



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition St, Melbourne Vic 3000
GPO Box 1994, Melbourne, VIC 3001
Tel: (03) 8661 7990 Fax: (03) 9655 0410

Mr James Hinton
Treasurer
Victorian Farmers Federation Industrial Association
Farrer House
24 – 28 Collins Street
MELBOURNE VIC 3000

Email: jhinton@vff.org.au

Dear Mr Hinton,

Re: Financial documents - year ended 31 December 2006 - FR2006/632

s253 Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)

I have received the financial report for the VFFIA for the year ended 31 December 2006. The report was lodged on 2 July 2007.

The documents have been filed.

The following improvements are required in future financial years:

Related Party Transactions

Note 6 to the Financial Report disclosed a loan to a '*related party*'.

In future the accounts should disclose more information about the related party relationship.

This information is required as follows:

- section 253 of the RAO Schedule requires the financial report to comply with the Australian Accounting Standards, and
- paragraphs 13 and 17 to 21 of Australian Accounting Standard AASB 124 (Related Party Disclosures) requires an entity to disclose the nature of a related party relationship as well as additional relevant information – *see attached*.

I have also attached a sample related party note that complies with the accounting standards.

Disclosure of Audit Fees

In future years the accounts should disclose the fee paid to the auditor.

This information is required as follows:

- section 253 of the RAO Schedule requires the financial report to comply with the Australian Accounting Standards, and
- paragraph Aus126.1 of AASB 101 (Presentation of Financial Statements) requires a financial report to disclose the amounts paid or payable to the auditor for the audit.

If you have any queries regarding the above please contact me on (03) 8661 7990.

Yours faithfully,

Andrew Schultz
Statutory Services Branch

13 June 2008

AASB 124 (Related Party Disclosures)

Paragraphs 13 and 17 to 21 of Australian Accounting Standard AASB 124 (Related Party Disclosures) provides as follows:

13. *To enable users of financial reports to form a view about the effects of related party relationships on an entity, it is appropriate to disclose the related party relationship when control exists, irrespective of whether there have been transactions between the related parties.*
....
17. *If there have been transactions between related parties, an entity shall disclose the nature of the related party relationship as well as information about the transactions and outstanding balances necessary for an understanding of the potential effect of the relationship on the financial statements. These disclosure requirements are in addition to the requirements in paragraph 16 to disclose key management personnel compensation. At a minimum, disclosures shall include:*
- (a) the amount of the transactions;*
 - (b) the amount of outstanding balances and:*
 - (i) their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and*
 - (ii) details of any guarantees given or received;*
 - (c) provisions for doubtful debts related to the amount of outstanding balances; and*
 - (d) the expense recognised during the period in respect of bad or doubtful debts due from related parties.*
18. *The disclosures required by paragraph 17 shall be made separately for each of the following categories:*
- (a) the parent;*
 - (b) entities with joint control or significant influence over the entity;*
 - (c) subsidiaries;*
 - (d) associates;*
 - (e) joint ventures in which the entity is a venturer;*
 - (f) key management personnel of the entity or its parent; and*
 - (g) other related parties.*
- Aus18.1 *When there exist transactions or balances with former key management personnel that would otherwise be included in the aggregates disclosed in respect of category (g), paragraph 18, an entity shall make separate disclosures in respect of those former key management personnel.*
- Aus18.2 *In respect of disclosing entities, category (f), paragraph 18, comprises the key management personnel only of the (external) parent of the disclosing entity, and does not include those key management personnel about whom disclosures are made in accordance with AASB 1046. Likewise, entities related to the key management personnel of the disclosing entity (clauses (e) and (f) of the definition of related party in paragraph 9) are excluded from disclosures under category (g), paragraph 18.*

19. *The classification of amounts payable to, and receivable from, related parties in the different categories as required in paragraph 18 is an extension of the disclosure requirement in AASB 101 Presentation of Financial Statements for information to be presented either on the balance sheet or in the notes. The categories are extended to provide a more comprehensive analysis of related party balances and apply to related party transactions.*
20. *The following are examples of transactions that are disclosed if they are with a related party:*
- (a) purchases or sales of goods (finished or unfinished);*
 - (b) purchases or sales of property and other assets;*
 - (c) rendering or receiving of services;*
 - (d) leases;*
 - (e) transfers of research and development;*
 - (f) transfers under licence agreements;*
 - (g) transfers under finance arrangements (including loans and equity contributions in cash or in kind);*
 - (h) provision of guarantees or collateral; and*
 - (i) settlement of liabilities on behalf of the entity or by the entity on behalf of another party.*

Participation by a parent or subsidiary in a defined benefit plan that shares risks between group entities is a transaction between related parties (see paragraph 34B of AASB 119 as issued in December 2004).

21. *Disclosures that related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated.*

Please refer to AASB 124 (Related Party Disclosures) in toto for further details.

Notes to and Forming Part of the Financial Report

for the financial year ended 31 December 2006

b) Net Fair Values

Methods and assumptions used in determining net fair value.

For assets and liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

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

c) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

NOTE 17: RELATED PARTIES

(a) Board of Management:

Persons holding positions as Members of the Board of Management during the period were:

M O'Callaghan	C McCluskey	J Henderson	L Crowley	P Gordon
C Ogilvie	M Pillsworth	M Shulman	H Nalder	

No income was received or was due and receivable from the Queensland Rugby Union Club Inc. by any member of the Management Committee except for the following:

- Legal services are provided to the Queensland Rugby Union Club Inc by Ebsworth & Ebsworth lawyers, of which Mr Paul Gordon is a Partner. Fees charged by Ebsworth & Ebsworth in 2006 financial year for legal services amounted to \$18,653. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated

(b) Rental Agreement

- During the year, the club paid \$18,000 as rent to the Queensland Rugby Union Limited (2005: \$119,351).
- During the year, the club received \$200,000 as a license fee payment from Queensland Rugby Union Limited (2005: \$Nil).



VICTORIAN FARMERS FEDERATION
INDUSTRIAL ASSOCIATION

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2006





April 2007

Dear Victorian Farmers Federation Industrial Association Member,

VFFIA ACCOUNTS

Please find attached a copy of the Auditor's Report of the Victorian Farmers Federation Industrial Association (VFFIA) accounts for the year ended 31 December 2006. This report has been compiled under the provision of the VFFIA Rules and Part IX, Division 11 of the *Workplace Relations Act 1996* (Cth).

This report will be presented at the VFFIA Annual General Meeting on 20 June 2007 at 5:10pm. Please note, this meeting coincides with the Victorian Farmers Federation Annual Conference that is to be held at the Hotel Sofitel on 20 and 21 June 2007.

Yours sincerely,

ALAN BOWMAN
PRESIDENT
VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

VICTORIAN FARMERS FEDERATION
INDUSTRIAL ASSOCIATION
FARRER HOUSE
24 - 28 COLLINS STREET
MELBOURNE, VICTORIA 3000
TELEPHONE: (03) 9207 5555
FACSIMILE: (03) 9207 5500

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

COMMITTEE'S OPERATIONS REPORT

Your committee members present their report on the association for the financial year ended 31 December 2006.

Committee Members

The names of Committee of Management members in office at any time during the financial year were:

Alan Heard Bowman
Brian Ahmed (*Appointed 11 July 2006*)
Terence Burgi (*Did not seek renomination 11 July 2006*)
James William Hinton
Colin McCormack (*Did not seek renomination 11 July 2006*)
Luigi Napolitano (*Did not seek renomination 11 July 2006*)
Margaret Parkinson (*Appointed 11 July 2006*)
William Schreurs (*Appointed 11 July 2006*)
Robert Tully (*Appointed 11 July 2006*)
Charles William Whitehead (*Did not seek renomination 11 July 2006*)

Committee members have been in office since the start of the financial year to the date of this reporting unless otherwise stated.

Operating Results

The profit/loss of the association for the financial year after providing for income tax amounted to \$121,463 (2005: \$Nil).

Significant changes in state of affairs

No significant changes in the association's state of financial affairs occurred during the financial year.

Principle activities

The principle activity of the association during the financial year has been promoting the industrial interests of Victorian Farmers. There has been no significant change in the nature of the association's activities during the financial year.

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration Accountability of Organisations) Regulations -

a) The number of persons that were at the end of the financial year recorded in the register of members for sec 230 of the RAO Schedule and who were taken to be members of the association under sec 244 of the RAO Schedule was 2,303.

b) The number of persons that were at the end of the financial year employees of the association including both full time and part time employees measured on a full time equivalent basis was Nil.

c) Rule 25.2.4 of the VFFIA registered rules provides that any member of the Executive Committee has the right to resign from the Executive Committee.

d) In accordance with paragraph 254 (2) (d), and to the best of the Executive Committee's knowledge no Officer or member of the reporting unit is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

COMMITTEE'S OPERATIONS REPORT

After balance date events

No matters or circumstances have arisen since the end of the financial year which 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 future financial years.

Likely developments

Likely developments of the association and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the entity.

Environmental issues

The association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Indemnifying Officers or Auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the association.

Proceedings on behalf of the Association

No person has applied for leave of court to bring proceedings on behalf of the association or intervene in any proceeding to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings. The association was not a party to any such proceedings during the year.

Signed for and on behalf of the Committee of Management.

Committee Member Alan Bowman

President

Committee Member 

Dated this 2nd day of April 2007.

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

INCOME STATEMENT
FOR THE YEAR ENDED
31 DECEMBER 2006

		2006	2005
	Note	\$	\$
Revenue	3	839,652	797,630
Other expenses	4	<u>(718,189)</u>	<u>(797,630)</u>
Surplus before income tax		121,463	-
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Surplus for the financial year		<u><u>121,463</u></u>	<u><u>-</u></u>

The accompanying notes form part of these financial statements.

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VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

CASH FLOW STATEMENT
FOR THE YEAR ENDED
31 DECEMBER 2006

Note	2006 \$	2005 \$
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movement in amounts owing to/(receivable from) related entities	<u>183</u>	<u>(180)</u>
Net cash provided by/(used in) financing activities	<u>183</u>	<u>(180)</u>
Net (decrease) in cash held	183	(180)
Cash at beginning of financial year	<u>89</u>	<u>269</u>
Cash at end of financial year	<u>272</u>	<u>89</u>

The accompanying notes form part of these financial statements.

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VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

**BALANCE SHEET
AS AT
31 DECEMBER 2006**

	Note	2006 \$	2005 \$
CURRENT ASSETS			
Cash and cash equivalents	5	272	89
Other assets	6	<u>3,748</u>	<u>8,189</u>
TOTAL CURRENT ASSETS		<u>4,019</u>	<u>8,278</u>
TOTAL ASSETS		<u>4,019</u>	<u>8,278</u>
CURRENT LIABILITIES			
Trade and other payables	7	<u>-</u>	<u>125,722</u>
TOTAL CURRENT LIABILITIES		<u>-</u>	<u>125,722</u>
NET ASSETS		<u>4,019</u>	<u>(117,444)</u>
EQUITY			
Retained Surpluses/(deficit)		<u>4,019</u>	<u>(117,444)</u>
TOTAL EQUITY		<u>4,019</u>	<u>(117,444)</u>

The accompanying notes form part of these financial statements.

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
31 DECEMBER 2006

	Note	Retained surplus/(deficit) \$	2006 \$	2005 \$
Balance as at 1 January 2006		(117,444)	(117,444)	(117,444)
Surplus attributable to members		<u>121,463</u>	<u>121,463</u>	<u>-</u>
Balance at 31 December 2006		<u>4,019</u>	<u>4,019</u>	<u>(117,444)</u>

The accompanying notes form part of these financial statements.

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

COMMITTEE OF MANAGEMENT'S CERTIFICATE

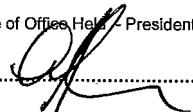
On 26 March 2007 the Committee of Management of the Victorian Farmers Federation Industrial Association Executive Committee passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2006:

The Committee of Management declares in relation to the general purpose financial report (GPFR) that in its opinion:

- a) The financial statements and notes comply with Australian Accounting and International Financial Reporting 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 RAO Schedule and the RAO Regulations; and
 - iv) The organisation does not consist of 2 or more reporting units; and
 - v) No information has been requested by a member of the reporting unit or Register pursuant to section 272 of the RAO schedule; and
 - vi) No orders have been made by the commission under section 273 of the RAO schedule during the period.

For the Committee of Management

Title of Office Held - President


.....
.....

Dated this 2nd day of April 2007.

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

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 Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers the economic entity of Victorian Farmers Federation Industrial Association, and is a registered organisation, and is accountable under the Workplace Relations (Registration and Accountability of Organisations) legislation 2003.

The financial report of Victorian Farmers Federation Industrial Association comply with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety.

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

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

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) Income tax

No provision for income tax is made as the Association (being an association not carried on for the purpose of profit or gain to the individual members thereof and being established for the purpose of promoting the development of the agricultural and pastoral resources of Australia) is exempt from income tax under section 23(h) of the Income Tax Assessment Act 1936 (as amended).

(b) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognised these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised costs using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debts less

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

Note 1: Statement of Significant Accounting Policies (Cont)

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(d) Revenue

Subscription income is recognised when received or entitled to be received.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(f) Comparative Figures

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

Note 2 a) : Information to be provided to Members or Registrar

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

(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 made in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must be no 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 2 b) : Going concern

For the year ended 31 December 2006 the Association incurred a surplus of \$121,463 and at that date had no liabilities and a working capital of \$4,019.

The association has no liabilities. During 2006 the Victorian Farmers Federation (VFF) 'forgave' a liability of \$125,722.

The Executive Committee of the Association believes that the Association can continue to operate and meet its obligations as and when they fall due. The accounts of the Association have accordingly been prepared on the basis that the Association is a going concern.

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

	2006 \$	2005 \$
Note 3: Revenue		
Operating Activities		
- Subscriptions	713,930	797,630
- Forgiveness of debt by Victorian Farmers Federation.	<u>125,722</u>	<u>-</u>
Total Revenue	<u>839,652</u>	<u>797,630</u>

Note 4: Profit from Ordinary Activities

Expenses

Other expenses from ordinary activities		
- Other expenses	4,259	-
- Service Fee	<u>713,930</u>	<u>797,630</u>
Total other expenses	<u>718,189</u>	<u>797,630</u>

Note 5: Cash and cash equivalents

Cash at bank and on hand	<u>272</u>	<u>89</u>
	<u>272</u>	<u>89</u>

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	<u>272</u>	<u>89</u>
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Note 6: Other Assets

Other	-	4,259
Loan to related party	<u>3,748</u>	<u>3,930</u>
	<u>3,748</u>	<u>8,189</u>

Note 7: Payables

Unsecured liabilities		
Amounts payable to:		
- Other related parties	<u>-</u>	<u>125,722</u>
	<u>-</u>	<u>125,722</u>

Note 8: Contingent Liabilities

There were no contingent liabilities as at 31 December 2006.

Note 9: Segment Reporting

The entity operates in one business, being the promotion of farmer member's industrial interests in the state of Victoria, Australia.

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2006

	2006	2005
	\$	\$
Note 10: Cash Flow Information		
(a) Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit from ordinary activities after income tax	(121,463)	-
Decrease in other payables	125,722	-
(Increase)/decrease in other current assets	(4,259)	-
Cash from operations	<u>-</u>	<u>-</u>

(b) Credit Stand by Arrangement and Loan Facilities

The entity has no arrangements or facilities.

Note 11: Financial Instruments

(a) Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and accounts payable.

The main purpose of non-derivative financial instruments is to raise finance for group operations.

The entity does not have any derivative instruments at 31 December 2006.

Financial Risks

The main risks the group is exposed to through its financial instruments are liquidity risk and credit risk.

Liquidity risk

The entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate facilities are maintained.

Credit risk

The maximum exposure to credit risk, at balance date, to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the group.

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

Note 11: Financial Instruments (Cont.)

	Weighted Average Effective Interest Rate		Floating Interest Rate		Within 1 Year		1 to 5 years		Non-interest Bearing		Total	
	2006 %	2005 %	2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$
Financial Assets:												
Cash and cash equivalents	5.81	5.35	272	89	-	-	-	-	-	-	272	89
Receivables			-	-	-	-	-	-	3,748	3,930	3,748	3,930
Total Financial Assets			<u>272</u>	<u>89</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,748</u>	<u>3,930</u>	<u>4,019</u>	<u>4,019</u>
Financial Liabilities												
Trade and other payables			-	-	-	-	-	-	-	125,722	-	125,722
Total Financial Liabilities			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>125,722</u>	<u>-</u>	<u>125,722</u>

Note 12: Company Details

The registered office and principal place of business of the company is:

Victorian Farmers Federation
Level 5, 24-28 Collins Street
Melbourne VIC 3000

VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION


ACCOUNTING OFFICER'S CERTIFICATE

I, Denholme Chapman, being the Officer responsible for keeping the accounting records of the Victorian Farmers Federation Industrial Association, certify that as at 31 December 2006, the number of members of the Association was 2,303.

In my opinion:

- 1) The attached accounts show a true and fair view of the financial affairs of the Association as at 31 December 2006.
- 2) A record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which these monies are to be credited, in accordance with the rules of the Association.
- 3) Before any expenditure was incurred by the Association, approval for the incurring of the expenditure was obtained in accordance with the rules of the Association.
- 4) With regard to funds of the Association raised by compulsory levies or voluntary contributions from members, or funds other than the General fund operated in accordance with the rules, no payments were out of such fund for purposes other than those for which the fund was operated.
- 5) No loans or other financial benefits, other than remuneration in respect of their full time employment with the Association and reimbursement of expenses and attendance payments were made to persons holding office in the Association.
- 6) The Register of Members of the Association was maintained in accordance with the Act.

Financial Controller



Dated this 2nd April 2007



COFFEY HUNT

**CHARTERED
ACCOUNTANTS**

199 Koroit Street
P.O. Box 677
Warrnambool VIC 3280

TELEPHONE (03) 5562 3544

FAX (03) 5562 0689

WEBSITE www.coffeyhunt.com.au

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
VICTORIAN FARMERS FEDERATION INDUSTRIAL ASSOCIATION**

Scope

The financial report and committee's responsibility

The financial report comprises the income statement, balance sheet, statement of changes in equities, cash flow statement, accompanying notes to the financial statements, and the statement by members of committee for Victorian Farmers Federation Industrial Association, for the year ended 31 December 2006.

The Committee of the association is responsible for the preparation and true and fair presentation of the financial report in accordance with the requirements of the Association Incorporations Act Victoria 1981. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit of this 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 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 applicable the Association Incorporations Act Victorian 1981, Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of schedule 1 of the Workplace Relations Act 1996 so as to present a view which is consistent with our understanding of the Association's financial position and performance as represented by the results of its operations and its cash flows.

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

Independence

In conducting our audit, we followed independence requirements of Australia professional ethical pronouncements.



Audit Opinion

In our opinion, the financial report of Victorian Farmers Federation Industrial Association presents a true and fair view, in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of schedule 1 of the Workplace Relations Act 1996, of the financial position of Victorian Farmers Federation Industrial Association as at 31 December 2006 and the results of its operations and its cash flows for the year then ended.

COFFEY HUNT
CHARTERED ACCOUNTANTS

M.P. GUNN
PARTNER

Dated at Warrnambool, 2th April 2007.



FR2006/632.

entered CMS
scanned to e-Docs

22 June 2007

Lynette Markovski
Statutory Services Branch
Australian Industrial Registry
Level 35, Nauru House
80 Collins Street
MELBOURNE VIC 3000

Dear Ms Markovski,

Victorian Farmers Federation Industrial Association Financial Statements

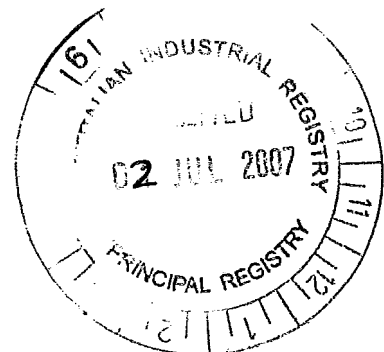
The enclosed documents are the copies of the Victorian Farmers Federation Industrial Association (VFFIA) financial statements for the year ending 31 December 2006 that were presented to the Annual General Meeting on Wednesday, 20 June 2007.

Please also find enclosed the signed Certificate of the Authorised Officer, the VFFIA Treasurer, Mr James Hinton.

Please contact me on 9207 5511 if you have any queries.

Yours Sincerely

Patricia Murdock
Executive Manager HR & IR



VICTORIAN FARMERS FEDERATION
INDUSTRIAL ASSOCIATION

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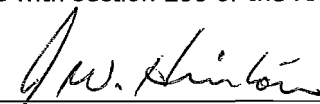
FACSIMILE: (03) 9207 5500

Certificate of Secretary or other Authorised Officer¹

S268 of Schedule 1B *Workplace Relations Act 1996*

I, James Hinton being the Treasurer of the Victorian Farmers Federation Industrial Association Executive Committee certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- That the full report, was provided to members on approximately 13 April 2007; and
- That the full report was presented to a general meeting of members on 20 June 2007 in accordance with section 266 of the RAO Schedule.

Signature 

Date: 25 06 2007

¹ RAO regulation 162 prescribes the designed 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.