



FAIR WORK
AUSTRALIA

4 February 2011

Mr Robert Humphreys
President
Victorian Association of Forest Industries

email: info@vafi.org.au

Dear Mr Humphreys

Re: Financial Report for the Victorian Association of Forest Industries for year ended 30 June 2010 – FR2010/2580

I acknowledge receipt of the revised Audit Report in response to correspondence of Fair Work Australia dated 15 November 2010. The report was lodged with Fair Work Australia on 27 January 2011.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Employee Benefits Expense

When preparing a General Purpose Financial Report (GPFR), section 253(2) of the *Fair Work (Registered Organisations) Act 2009* (the Act) requires a reporting unit to provide information that is specified in the General Manager's Reporting Guidelines (the guidelines). In particular, guideline 11 sets out in detail those items of expense that must be disclosed by a reporting unit either in the notes to, or on the face of, a financial statement. Included are such items as:

- employee benefits to holders of office (11(g));
- employee benefits to employees (11(h));

It may be that these employee benefits to holders of office are included in the figure for 'Employee benefits expense' but it is not clear on the face of the statements.

You are requested to ensure that any expenses that relate to these categories are *separately* disclosed in accordance with the guidelines in future.

Notes to Financial Reports

Notice under Section 272(5) of the Act

As you are aware, the Notes to the GPFR are required to include a notice drawing attention to the fact that information that is prescribed by the *Fair Work (Registered Organisations) Regulations 2009* is available to members on request.

The wording of section 272(5) of the Act is as follows (emphasis added):

*“(5) A general purpose financial report prepared under section 253, a concise report prepared under section 265 and a report prepared under subsection 270(4) must include a notice drawing attention to subsections (1), (2) and (3) of this section **and setting out those subsections.**”*

Would you please ensure in future that the Notes contain this extract of the Act, word for word:

272 Information to be provided to members or General Manager

(1) A member of a reporting unit, or the General Manager, 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: This subsection is a civil penalty provision (see section 305).’

Audit Report

Scope of Audit Report

The Audit Report must satisfy the Australian Accounting Standards for a GPFR. In particular, the scope of the audit report should refer to a complete GPFR. The financial report contained a ‘profit and loss statement for the year ended 30 June 2010’ which was not referred to in the scope of the audit report. In future years please ensure that the scope of the audit’s report also includes reference to the profit and loss statement.

Timing of Financial Documents - Lodgement of documents with Fair Work Australia

[Section 268](#) of the Act requires the Victorian Association of Forest Industries to lodge its financial documents with Fair Work Australia (FWA) within 14 days of the date of the General Meeting of Members at which they were presented (that is, 29 October 2010). The documents were not lodged with FWA until 12 November 2010. In future years please ensure that financial reports are lodged with FWA within 14 days of the General Meeting of Members.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely



Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

CWS SINCOCK & CO

CHARTERED ACCOUNTANTS

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES ABN: 99 752 910 589

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF VICTORIAN ASSOCIATION OF FOREST INDUSTRIES

Scope

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the executive statement for Victorian Association of Forest Industries (VAFI) for the year ended 30th June 2010.

The executive of VAFI is responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001 and the reporting guidelines of Fair Work Australia and the Fair Work (Registered Organisations) Act 2009. 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 in order to express an opinion to the members of VAFI. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether, in all material respects, the financial report presents fairly, in accordance with the Corporations Act 2001, Australian Accounting Standards and other mandatory financial reporting requirements in Australia, so as to present a view which is consistent with our understanding of the VAFI's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the executive.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

It is also relevant that we satisfy the requirements of Regulation 4 of the Fair Work (Registered Organisations) Regulations 2009 in relation to the definition of an approved auditor.

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CWS SINCOCK & CO

CHARTERED ACCOUNTANTS

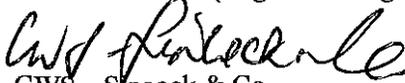
VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN: 99 752 910 589

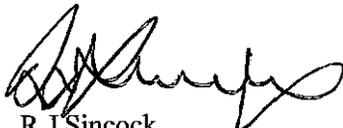
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
VICTORIAN ASSOCIATION OF FOREST INDUSTRIES

(continued)

Audit Opinion

In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.


CWS – Sincock & Co
Chartered Accountants


R J Sincock
Partner

Dated at Melbourne, this 13th day of September, 2010.

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FAIR WORK
AUSTRALIA

16 November 2010

Mr Robert Humphreys
President
Victorian Association of Forest Industries

email: info@vafi.org.au

Dear Mr Humphreys

Re: Financial Report for the Victorian Association of Forest Industries for year ended 30 June 2010 – FR2010/2580

I acknowledge receipt of the financial report for the Victorian Association of Forest Industries for the year ended 30 June 2010. The report was lodged with Fair Work Australia on 12 November 2010.

The financial report has not been filed.

The following matters require your attention before any action can be taken to file the above report.

Audit Report

Auditor's Opinion

The Audit Report contained the following opinion:

'In our opinion the financial report of Victorian Association of Forest Industries is in accordance with:

- (a) *the Corporations Act 2001, including:*
 - (i) *giving a true and fair view of VAFI's financial position as at 30 June 2010;*
 - (ii) *complying with Accounting Standards and the Corporations Regulations 2001;*
 - (iii) *the reporting guidelines of Fair Work Australia and the Fair Work (Registered Organisations) Act 2009; and*
- (b) *other mandatory professional reporting requirements.'*

The term 'true and fair view' was used in the superseded legislation. Subsection 257(5) of the *Fair Work (Registered Organisations) Act 2009* (the Act) sets out the matters upon which an auditor is required to make an opinion on whether the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the RAO Schedule. The following wording in the auditor's opinion would satisfy the requirements:

'In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.'

Auditor's Qualification

Also, it is not clear from the Report whether or not the Auditor is an approved Auditor. In this regard I draw your attention to the definitions of approved auditor in regulation 4 of the *Fair Work (Registered Organisations) Regulations 2009*. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Donnellan', with a long horizontal flourish extending to the right.

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

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www.vafi.org.au



General Manager
Fair Work Australia
Level 4, 11 Exhibition Street
Melbourne
Vic , 3000

Please find enclosed Financial Returns for the Victorian Association of Forest Industries (VAFI) for the year ended 30 June 2010.

The Accounts were presented at the AGM held 15 October 2010.

Accompanying them is the required Statement by the Certifying Officer.

Philip Dalidakis
Executive Director
VAFI

10 November 2010

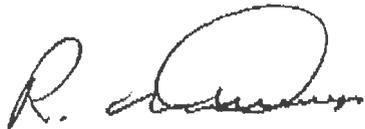
VAFI Financial Returns Certifying Officer Statement 2010

Victorian Association of Forest Industries Financial Documents for year ended 30 June 2010

This is to certify that the Financial Statements lodged with Fair Work Australia for the year ended 30 June 2010 are copies which were presented to the Annual General Meeting of the Association held on Friday 15 October November, 2010 in accordance with the requirements of the Fair Work (Registered Organisations) Act 2009.

The Accounts had been forwarded to all members by Circular on 14 September 2010.

President
VAFI



10 November 2010

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2010

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Professional Standards Legislation**

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

CONTENTS

Operating Report

Income Statement

Balance Sheet

Statement of Changes in Equity

Cash Flow Statement

Notes to the Financial Statements

Directors' Declaration

Compilation Report

Detailed Profit and Loss Statement

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

OPERATING REPORT

Operating Report prepared in accordance with the requirements of the Fair Work (Registered Organisations) Act 2009.

Executive

The names of the Executive throughout the year and at the date of this report are:

Mr Greg McCormack	Mr Bob Humphreys
Mr Vince Hurley (appointed 13 May 2010)	Mr Greg McNulty
Mr Gary Demby	Mr Rowan Reid
Mr Peter Rutherford	Mr Darrin McKenzie (resigned 13 May 2010)
Mr Guy Mycroft (resigned 4 December 2009)	

Principal activities

The Victorian Association of Forest Industries (VAFI) is the peak industry body for Victoria's native hardwood timber industry. VAFI provides information, advice and referral services as well advocating on behalf of members at State and Federal Government levels.

Review of principal activities

The principal activities undertaken by VAFI during the financial year included;

- Representation of members interests to government and other agencies on industry restructuring, future resource pricing and allocation arrangements, future wood supply contract arrangements.
- Issues management, communications and public affairs
- Advice to members on employee relations, industrial relations, occupational health and safety and environmental management matters.
- Industrial representation for members in industrial tribunals

Significant changes

No significant change in the nature of the activities occurred during the year.

Operating Result

The loss for the year ended 30 June 2010 amounted to \$217,377 (2009: \$440,867).

Membership

The number of members of VAFI as recorded in the register of members as at 30 June 2010 was 17 (2009: 17).

Employees

The number of employees of VAFI as at 30 June 2010 measured on a full-time equivalent basis was 4 (2009: 4).

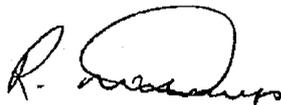
Details of the right of members to resign

Members have the right to resign in accordance with Rule 11 of VAFI's Registered Rules.

Details of superannuation trustees

No officer or member of VAFI is a trustee of a superannuation entity or a director of a company that is a trustee of a superannuation entity.

Signed in accordance with a resolution of the Executive.



R. Humphreys
President VAFI



Vice-President VAFI



Dated this 10th day of Sept. 2010.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
Revenue		567,806	535,053
Other income		269,007	-
		<u>836,813</u>	<u>535,053</u>
Depreciation and amortisation expenses		(6,687)	(5,741)
Employee benefits expenses		(433,954)	(387,732)
Other expenses		(613,549)	(582,447)
Loss before income tax	2	<u>(217,377)</u>	<u>(440,867)</u>
Retained earnings at the beginning of the financial year		2,553,843	2,994,710
Profit attributable to members of the company		<u>2,336,466</u>	<u>2,553,843</u>

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached compilation
report of Accountants.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES

ABN 99 752 910 589

BALANCE SHEET
AS AT 30 JUNE 2010

	Note	2010 \$	2009 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	2,062,248	1,309,623
Trade and other receivables	4	312,146	105,938
Other current assets	5	-	5,866
TOTAL CURRENT ASSETS		<u>2,374,394</u>	<u>1,421,427</u>
NON-CURRENT ASSETS			
Financial assets	6	2	704
Property, plant and equipment	7	12,584	1,193,150
Investment property		35,155	35,155
TOTAL NON-CURRENT ASSETS		<u>47,741</u>	<u>1,229,009</u>
TOTAL ASSETS		<u>2,422,135</u>	<u>2,650,436</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	68,293	81,687
Provisions	9	17,376	14,760
TOTAL CURRENT LIABILITIES		<u>85,669</u>	<u>96,447</u>
TOTAL LIABILITIES		<u>85,669</u>	<u>96,447</u>
NET ASSETS		<u>2,336,466</u>	<u>2,553,989</u>
EQUITY			
Reserves	10	-	146
Retained earnings	11	2,336,466	2,553,843
TOTAL EQUITY		<u>2,336,466</u>	<u>2,553,989</u>

The accompanying notes form part of these financial statements.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010

Note	Retained earnings \$	General Reserve \$	Total \$
Balance at 1 July 2008	2,994,710	146	2,994,856
Profit attributable to equity shareholders	<u>(440,867)</u>		<u>(440,867)</u>
Balance at 30 June 2009	2,553,843	146	2,553,989
Profit attributable to equity shareholders	<u>(217,377)</u>		<u>(217,377)</u>
Balance at 30 June 2010	<u>2,336,466</u>	<u>146</u>	<u>2,336,612</u>

The accompanying notes form part of these financial statements.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	-	429,115
Payments to suppliers and employees	-	(873,732)
Net cash provided by (used in) operating activities	-	(444,617)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	(156,921)	156,921
Payments for property, plant and equipment	1,385,226	(1,385,226)
Payments for investments	704	(704)
Payments for other assets	5,866	(5,866)
Net cash provided by (used in) investing activities	1,234,875	(1,234,875)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from financial liabilities	-	4,161
Net cash provided by financing activities	-	4,161
Net increase (decrease) in cash held	1,234,875	(1,675,331)
Cash at beginning of financial year	1,309,623	-
Cash at end of financial year	2,544,498	(1,675,331)

The accompanying notes form part of these financial statements.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

2010	2009
\$	\$

1 Statement of Significant Accounting Policies

Victorian Association of Forest Industries is a Registered Organisation as defined by the Fair Work (Registered Organisations) Act 2009.

Reporting basis and conventions

The Executive has prepared the financial statements as a General Purpose Financial Report in accordance with the guidelines in force pursuant to the Fair Work (Transitional Provisions and Consequential Amendments) Act 2009.

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001, and the significant accounting policies disclosed below which the Executive has determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of this report are as follows:

Accounting Policies

Property, Plant and Equipment

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Executive to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

2010	2009
\$	\$

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expenses to profit or loss immediately.

Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Provisions

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

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

2010	2009
\$	\$

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

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.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

All revenue is stated net of the amount of goods and services tax (GST).

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax 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 balance sheet are shown inclusive 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.

Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

2 Loss

Operating loss has been determined after:

Expenses

Depreciation of property, plant and equipment	6,687	5,741
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VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
Revenue and Other Income		
Profit on Sale of Non-current Assets	269,007	-
3 Cash and Cash Equivalents		
Petty Cash Imprest	500	500
Cash at Bank	968,218	261,371
Cash at Bank	52,415	-
Cash in Trust - Projects	4,137	4,137
Cash at Bank	5,065	-
Short Term Deposits	1,031,913	1,043,615
	2,062,248	1,309,623

Reconciliation of cash

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

Petty Cash Imprest	500	500
Cash at Bank	968,218	261,371
Cash at Bank	52,415	-
Cash in Trust - Projects	4,137	4,137
Cash at Bank	5,065	-
Short Term Deposits	1,031,913	1,043,615
	2,062,248	1,309,623

4 Trade and Other Receivables

Current

Subscriptions Receivable	128,215	104,538
Loans - Secured	48,880	-
Loans - Unsecured	132,800	-
GST Payable	851	-
Other Amounts Receivable	1,400	1,400
	312,146	105,938

The company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

5 Other Current Assets

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$	2009 \$
Current		
Prepayments	-	5,866
6 Financial Assets		
Non-Current		
Shares in Listed Companies	-	702
Shares in Unlisted Companies	2	2
	2	704
7 Property, Plant and Equipment		
Plant & Equipment:	-	1,187,861
Less: Accumulated Depreciation	-	(2,725)
	-	1,185,136
Motor Vehicles	-	162,210
Less: Accumulated Depreciation	-	(154,196)
	-	8,014
Office Furniture & Equipment	46,168	-
Less: Accumulated Depreciation	(35,791)	-
	10,377	-
Furniture & Fittings	35,871	-
Less: Accumulated Depreciation	(34,806)	-
	1,065	-
Computer Equipment	90,614	-
Less: Accumulated Depreciation	(89,472)	-
	1,142	-
Total Plant and Equipment	12,584	1,193,150
Total Property, Plant and Equipment	12,584	1,193,150
8 Trade and Other Payables		

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
Current		
Trade Creditors	57,851	68,819
Other Creditors	10,442	8,707
Funds Held in Trust	-	4,161
	68,293	81,687
Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables:		
- Total current	68,293	81,687
Financial liabilities as trade and other payables	68,293	81,687
9 Provisions		
Current		
Provision for Annual Leave	17,376	14,760
10 Reserves		
11 Retained Earnings		
Retained earnings at the beginning of the financial year	2,553,843	2,994,710
Net loss attributable to members	(217,377)	(440,867)
Retained earnings at the end of the financial year	2,336,466	2,553,843
12 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Loss after income tax	(217,377)	(440,867)
Non-cash flows in profit		
Depreciation	6,687	5,741
Net gain on disposal of investments	(269,007)	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
(Increase)/decrease in other assets	5,866	(5,866)
(Increase)/decrease in trade and other receivables	(206,208)	(105,938)
Increase/(decrease) in trade and other payables	(13,394)	81,687
Increase/(decrease) in provisions	2,616	14,760
	<u>(690,817)</u>	<u>(450,483)</u>

13 Company Details

Victorian Association of Forest Industries

The principal place of business is:

Level 2, 2 Market Street
Melbourne Vic 3000

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

EXECUTIVE STATEMENT

The Executive of the Victorian Association of Forest Industries, declare that:

1. the financial statements and notes comply with Australian Accounting Standards and the reporting guidelines of Fair Work Australia and the Fair Work (Registered Organisations) Act 2009.;
2. the financial statements and notes give a true and fair view of the financial position of the Victoria Association of Forest Industries as at 30 June 2010 and of its financial performance and cash flows for the year ended on that date;
3. at the date of this statement, there are reasonable grounds to believe that the Victorian Association of Forest Industries will be able to pay its debts as and when they fall due.
4. during the financial year ended 30 June 2010 and to the date of this report:
 - (i) meetings of the Executive were held in accordance with rules of the organisation; and
 - (ii) the financial affairs of VAFI have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of VAFI unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the information sought in any request of a member of VAFI or the General Manager (FWA) duly made under section 272 of the RAO Schedule has been furnished to the member or the General Manager (FWA); and
 - (v) there has been compliance with any order for inspection of financial records made by the Tribunal under section 273 of the RAO schedule.

This statement is made in accordance with a resolution of the Executive of the Victorian Association of Forest Industries made on this day.



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Dated this 10th day of Sept. 2010.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
ABN 99 752 910 589

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
SALES		
Sales	567,806	535,053
GROSS PROFIT FROM TRADING	567,806	535,053
OTHER INCOME		
Profit on Sale of Non-current Assets	269,007	-
	836,813	535,053
EXPENSES		
Administration Costs	6,955	5,823
Consulting Resources	130,246	105,705
Contract Work	35,798	-
Depreciation	6,687	5,741
Employee Expenses	433,954	387,732
Function Costs	130,692	103,548
Legal Costs	-	32,500
NAFI Contribution	37,630	41,671
Office Expenses	208,658	222,400
WPVL Contribution	63,570	70,800
	1,054,190	975,920
Loss before income tax	(217,377)	(440,867)

The accompanying notes form part of these financial statements.