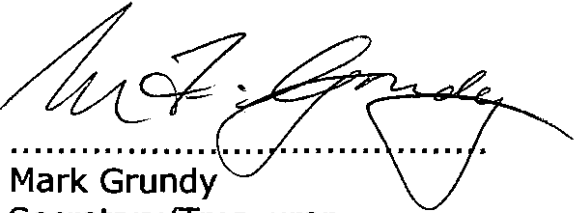
PO Box 236
Darlinghurst NSW 1300
Website: www.ttia.asn.au

Telephone: (02) 9264 0011
Fax: (02) 9264 1924
Email: ttia@ttia.asn.au

Certificate of Secretary or other Authorised Officer (Section 268 of Schedule 1B Workplace Relations Act 1996)

I, Mark Grundy, being the Secretary/Treasurer of the Timber Trade Industrial Association certify:

- That the documents lodged herewith are copies of the full report referred to in Section 268 of the RAO Schedule; and
- That the full report was provided to Members on 16 November 2005; and
- That the full report was presented to a general meeting of Members of the Timber Trade Industrial Association on 7 December 2005, in accordance with Section 266 of the RAO Schedule.


.....
Mark Grundy
Secretary/Treasurer

Dated this 7th day of December 2005

TIMBER TRADE INDUSTRIAL ASSOCIATION

A.B.N. 15 781 125 385

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2005

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17	AUDITOR'S REPORT

S Y WONG & CO
A.B.N. 35 156 307 879
Chartered Accountant

**TIMBER TRADE INDUSTRIAL ASSOCIATION
A.B.N. 15 781 125 385**

**OPERATING REPORT BY COUNCIL OF THE ASSOCIATION
(Workplace Relations Act 1996)**

The Council of the Timber Trade Industrial Association present their Operating Report in respect of the financial year ended 30 June 2005:

1. The names of each person who has been a member of the Council of the Association at any time during the financial year are:


Mr. Allan Stewart
Mr. Mark Grundy
Ms. Marilyn Albertson (resigned 13 Oct. 2004)
Mr. Jim Bindon
Mr. Kevin Collison (resigned 13 June 2004)
Mr. Wayne Lewis
Mr. Ian McDonnell
Mrs. Lyn McIntyre
Mr. Ashley Price
Mr. Garry Roberts

Councillors have been in office since the start of the financial year unless otherwise stated.

2. The principal activity of the Association during the year is that of an employer association providing advice and training in industrial relations and occupational health and safety matters to members. There was no significant change in the nature of its activity during the year.
3. The net result from operations for the financial year was a profit of \$96,613. No provision has been made for Income Tax as the Association is exempt from income tax under Section 50-15 of the Income Tax Assessment Act, 1997.
4. There were no significant changes in the financial affairs of the Association during the year.

5. Matters or circumstances have not arisen since the end of the financial year that have significantly affected or may significantly affect:
- * the operations of the Association,
 - * the results of those operations, or
 - * the state of affairs of the Association, in subsequent financial years.
6. The rights of members to resign from the Association are set out in paragraph 8 of the Rules of the Association.
7. The number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members and who are taken to be members of the Association were 341.
8. At the end of the financial year to which the report relates, the Association had 6 persons as employees measured on a full-time equivalent basis.

Signed in accordance with a resolution of the Council of the Association.


.....
Secretary/Treasurer - Mark Grundy

Dated this 14th day of November, 2005

TIMBER TRADE INDUSTRIAL ASSOCIATION
A.B.N. 15 781 125 385

STATEMENT BY COUNCILLORS

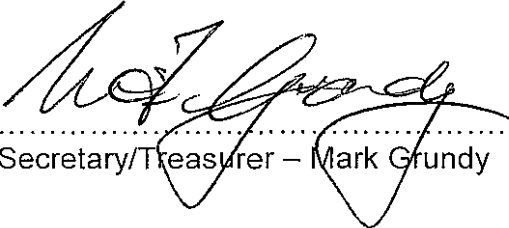
On 14 November 2005 the Council of the Timber Trade Industrial Association ("the Association") passed the following resolution in relation to the general purpose financial report ("GPFR") of the Association for the financial year ended 30 June 2005:

The Council declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Association for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Council were held in accordance with the rules of the Association; and
 - (ii) the financial affairs of the Association have been managed in accordance with the rules of the Association; and
 - (iii) the financial records of the Association have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and

- (iv) no request for information has been sought by a member of the Association or a Registrar under Section 272 of the RAO Schedule during the financial year; and
- (v) no orders have been made by the Commission under Section 273 of the RAO Schedule during the financial year.

For and on behalf of the Council



.....
Secretary/Treasurer – Mark Grundy

Dated this 14th day of November, 2005

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TIMBER TRADE INDUSTRIAL ASSOCIATION
A.B.N. 15 781 125 385

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005

	Note	2005 \$	2004 \$
CURRENT ASSETS			
Cash	2	477,949	630,377
Receivables	3	485,814	216,149
Other	4	978	5,756
Total Current Assets		964,741	852,282
NON-CURRENT ASSETS			
Investment	5	-	982
Property, plant & equipment	6	95,631	108,405
Other	7	-	418
Total Non-Current Assets		95,631	109,805
TOTAL ASSETS		1,060,372	962,087
CURRENT LIABILITIES			
Creditors and borrowings	8	667,817	635,697
Lease liability	12	27,240	17,773
Provisions	9	39,500	46,000
Total Current Liabilities		734,557	699,470
NON-CURRENT LIABILITIES			
Creditors and borrowings	10	-	12,371
Lease liability	12	48,659	76,503
Provisions	11	46,800	40,000
Total Non-Current Liabilities		95,459	128,874
TOTAL LIABILITIES		830,016	828,344
NET ASSETS		230,356	133,743

These financial statements should be read in conjunction
with the accompanying notes.

**TIMBER TRADE INDUSTRIAL ASSOCIATION
A.B.N. 15 781 125 385**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005**

	Note	2005 \$	2004 \$
MEMBERS' FUNDS			
Total Members' Funds		230,356 =====	133,743 =====

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These financial statements should be read in conjunction
with the accompanying notes.

**TIMBER TRADE INDUSTRIAL ASSOCIATION
A.B.N. 15 781 125 385**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

	Note	2005 \$	2004 \$
Members' contributions	13	544,086	520,356
Other revenues from ordinary activities	13	<u>313,715</u>	<u>245,588</u>
Revenue from ordinary activities		<u>857,801</u>	<u>765,944</u>
Employee benefits expenses	14	425,575	414,325
Operating expenses	15	189,482	180,314
Office and administration expenses	16	<u>146,131</u>	<u>158,768</u>
Total expenses		761,188	753,407
Profit from ordinary activities before income tax expense		<u>96,613</u>	<u>12,537</u>
Income tax expense relating to ordinary activities	17	-	-
Profit/(loss) from ordinary activities after related income tax expense		<u>96,613</u>	<u>12,537</u>
Accumulated funds at beginning of the financial year		133,743	121,206
Accumulated funds at end of the financial year		<u><u>230,356</u></u>	<u><u>133,743</u></u>

These financial statements should be read in conjunction
with the accompanying notes.

TIMBER TRADE INDUSTRIAL ASSOCIATION

A.B.N. 15 781 125 385

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Note 1: Statement of Significant Accounting Policies

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

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

(a) Income Tax

Liability for income tax (if any) is accounted for using the "tax payable" basis. Tax effect accounting has not been adopted as the Association is exempt from income tax in terms of Section 50-15 of the Income Tax Assessment Act, 1997.

(b) Property, Plant and Equipment

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

The depreciable amount of all fixed assets is depreciated over their useful lives to the Association.

(c) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and long service leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled.

Long service leave is accrued in respect of all employees with more than 5 years of service with the Association.

Contributions are made by the Association to employee superannuation funds and are charged as expenses when incurred.

(d) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Association are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Association will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expense in the period in which they are incurred.

TIMBER TRADE INDUSTRIAL ASSOCIATION
A.B.N. 15 781 125 385

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

Note 1: Statement of Significant Accounting Policies (continued)

(e) **Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

	2005	2004
	\$	\$
Note 2: Current Assets - Cash		
Cash on Hand	300	300
Cash at Bank	117,022	380,077
Interest bearing deposit	360,627	250,000
	477,949	630,377

Note 3: Current Assets - Receivables

Trade debtors	501,814	232,102
Less: Provision for doubtful debts	16,000	16,000
	485,814	216,102
Sundry debtors	-	47
	485,814	216,149

Note 4: Current assets - Other

Prepaid hire purchase charges	418	1,786
Electricity deposit	300	300
Car parking deposit	150	150
Spring water deposit	110	-
FBT refundable	-	3,520
	978	5,756

TIMBER TRADE INDUSTRIAL ASSOCIATION

A.B.N. 15 781 125 385

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
Note 5: Non-Current Assets - Investment		
Quoted shares at cost:		
- HHG plc	-	982
	<hr/>	<hr/>
Market value of shares	-	677
	<hr/>	<hr/>
 Note 6: Non-Current Assets - Property, Plant & Equipment		
Motor vehicles		
At cost	141,624	136,624
Less : accumulated depreciation	65,389	45,243
	<hr/>	<hr/>
	76,235	91,381
	<hr/>	<hr/>
Office equipments		
At cost	9,434	6,689
Less : accumulated depreciation	5,660	5,101
	<hr/>	<hr/>
	3,774	1,588
	<hr/>	<hr/>
Plant & equipments		
At cost	44,098	39,614
Less : accumulated depreciation	28,476	24,178
	<hr/>	<hr/>
	15,622	15,436
	<hr/>	<hr/>
Total written down value of Property, Plant & Equipment	95,631	108,405
	<hr/>	<hr/>
 Note 7: Non-Current Assets - Other		
Prepaid hire purchase charges	-	418
	<hr/>	<hr/>
	-	418
	<hr/>	<hr/>

TIMBER TRADE INDUSTRIAL ASSOCIATION
A.B.N. 15 781 125 385

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
Note 8: Current Liabilities - Creditors and borrowings		
Sundry creditors	16,202	1,650
Hire purchase creditors	12,376	8,592
Membership in advance	570,432	559,841
GST Liabilities	53,106	51,759
PAYG tax withholding	13,347	12,253
Superannuation	2,354	1,602
	667,817	635,697
 Note 9: Current Liabilities - Provisions		
Provision for annual leave	39,500	46,000
	39,500	46,000
 Note 10: Non-Current Liabilities - Creditors and borrowings		
Hire purchase creditors	-	12,371
	-	12,371
 Note 11: Non-Current Liabilities - Provisions		
Provision for long service leave	46,800	40,000
	46,800	40,000
 Note 12: Lease Commitments		
Finance lease commitments payable:		
- not later than one year	34,008	26,964
- later than one year but not later than five years	54,156	88,164
Minimum lease payments	88,164	115,128
Less: Future finance charges	(12,265)	(20,852)
Total lease liability	75,899	94,276

TIMBER TRADE INDUSTRIAL ASSOCIATION
A.B.N. 15 781 125 385

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
Note 12: Lease Commitments (continued)		
Total lease liability payable:		
Current liabilities	27,240	17,773
Non-current liabilities	48,659	76,503
	75,899	94,276
Note 13: Revenue		
Members' contributions		
- Subscriptions	461,275	443,018
- Workers compensation & OHS membership	82,811	77,338
	544,086	520,356
Other revenues		
- Grants received	110,552	97,824
- Advisory & seminar income	170,784	119,855
- Dividend received	-	91
- Interest received	20,627	12,312
- Miscellaneous income	11,752	3,191
- Profit on sale of non-current assets	-	2,315
- Premium discount scheme income	-	10,000
	313,715	245,588
Note 14: Employee benefits expenses		
Salaries and wages	369,734	321,656
Fringe benefits tax	5,787	6,339
Provision for annual leave	(6,500)	17,157
Provision for long service leave	6,800	21,039
Staff training and conferences	5,203	8,665
Superannuation	39,233	35,542
Workers compensation insurance	5,318	3,927
	425,575	414,325

TIMBER TRADE INDUSTRIAL ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
Note 15: Operating expenses		
Consultants fees	8,650	21,898
Field effort and travel	73,261	43,209
Grant expenses	70,184	83,355
Motor vehicle expenses	20,414	18,440
Industrial Relations lodgment fees	4,594	1,690
Premium discount scheme expenses	1,030	-
Seminars and advisory expenses	6,691	6,828
Trade subscriptions	4,658	4,894
	189,482	180,314

Note 16: Office & administration expenses

Accountancy and bookkeeping	20,550	23,582
: Advertising	1,765	951
j Auditor's fees	6,500	5,000
: Bank charges	1,044	1,169
Computer and website expenses	2,835	951
Council meeting costs	4,527	6,916
Depreciation of fixed assets	25,003	28,272
Electricity	1,057	802
Expired hire purchase charges	1,786	3,909
Freight and cartage	158	540
General expenses	2,964	4,985
Insurances	1,814	1,721
Interest and finance charges	8,510	8,008
Loss on sale of fixed assets	-	9,267
Loss on sale of HHG shares	265	-
Postages	5,502	4,697
Printing and stationery	13,388	12,484
Rent	22,680	21,600
Repairs and maintenance	3,027	1,891
Staff amenities	2,312	1,588
Telephone, fax and internet	20,444	20,435
	146,131	158,768

TIMBER TRADE INDUSTRIAL ASSOCIATION

A.B.N. 15 781 125 385

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Note 17: Income tax

The Association is exempt from income tax in terms of Section 50-15 of the Income Tax Assessment Act, 1997. Accordingly, no provision for income tax has been made.

Note 18: Association Operations

The Association derived its income from Members' subscriptions and its operations are conducted entirely within Australia.

Note 19: 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 sub-sections (1), (2) and (3) of Section 274 of the Act, which reads as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under Subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

Note 20: Impact of Adopting Australian Equivalents to International Financial Reporting Standards

For the financial year commencing 1 July 2005, the Association must comply with Australian equivalents of International Financial Reporting Standards ("IFRS") as issued by the Australian Accounting Standards Board ("AASB"). The Association will be required to present its financial statements in accordance with AASB standards equivalent to IFRS standards for the financial year commencing 1 July 2005. Entities complying with IFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of IFRS to that comparative period. Most adjustments required on transition to IFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

The directors of the Association are preparing and managing the transition to Australian equivalents to International Financial Reporting Standards. A preliminary assessment does not indicate there will significant changes arising from the adoption of Australian equivalents to International Financial Reporting Standards.

TIMBER TRADE INDUSTRIAL ASSOCIATION
A.B.N. 15 781 125 385

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
Cash Flows from Operating Activities		
Receipts from members' subscriptions and Association activities	578,100	1,079,843
Interest received	20,627	12,313
Dividend received	-	91
Payments to suppliers and employees	(739,643)	(676,792)
	<hr/>	<hr/>
Net cash inflow (outflow) from operating activities	(140,916)	415,455
	<hr/>	<hr/>
Cash Flows from Investing Activities		
Payment of non-current assets	(12,229)	(45,637)
Proceeds from sale of non-current assets	717	12,727
	<hr/>	<hr/>
Net cash inflow (outflow) from investing activities	(11,512)	(32,910)
	<hr/>	<hr/>
Net increase(decrease) in cash held	(152,428)	382,547
Cash at beginning of financial year	630,377	247,830
	<hr/>	<hr/>
Cash at end of financial year	477,949	630,377
	<hr/> <hr/>	<hr/> <hr/>

TIMBER TRADE INDUSTRIAL ASSOCIATION
A.B.N. 15 781 125 385

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
Reconciliation of net cash flow from operating activities to operating surplus(deficiency)		
Operating surplus/(deficiency)	96,613	12,537
Non-cash flows in profit from ordinary activities		
Depreciation and amortisation	25,003	28,272
Loss on sale of non-current assets	265	9,267
	25,268	37,539
	121,881	50,076
Changes in assets and liabilities		
(Increase)/decrease in receivables	(269,665)	(204,640)
(Increase)/decrease in prepayments & sundry debtors	5,306	(6,896)
(Increase)/decrease in security deposits	(110)	(150)
(Increase)/decrease in investment	-	861
Increase/(decrease) in sundry creditors	16,398	(5,168)
Increase/(decrease) in hire purchase creditors	(8,587)	(36,371)
Increase/(decrease) in provisions	300	38,196
Increase/(decrease) in lease liabilities	(18,377)	42,608
Increase/(decrease) in GST liabilities	1,347	46,797
Increase/(decrease) in membership in advance	10,591	530,990
Increase/(decrease) in grants received in advance	-	(40,848)
	(262,797)	365,379
Net cash inflow from operating activities	(140,916)	415,455
	=====	=====
Reconciliation of cash		
Cash on hand	300	300
Cash at Bank	117,022	380,077
Interest Bearing Deposit	360,627	250,000
	477,949	630,377
Cash at end of financial year	477,949	630,377
	=====	=====

SAMUEL Y WONG

CHARTERED ACCOUNTANT

ABN: 35 156 307 879

ALL CORRESPONDENCE TO:

PO BOX 96
BURWOOD NSW 1805

TELEPHONE: 0404 118 086

E-MAIL: sywong@ihug.com.au



Chartered Accountant

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF TIMBER TRADE INDUSTRIAL ASSOCIATION

SCOPE

We have audited the financial report of the Timber Trade Industrial Association for the financial year ended 30 June 2005 as set out on pages 5 to 16. The Council of the Association is responsible for the preparation and presentation of the financial report and the information contained therein. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Association.

Our 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. Our 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 whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Association's financial position and performance as represented by the result of its operations and its cash flows.

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

AUDIT OPINION

In our opinion, the financial report of the Timber Trade Industrial Association is properly drawn up:

- (a) (i) giving a true and fair view of the Association's financial position as at 30 June 2005 and of its performance and cash flows for the year ended on that date; and
- (ii) complying with Accounting Standards in Australia; and
- (iii) complying with Section 253 of the Workplace Relations Act 1996.
- (b) other mandatory professional reporting requirements in Australia.

A handwritten signature in cursive script, appearing to read 'Samuel Y Wong'.

Samuel Y Wong
Chartered Accountant

Signed at Sydney this 14th day of November, 2005.



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 Mark Grundy
Secretary/Treasurer
Timber Trade Industrial Association
PO Box 236
DARLINGHURST NSW 1300

Dear Mr Grundy

**Re: Lodgement of Financial Statements and Accounts for the Timber Trade
Industrial Association for the year ending 30 June 2005 (FR2005/493)**

I refer to the abovementioned financial statements and accounts which were received in the Registry on 14 December 2005.

The documents have been filed. However, the following matter should be addressed in next year's return.

Note 19: Information to be provided to Members or Registrar

The reference in Note 19 of the Financial Statements (page 14) to "Section 274 of the Act" should be to "Section 272 of the RAO Schedule".

Also, in case it applies, I draw your attention to s254(2)(d) of the RAO Schedule which requires an organisation to give details of any member or officer who is a trustee, or director of a company that is a trustee, of a superannuation entity.

Yours sincerely

A handwritten signature in black ink, appearing to be 'S. Kellett', written over a horizontal line.

Stephen Kellett
for Deputy Industrial Registrar

21 December 2005