

MOLONEY, Carolyn

From: Samuel Wong [REDACTED]
Sent: Tuesday, 20 January 2015 6:55 PM
To: MOLONEY, Carolyn
Cc: Judith Sharp; Mark Grundy; Brian Beecroft
Subject: 2014 FINANCIAL REPORT - TIMBER TRADE INDUSTRIAL ASSOCIATION (TTIA)

Hi Carolyn

Thank for the time this afternoon in discussing the matters set out in your letter of 16 January 2015 to Mr Mark Grundy, Secretary/Treasurer of TTIA. I have been requested by my Client to respond to your queries.

As discussed, the outstanding disclosures noted by you are mostly "Not Applicable" to TTIA. Accordingly, I believe no disclosure is required under the circumstances. In particular:-

- 1) There are no office holders who are also employees of the Association. Consequently, no disclosure of employee entitlements and no disclosure of employee provisions for office holders are shown.
- 2) There is no "separation and redundancies" employee expenses for non-office holder employees. Consequently, no disclosure is shown.
- 3) There is no non-office holder employees provisions for "separation and redundancies" and for "other employee provisions". Consequently, no disclosures are shown.
- 4) I submit that if Note 18(a) to the financial statements is read in its entirety, I believe there is no "contradiction" as noted by you in your letter.

I trust that I have clarified the issues noted by you. However, should you require further details, please do not hesitate to contact me.

I thank you and have taken on board the suggestions made by you for disclosures for the 2015 financials.

Samuel Y Wong JP B.Com FCA
[REDACTED]

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MOLONEY, Carolyn

From: MOLONEY, Carolyn
Sent: Friday, 16 January 2015 4:38 PM
To: 'Judith Sharp'
Subject: Financial return for TTIA
Attachments: TTIA FR2015_297 financial return requirements_16012015.pdf; TTIA FR2014_297 draft disclosures 16012015.doc; Model-financial-statements-2013-14.doc; s253-Reporting-Guidelines-fourth-edition.pdf

Hi Judith,

As discussed, please find attached correspondence detailing some further requirements for the financial statements of the TTIA for the year ending 30 June 2014.

The next attachment includes some draft tables I prepared so that the required information can be inserted. The draft table is based on the Fair Work Commission's "Model Financial Statements", a copy of which is also attached for your records.

I also attach the Fair Work Commission's Reporting Guideline (4th edition) as a reference; however, these are updated from time to time so here is a link so that you can check for updates when compiling future financial statements: <https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

My direct contact details are below and I'm happy to be of assistance if you have any questions.

Have a nice weekend,

Kind regards,

CAROLYN MOLONEY
Assistant Adviser
Regulatory Compliance Branch

Fair Work Commission



Level 10, Terrace Tower, 80 William Street
East Sydney NSW 2011

www.fwc.gov.au



16 January 2015

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

Also by email: [REDACTED]

Dear Mr Grundy,

**Timber Trade Industrial Association
Financial Report for the year ended 30 June 2014 - [FR2014/297]**

I acknowledge receipt of the financial report of the Timber Trade Industrial Association (the organisation). The documents were lodged with the Fair Work Commission (the Commission) on 11 December 2014.

Further information is required from the organisation in order for the financial return to be filed and closed. The following concerns were not addressed in the financial report for the year ending 30 June 2013 and have not been addressed for the second concurrent year. The organisation was notified in writing that the Commission would confirm that these concerns had been addressed prior to filing the financial return for the year ending 30 June 2014.

Key management personnel

Australian Accounting Standard *AASB 124 Related Party Disclosures* and paragraph 17 of the Commission's Reporting Guidelines require the General Purpose Financial Report to disclose, within the statements or the notes, the compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

Disclosure of employee expenses to office holders and other employees

The Reporting Guidelines require reporting units to disclose in the Statement of Comprehensive Income or in the notes to the financial statements employee expenses to holders of office (item 16(f)) and employee expenses to other employees (item 16(g)). Item 16(f) and 16(g) of the Reporting Guidelines also requires these expenses to be separately disclosed as follows:

Level 10, Terrace Tower
80 William Street
East Sydney NSW 2011
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

- Wages and salaries;
- Superannuation;
- Leave and other entitlements;
- Separation and redundancies; and
- Other employee expenses.

Note 12 of the financial statements has disclosed expenses of wages and salaries; superannuation; annual leave and long service leave for non-office employees. It also itemises other employee expenses for non-office employees (fringe benefits tax and workers compensation insurance), as required. However, it does not separately disclose separation and redundancies for non-office employees.

There is no disclosure of employee entitlements for office holders.

The Reporting Guidelines require that all employee *and* office holder expenses be detailed separately (refer to items 16(f) and 16(g)).

Please note that Reporting Guideline 17 states that if the activities identified in item 16 have not occurred in the reporting period, a statement of this effect must be included in the GPFR. While note 18 of the financial statements states that the activities identified in paragraph 16 of the Reporting Guidelines did not occur during the reporting period, this statement is contradicted by the disclosures in note 12, which relate to Reporting Guideline 16(g).

Disclosure of employee provisions to office holders and other employees

The Reporting Guidelines also require either the Statement of Financial Position or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 20(c) and 20 (d)). Item 20(c) and 20(d) of the Reporting Guidelines also requires these provisions to be separately disclosed as follows:

- Annual leave;
- Long service leave;
- Separation and redundancies; and
- Other employee provisions.

Notes 8 and 10 have disclosed annual leave and long service leave for non-office employees, but there is no separate disclosure of separation and redundancies or of other employee provisions for non-office employees.

There is no disclosure of employee provisions for office holders.

The Reporting Guidelines require that all employee *and* office holder provisions be detailed separately (refer to items 20(c) and 20(d)).

Please note that Reporting Guideline 21 states that if the activities identified in item 20 have not occurred in the reporting period, a statement to this effect must be included in the financial report. While note 18 of the financial statements states that the activities identified in paragraph 20 of the Reporting Guidelines did not occur during the reporting period, this statement is contradicted by the disclosures in notes 8 and 10, which relate to Reporting Guidelines 20(d)(i) and 20(d)(ii).

Could you please provide the outstanding disclosures to the Commission as soon as practicable. The information can be emailed to orgs@fwc.gov.au with attention to Carolyn Moloney. Please note that the required disclosures will also need to be provided to members. Could you please include a statement with the disclosures to the effect that the information has been provided to members. On receipt of this information I will then be able to file and close the financial return.

In order to assist the organisation to meet the requirements for filing this financial return I have copied an extracted from the Commission's 'Model Financial Statements' which may provide a

useful template for providing the requested information. It may also be of assistance in compiling the financial statements in future years.

Expenses

Note 13B: Key management personnel remuneration for the reporting period

Short-term employee benefits

Salary (including annual leave taken)	-	-	-	-
Annual leave accrued	-	-	-	-
Performance bonus	-	-	-	-
<i>[other major categories]</i>	-	-	-	-
Total short-term employee benefits	-	-	-	-

Post-employment benefits:

Superannuation	-	-	-	-
Total post-employment benefits	-	-	-	-

Other long-term benefits:

Long-service leave	-	-	-	-
Total other long-term benefits	-	-	-	-

Termination benefits

	-	-	-	-
Total	-	-	-	-

Note 13C: Transactions with key management personnel and their close family members

Loans to/from key management personnel

<i>[list individual and details of the loans including terms and conditions]</i>	-	-	-	-
--	---	---	---	---

Other transactions with key management personnel

<i>[list individuals and details of the transactions including terms and conditions]</i>	-	-	-	-
--	---	---	---	---

Officer and Employee Expenses

Note 4A: Employee expenses*

Holders of office:

Wages and salaries	-	-	-	-
Superannuation	-	-	-	-
Leave and other entitlements	-	-	-	-
Separation and redundancies	-	-	-	-
Other employee expenses	-	-	-	-
Subtotal employee expenses holders of office	-	-	-	-

Employees other than office holders:

Wages and salaries	-	-	-	-
Superannuation	-	-	-	-
Leave and other entitlements	-	-	-	-
Separation and redundancies	-	-	-	-
Other employee expenses	-	-	-	-
Subtotal employee expenses employees other than office holders	-	-	-	-
Total employee expenses	-	-	-	-

Officer and Employee Provisions

Note 8A: Employee provisions*

Office Holders:

Annual leave	-	-	-	-
Long service leave	-	-	-	-
Separations and redundancies	-	-	-	-
Other	-	-	-	-

Subtotal employee provisions—office holders

Employees other than office holders:

Annual leave	-	-	-	-
Long service leave	-	-	-	-
Separations and redundancies	-	-	-	-
Other	-	-	-	-

Subtotal employee provisions—employees other than office holders

Total employee provisions

Current	-	-	-	-
Non Current	-	-	-	-
Total employee provisions	-	-	-	-

If you have any queries regarding this letter, please contact me on [REDACTED] or via email at [REDACTED]

Yours sincerely



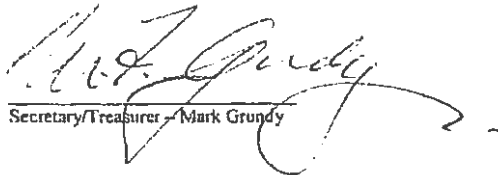
Carolyn Moloney
Regulatory Compliance Branch - Sydney

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

Certificate of Secretary or other Authorised Officer
(Section 268 of Fair Work (Registered Organisations) Act 2009)

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

- That the documents lodged herewith are copies of the full report for the Association for the year ended 30 June 2014 referred to in Section 268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members of the Association on 14 November 2014; and
- That the full report was presented to a general meeting of members of the Association on 10 December 2014, in accordance with Section 266 of the Fair Work (Registered Organisations) Act 2009.


Secretary/Treasurer - Mark Grundy

Dated this 10 day of December, 2014

TIMBER TRADE INDUSTRIAL ASSOCIATION

ABN 15 781 125 385

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2014

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S Y WONG & CO
ABN 35 156 307 879
Chartered Accountant

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

OPERATING REPORT BY COUNCIL OF THE ASSOCIATION
(Fair Work (Registered Organisations) Act 2009)

The Council of the Timber Trade Industrial Association present their Operating Report in respect of the financial year ended 30 June 2014:

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

Mr. Allan Stewart
Mr. Mark Grundy
Ms Jill Hetherington
Mr. Wayne Lewis
Mrs. Lyn McIntyre
Mr David Nicol
Mr. Ashley Price

Councillors have been in office since the start of the financial year to the date of this report unless otherwise stated.

2. The principal activities of the Association during the year were that of an employer association providing advice and training in industrial relations and occupational health and safety matters to members.

The results of those activities were fully completed to the satisfaction of the members.

There were no significant changes in the nature of its activities during the year.

3. The net result from operations for the financial year was a loss of \$27,297 (2013 a loss of \$39,952). No provision has been made for Income Tax as the Association is exempt from income tax in terms of 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. There are no officers and employees who are superannuation fund trustees or director of a company that is a superannuation fund trustee where criterion of being trustee is that the officer or employee is an officer or employee of the Association.
8. There are no officers and employees of the Association who is a director of a company or a member of a board where the officer or employee holds the position because they are an officer or employee of the Association or were nominated for the position by the Association or by a peak council.
9. 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 262.
10. At the end of the financial year to which the report relates, the Association had 5 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 10th day of November, 2014

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

STATEMENT BY COUNCILLORS

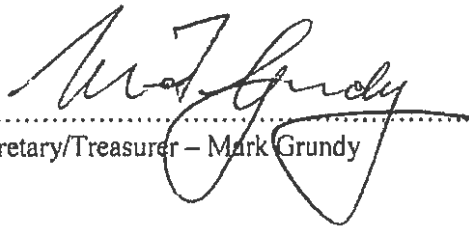
On 10 November 2014 the Council of the Timber Trade Industrial Association ("the Association") passed the following resolution in relation to the general purpose financial report ("GPFR") of the Association for the financial year ended 30 June 2014:

The Council declares 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 General Manager of the Fair Work Commission;
- (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; and
- (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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and

- (iv) no request for information has been sought by a member of the Association or the General Manager of the Fair Work Commission under Section 272 of the Fair Work (Registered Organisations) Act 2009 during the financial year; and
 - (v) no orders have been made by the Fair Work Commission under Section 273 of the Fair Work (Registered Organisations) Act 2009 during the financial year.
- (f) The Association has not engaged in recovery of wages activity which has resulted in the derivation of revenue in respect of such activity.

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



.....

Secretary/Treasurer – Mark Grundy

Dated this 10th day of November, 2014

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

BALANCE SHEET
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash	2	615,545	657,679
Receivables	3	517,041	484,491
Other	4	6,998	9,195
Total Current Assets		1,139,584	1,151,365
NON-CURRENT ASSETS			
Property, plant & equipment	5	44,878	63,170
Other	6	3,456	9,832
Total Non-Current Assets		48,334	73,002
TOTAL ASSETS		\$1,187,918	\$1,224,367
CURRENT LIABILITIES			
Creditors and borrowings	7	680,304	666,086
Employee Provisions	8	40,277	44,594
Total Current Liabilities		720,581	710,680
NON-CURRENT LIABILITIES			
Creditors and borrowings	9	39,347	58,521
Employee Provisions	10	118,157	118,036
Total Non-Current Liabilities		157,504	176,557
TOTAL LIABILITIES		\$878,085	\$887,237
NET ASSETS		\$309,833	\$337,130

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

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

BALANCE SHEET
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
MEMBERS' FUNDS			
Total Members' Funds		<u>\$309,833</u>	<u>\$337,130</u>

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 COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue			
Members' contributions	11	528,365	531,527
Other revenues from ordinary activities	11	338,381	312,499
Revenue from ordinary activities		<u>866,746</u>	<u>844,026</u>
Expenses			
Employee benefits expenses	12	623,525	609,474
Operating expenses	13	132,534	131,048
Office and administration expenses	14	137,984	143,456
Total expenses		<u>894,043</u>	<u>883,978</u>
Profit/(loss) before income tax expense		(27,297)	(39,952)
Income tax expense	15	<u>-</u>	<u>-</u>
Profit/(loss) after income tax expense		(27,297)	-\$39,952
Other comprehensive income, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>(\$27,297)</u></u>	<u><u>(\$39,952)</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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Members' funds \$	Total attributable to the entity \$
Balance as at 1 July 2012	377,082	377,082
	=====	=====
Loss for the year	(39,952)	(39,952)
Other comprehensive income net of tax	-	-
	-----	-----
Total comprehensive income for the year	(39,952)	(39,952)
	-----	-----
Balance as at 30 June 2013	337,130	337,130
	=====	=====
Loss for the year	(27,297)	(27,297)
Other comprehensive income net of tax	-	-
	-----	-----
Total comprehensive income for the year	(27,297)	(27,297)
	-----	-----
Balance as at 30 June 2014	\$309,833	\$309,833
	=====	=====

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 CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
Cash Flows from Operating Activities		
Receipts from members' subscriptions and Association activities	825,375	874,680
Interest received	22,815	28,161
Payments to suppliers and employees	(892,178)	(878,945)
	-----	-----
Net cash inflow (outflow) from operating activities	(543,988)	\$23,896
	-----	-----
Cash Flows from Investing Activities		
Payment of non-current assets	(1,964)	-
Proceeds from sale of non-current assets	3,818	-
	-----	-----
Net cash inflow (outflow) from investing activities	1,854	-
	-----	-----
Net increase(decrease) in cash held	(42,134)	23,896
Cash at beginning of financial year	657,679	633,783
	-----	-----
Cash at end of financial year	\$615,545	\$657,679
	=====	=====

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 CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
Reconciliation of net cash flow from operating activities to operating surplus(deficiency)		
Operating surplus/(deficiency)	(27,297)	(39,952)
Non-cash flows in profit from ordinary activities		
Depreciation and amortisation	14,453	18,788
Loss on sale of non-current assets	1,987	-
	-----	-----
	16,440	18,788
	-----	-----
	(10,857)	(21,164)
	-----	-----
Changes in assets and liabilities		
(Increase)/decrease in receivables	(32,550)	75,839
(Increase)/decrease in prepaid HP charges	8,573	11,391
(Increase)/decrease in sundry debtors	-	679
Increase/(decrease) in sundry creditors	(332)	3,229
Increase/(decrease) in superannuation contributions	-	(3,380)
Increase/(decrease) in advance grant payment	-	(11,487)
Increase/(decrease) in hire purchase creditors	(26,058)	(29,498)
Increase/(decrease) in leave provisions	(4,198)	21,009
Increase/(decrease) in GST & PAYG liabilities	7,440	(5,698)
Increase/(decrease) in membership in advance	13,994	(17,024)
	-----	-----
	(33,131)	45,060
	-----	-----
Net cash inflow from operating activities	(\$43,988)	\$23,896
	=====	=====
Reconciliation of cash		
Cash on hand	400	412
Cash at Bank	153,204	129,656
Interest Bearing Deposit	461,941	527,611
	-----	-----
Cash at end of financial year	\$615,545	\$657,679
	=====	=====

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 2014

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, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Act 2009.

The financial report covers Timber Trade Industrial Association as an individual entity.

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

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Revenue

Revenue from members 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. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

(b) Income Tax

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.

(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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

(d) 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.

(e) 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.

(f) 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.

	2014 \$	2013 \$
Note 2: Current Assets - Cash		
Cash on Hand	400	412
Cash at Bank	153,204	129,656
Interest bearing deposits	461,941	527,611
	<u>615,545</u>	<u>657,679</u>
Note 3: Current Assets - Receivables		
Trade debtors	527,538	492,705
Less: Provision for doubtful debts	16,000	16,000
	<u>511,538</u>	<u>476,705</u>
Sundry debtors	5,503	7,786
	<u>517,041</u>	<u>484,491</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
Note 4: Current assets - Other		
Prepaid hire purchase charges	6,373	8,570
Electricity deposit	300	300
Car parking deposit	150	150
Security keys deposit	175	175
	<u>6,998</u>	<u>9,195</u>
 Note 5: Non-Current Assets - Property, Plant & Equipment		
Motor vehicles		
At cost	113,785	143,776
Less : accumulated depreciation	74,499	86,347
	<u>39,286</u>	<u>57,429</u>
Office equipments		
At cost	9,831	9,831
Less : accumulated depreciation	8,723	8,548
	<u>1,108</u>	<u>1,283</u>
Plant & equipments		
At cost	72,920	70,956
Less : accumulated depreciation	68,436	66,498
	<u>4,484</u>	<u>4,458</u>
Total written down value of Property, Plant & Equipment	<u>44,878</u>	<u>63,170</u>
 Note 6: Non-Current Assets - Other		
Prepaid hire purchase charges	3,456	9,832
	<u>3,456</u>	<u>9,832</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
Note 7: Current Liabilities - Creditors and borrowings		
Sundry creditors	13,617	13,949
Hire purchase creditors	19,173	26,057
Membership subscriptions in advance	575,444	561,450
GST Liabilities	61,695	54,636
PAYG tax withholding	10,375	9,994
	<u>680,304</u>	<u>666,086</u>
Note 8: Current Liabilities - Employee Provisions		
Provision for annual leave for employees who are not holders of office	40,277	44,594
	<u>40,277</u>	<u>44,594</u>
Note 9: Non-Current Liabilities - Creditors and borrowings		
Hire purchase creditors	39,347	58,521
	<u>39,347</u>	<u>58,521</u>
Note 10: Non-Current Liabilities - Employee Provisions		
Provision for long service leave for employees who are not holders of office	118,157	118,036
	<u>118,157</u>	<u>118,036</u>
Note 11: Revenue		
Members' contributions		
- Subscriptions	441,510	442,815
- Workers Compensation & WHS membership	86,855	88,712
	<u>528,365</u>	<u>531,527</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
Note 11 Revenue (continued)		
Other revenues		
- Grants received	12,954	41,023
- Advisory & seminar income	212,778	168,550
- Management fee	77,783	61,559
- Interest received	22,815	28,161
- Miscellaneous income	12,051	13,002
- Insurance recovered	-	204
	----- 338,381	----- 312,499
Note 12: Employee benefits for employees who are not holders of office		
Salaries and wages	545,321	509,032
Fringe benefits tax	23,469	24,293
Provision for annual leave	(4,317)	10,878
Provision for long service leave	121	10,132
Superannuation	52,291	48,584
Workers compensation insurance	6,640	6,555
	----- 623,525	----- 609,474
Note 13: Operating expenses		
Field effort	85,231	87,760
Expenses attributable to grant income	-	1,584
Lease of motor vehicle - novated	9,226	9,197
Motor vehicle expenses	26,023	26,402
Advisory & seminar costs/expenses	4,939	712
Trade subscriptions	7,115	5,395
	----- 132,534	----- 131,048

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
Note 14: Office & administration expenses		
Accountancy and bookkeeping	28,800	28,560
Advertising and promotion	1,591	682
Auditor's fees - for auditing accounts	5,000	5,000
- other services	-	2,000
Bank charges	496	1,302
Computer and website expenses	2,970	2,550
Council meeting costs	1,589	2,223
Depreciation of fixed assets	14,453	18,789
Electricity	879	888
Expired hire purchase charges	8,569	11,391
General expenses - copier rental	6,204	4,980
Hire of store room	250	600
Insurances	2,587	2,474
Loss on disposal of fixed asset	1,987	-
Postages	2,326	2,665
Printing and stationery	5,742	6,565
Rent	27,000	26,915
Repairs and maintenance and cleaning	2,833	1,209
Staff amenities	1,763	1,845
Telephone, fax and internet	22,945	22,818
	----- 137,984 -----	----- 143,456 -----

Note 15: 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 16: Association Operations

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 17: Section 272 of the 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), (2) and (3) of Section 272 of the Fair Work (Registered Organisations) Act 2009, which reads as follows:

- (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).

Note 18: Reporting guidelines, fourth edition dated 13 June 2014, for purposes of Section 253 of the Fair Work (Registered Organisations) Act 2009

- (a) Subject to Notes 3 to 14 included herein, the activities identified in paragraphs 10 to 12, 14, 16, 18, 20, 22 and 24 of the reporting guidelines, fourth edition dated 13 June 2014, made under Section 253 of the Fair Work (Registered Organisations) Act 2009, have not occurred in the reporting period.
- (b) In respect to paragraph 26 of the reporting guidelines, the Association has not engaged in recovery of wages activity which has resulted in the derivation of revenue in respect of such activity for the financial year.

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: svwong@ihug.com.au



Chartered Accountant

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIMBER TRADE INDUSTRIAL ASSOCIATION

Report on the Financial Report

I have audited the accompanying financial report of the Timber Trade Industrial Association (the Association) which comprises the Balance Sheet as at 30 June 2014, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, Notes to the financial statements and the Statement by Councillors.

Councillors' Responsibility for the Financial Report

The Council of the Association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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.

My 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 and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the councillors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Liability limited by a scheme approved under Professional Standards Legislation

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Declarations


- a) I declare that I am:
- an approved auditor,
 - a member of the Institute of Chartered Accountants in Australia, and
 - a holder of a current Public Practice Certificate.
- b) As part of the audit of the financial statement of the Association, I have concluded that management's use of the going concern basis of accounting in the preparation of the Association's financial statements is appropriate.
- c) The Association has not engaged in recovery of wage activity for the financial year.

Auditor's Opinion

In my opinion, the financial report of the Timber Trade Industrial Association is in accordance with the Fair Work (Registered Organisations) Act 2009 including:

1. giving a true and fair view of the Association's financial position as at 30 June 2014 and of its performance for the year ended on that date, and
2. comply with Australian Accounting Standards.

S Y Wong & Co
Chartered Accountant



Samuel Y Wong JP B.Com FCA

Sydney, 10 November 2014.



FairWork
Commission

11 December 2014

Ms Janet Gilbert
Solicitor
Timber Trade Industrial Association
Sent via email: [REDACTED]

Dear Ms Gilbert,

Lodgement of Financial Report - Reminder to lodge on or before 15 January 2015

The Fair Work Commission's (the FWC) records disclose that the financial year of the Timber Trade Industrial Association (the reporting unit) ended on the 30 June 2014.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with s.253 and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the completion of the financial reporting process is six months and 14 days after the expiry date of its financial year (s.253, s.254, s.265, s.266, s.268). For your reporting unit that requires lodgement of its financial report on or before 15 January 2015, and in any event no later than 14 days after the relevant meeting.

The FWC encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the General Manager instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the General Manager following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$51,000 per contravention on the organisation and up to \$10,200 per contravention on the individual officer.

Should you seek any clarification in relation to the above, please contact me on [REDACTED] or via email at [REDACTED]

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au



FAIR WORK
COMMISSION

11 September 2014

Ms Janet Gilbert
Solicitor
Timber Trade Industrial Association
Sent via email: [REDACTED]

Dear Ms Gilbert,

**Re: Lodgement of Statement of Loans, Grants or Donation
s.237 - Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Timber Trade Industrial Association ended on 30 June 2014.

This is a courtesy letter to remind your organisation of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000.00 made by the above organisation during its financial year. It is required under s.237 of the RO Act that such a statement be lodged with the Fair Work Commission (FWC) within ninety (90) days of the end of an organisation's financial year. Therefore the statement is to be lodged by your organisation with the FWC on or before 28 September 2014.

The statement should detail the amount of each relevant loan, grant or donation, the purpose for which it was required or made and the name and address of the recipient of the loan, grant or donation. Where the loan, grant or donation was made to a member, or a dependant of a member, of the organisation to relieve them from severe financial hardship the recipient details are not required. For your assistance, a copy of a model statement is attached for use by your organisation. While use of this form is optional, if your organisation seeks to develop its own form of format, the model statement should be used as a guide and you are referred to s.237 of the RO Act to ensure that your statement complies with its requirements.

If your organisation has not made any loan, grant or donation during the financial year as set out in s.237 of the RO Act, it is recommended that it still submit a statement showing nil for each item. The FWC will be contacting all organisations that do not submit a statement to ensure that obligations under s.237 of the RO Act have been considered.

The statement can be emailed to orgs@fwc.gov.au. If it is envisaged that the statement cannot be lodged within time you are requested to contact this office prior to the due date to discuss making an application to the General Manager for an extension of time for lodgement.

It should be noted that s.237 of the RO Act is a civil penalty provision. Failure to lodge a statement may result in legal proceedings being issued with the possibility of a pecuniary penalty being imposed upon an officer whose conduct led to the contravention and/or on your organisation.

Should you seek any clarification in relation to the above, please contact me on [REDACTED] or via email at [REDACTED]

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

Sample statement of loans, grants and donations exceeding \$1,000 for financial year ending / /

Please refer to section 237 of the *Fair Work (Registered Organisations) Act 2009* when completing this form. This statement when lodged with the Fair Work Commission may only be viewed by a member of the organisation. Use of this form is optional.

Organisation details

Name of organisation including division or branch

Postal Address

Postcode

Details of officer completing the statement

Name

Name of office held in organisation

(An officer of the organisation should complete the statement)

Postal Address

Postcode

Telephone number (BH)

()

Facsimile number

()

Email

I certify that the information contained in this statement and its attachments is true and complete.

Signature

Date

/ /

An organisation must lodge this statement within 90 days of the end of its financial year.

LOANS, GRANTS AND DONATIONS EXCEEDING \$1,000 MADE BY ORGANISATION

(if insufficient space, please attach separate sheet)

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan

Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant

Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

DONATIONS

Name of Recipient of Donation	Address	Amount	Purpose of Donation

Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.



FairWork
Commission

24 July 2014

Ms Janet Gilbert
Solicitor
Timber Trade Industrial Association
Sent by email: [REDACTED]

Dear Ms Gilbert,

**Re: Lodgement of Financial Report - [FR2014/297]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Timber Trade Industrial Association (the reporting unit) ended on 30 June 2014.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 January 2015 (being the expiry date of 6 months and 14 days from the end of the financial year), under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines, that apply to all financial reports prepared on or after 30 June 2014, are also available on the website. For your convenience, our webinar video and slides on the Reporting Guidelines have also been placed on the website.

The Fair Work Commission has also developed a model set of financial statements. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under [Financial Reporting](#).

The financial report and any statement of loans, grants or donations made during the financial year (statement must be lodged within 90 days of end of financial year) can be emailed to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at [sample documents](#).

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on [REDACTED] or via email at [REDACTED]

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting.</p> <p>or</p> <p>(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.