

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW

ABN: 26 214 164 082

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2009**

**RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082
FOR THE YEAR ENDED 30 JUNE 2009**

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RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082
FOR THE YEAR ENDED 30 JUNE 2009

STATEMENT BY MEMBERS OF THE COMMITTEE

The Committee have determined that the Association is not a reporting entity, and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements for the members of the Association, to enable compliance with the requirements of the Industrial Relations Act 1996, and its Regulations and the former Industrial Relations Act 1991 (the Act).

In the opinion of the Committee:

1. During the financial year to which the financial report relates, meetings of the committee of management were held in accordance with the rules of the Association;
2. There has not been, to the knowledge of any member of the committee, during the financial year to which the financial report relates, instances where records of the Association or other documents (not being documents containing information made available to a member of the Association under s512 (2)) or copies of those records or other documents, or copies of the rules of the Association, have not been furnished, or made available , to members of the Association, in accordance with the Act, Regulation 59 or the rules of the Association.
3. In relation to the report prepared in accordance with s514 of the Act by the auditor of the Association, in respect of the financial year immediately preceding the financial year to which the financial statements relate and in relation to any accounts and statements prepared in accordance with s510 (1) to which that report relates, the Association has complied with s517 subsections (1) and (5) of the Act.
4. The financial report presents a true and fair view of the financial position of Restaurant & Catering Industry Association of NSW as at 30 June 2009 and its performance for the year ended on that date.
5. At the date of this statement, there is reasonable ground to believe that the Restaurant & Catering Industry Association of NSW will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President:

Treasurer:

Dated this day of 2009

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082
FOR THE YEAR ENDED 30 JUNE 2009

Statement by the Accounting Officer
For the Year Ended 30 June 2009

I, John Hart, being the Officer responsible for keeping the accounting records of the Association, certify that as at 30 June 2009, the number of members of the Association, was 2,133 (2008: 2,222).

In my opinion,

- The attached accounts show a true and fair view of the financial affairs of the Association as at 30 June 2009;
- 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 those monies are to be credited, in accordance with rules of the Association;
- Before any expenditure was incurred by the Association, approval of the incurring of the expenditure was obtained in accordance with the rules of the Association;
- With regard to funds of the Association raised by voluntary contributions from members, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- No loans or other financial benefits were made to persons holding office in the Association other than reimbursements;
- The register of members of the Association was maintained in accordance with the Act.

Signed:

Sydney, NSW

Dated:

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Notes	2009 \$	2008 \$
CLASSIFICATION OF EXPENSES BY NATURE			
Revenues from ordinary activities		2,651,863	3,119,853
Employee benefits expense		(707,456)	(783,544)
Depreciation and amortisation expense		(24,579)	(26,654)
Borrowing costs expense		-	-
Other expenses from ordinary activities		<u>(2,133,563)</u>	<u>(2,234,775)</u>
Surplus / (deficit) from ordinary activities before			
Income tax expense	2	(213,735)	74,880
Income tax relating to ordinary activities	3	<u>-</u>	<u>-</u>
Net surplus / (deficit) from ordinary activities			
after income tax attributable to members of			
the Association	4	<u>(213,735)</u>	<u>74,880</u>
Total changes in members' funds other than those			
resulting from transactions with members as members		<u>(213,735)</u>	<u>74,880</u>

The accompanying notes form part of these financial statements

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082

STATEMENT OF RECOGNISED INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
MEMBERS FUNDS		
ASSET REVALUATION RESERVE		
Balance at 1 July	26,603	26,868
Revaluation Increment / Reduction	<u>30</u>	<u>(265)</u>
Balance at 30 June	<u>26,633</u>	<u>26,603</u>
RETAINED SURPLUS		
Balance at 1 July	621,015	546,135
Net Surplus / (Deficit) Attributable to Association Members	<u>(213,735)</u>	<u>74,880</u>
Balance at 30 June	<u>407,280</u>	<u>621,015</u>
TOTAL MEMBERS FUNDS	<u>433,913</u>	<u>647,618</u>

The accompanying notes form part of these financial statements

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082

BALANCE SHEET
AS AT 30 JUNE 2009

	Notes	2009 \$	2008 \$
CURRENT ASSETS			
Cash and Cash Equivalents	6	283,375	356,263
Trade and Other Receivables	7	276,285	272,160
Other assets	8	<u>46,669</u>	<u>161,703</u>
TOTAL CURRENT ASSETS		<u>606,329</u>	<u>790,126</u>
NON CURRENT ASSETS			
Property, plant and equipment	9	51,948	121,637
Investments	10	818	788
Intangible assets	11	<u>94</u>	<u>94</u>
TOTAL NON-CURRENT ASSETS		<u>52,860</u>	<u>122,519</u>
TOTAL ASSETS		<u>659,189</u>	<u>912,645</u>
CURRENT LIABILITIES			
Trade and Other Payables	12	107,645	188,689
Short-Term Provisions	13	74,525	57,299
Other liabilities	14	<u>43,106</u>	<u>19,039</u>
TOTAL CURRENT LIABILITIES		<u>225,276</u>	<u>265,027</u>
TOTAL LIABILITIES		<u>225,276</u>	<u>265,027</u>
NET ASSETS (LIABILITIES)		<u>433,913</u>	<u>647,618</u>
MEMBERS' FUNDS			
Reserves	5	26,633	26,603
Retained profits	4	<u>407,280</u>	<u>621,015</u>
TOTAL MEMBERS' FUNDS		<u>433,913</u>	<u>647,618</u>

The accompanying notes form part of these financial statements

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
Cash Flows from Operating Activities		
Receipts from Customers	2,651,462	3,079,205
Interest Received	14,220	21,552
Payments to Suppliers & Employees	<u>(2,738,602)</u>	<u>(3,086,502)</u>
Net cash provided by (used in) operating activities	<u>(72,920)</u>	<u>14,255</u>
Cash Flows from Investing Activities		
Payment for Property, Plant & Equipment	(4,372)	(1,320)
Write-off of Intangible Assets	<u>-</u>	<u>18,274</u>
Net cash provided by (used in) investing activities	<u>(4,372)</u>	<u>16,954</u>
Cash Flows from Financing Activities		
Repayments of Borrowings	-	(2,349)
Receipts / (Payments) from Funds Held in Trust	<u>4,404</u>	<u>(13,343)</u>
Net cash provided by (used in) financing activities	<u>4,404</u>	<u>(15,692)</u>
Net increase (decrease) in cash held	(72,888)	15,517
Cash at Beginning of Financial Year	<u>356,263</u>	<u>340,746</u>
Cash at end of year	<u>283,375</u>	<u>356,263</u>

The accompanying notes form part of these financial statements

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
Notes to the Cash Flow Statement		
Reconciliation of Cash		
Cash at the end of financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
Cash on Hand	500	450
Cash at Bank	<u>282,875</u>	<u>355,813</u>
	<u>283,375</u>	<u>356,263</u>
Reconciliation of Net cash provided by Operating Activities to surplus / (deficit) from ordinary activities		
Operating surplus (deficit)	(213,735)	74,880
Non-cash flows in Surplus / (Deficit) from Ordinary Activities:		
Impairment Assets – Office Equipment	43,092	-
Depreciation & Amortisation	24,579	26,654
Loss on Scrapping of Non-current Assets	6,390	-
Changes in Assets and Liabilities		
Decrease (Increase) in Trade Debtors	(4,125)	(56,061)
Decrease (Increase) in Other Current Assets	115,034	(47,419)
Increase (Decrease) in Net GST Payable	(60,782)	6,277
Increase (Decrease) in Trade Creditors & Accruals	(20,262)	16,682
Increase (Decrease) in Current Provisions	17,226	(22,171)
Increase (Decrease) in Income in Advance	18,295	15,413
Increase (Decrease) in Other Liabilities	<u>1,368</u>	-
Cash flows from operations	<u>(72,920)</u>	<u>14,255</u>

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

1 Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the Industrial Relations Act 1996 and its Regulations and the former Industrial Relations Act 1991 (the Act). The Committee have determined that the Association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Industrial Relations Act 1996 and its Regulations, the former Industrial Relations Act 1991, and the following Australian Accounting Standards:

AASB 110: Events After the Balance Sheet Date

AASB 117 : Leases

AASB 1031: Materiality

No other applicable Accounting Standards, Australian Accounting Interpretations of other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report is also prepared on an accruals basis except for membership income, which is credited to the income and expenditure statement as it is received and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

Income Tax

The Association is exempt from Australian income tax under s50-15 of the Income Tax Assessment Act 1997.

Plant and Equipment

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

Depreciation

All assets are depreciated on a diminishing value basis over their useful lives to the Association.
All assets are depreciated over their useful lives to the Association.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Employee Entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave, which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made to an employee superannuation fund and are charged as expenses when incurred.

Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement

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 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.

Investments

Investments held are originally recognised at cost, which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at reporting date. Movements in fair value are recognised through an equity reserve.

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
2 Surplus / (Deficit) from Ordinary Activities		
Surplus / (Deficit) from ordinary activities before income tax expense has been determined after:		
Expenses:		
Depreciation of property, plant and equipment	24,579	30,192
Bad and doubtful debts	4,282	5,103
Remuneration of auditor		
Audit or review	<u>20,400</u>	<u>20,400</u>
3 Income Tax Expense		
The Association is exempt from Australian income tax under s50-15 of the Income Tax Assessment Act 1997		
4 Retained Surplus		
Retained surplus (accumulated deficit) at the beginning of the financial year	621,015	546,135
Net surplus/(Deficit) attributable to members of the Association	<u>(213,735)</u>	<u>74,880</u>
Retained surplus (accumulated deficit) at the end of the financial year	<u>407,280</u>	<u>621,015</u>
5 Reserves		
Asset revaluation reserve	26,633	<u>26,603</u>
Asset revaluation reserve		
Movements during the year:		
Opening Balance for the year	26,603	26,868
Revaluation of listed company shares	<u>30</u>	<u>(265)</u>
Closing Balance for the year	<u>26,633</u>	<u>26,603</u>
6 Cash and Cash Equivalents		
Cash on Hand	500	450
Maxi 1 Cash Management Account	227,195	267,399
Cash at Bank	47,650	84,788
Ken Orth Fund	<u>8,030</u>	<u>3,626</u>
	<u>283,375</u>	<u>356,263</u>

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
7 Trade and Other Receivables		
CURRENT		
Trade Debtors	279,285	275,160
Less: Provision for Doubtful Debts	<u>(3,000)</u>	<u>(3,000)</u>
	<u>276,285</u>	<u>272,160</u>
8 Other Assets		
CURRENT		
Unsecured Loan – Restaurant & Catering Legal Pty Ltd	25,802	37,193
Security Deposit	-	42,433
Interest Receivable	-	2,229
Prepayments	<u>20,867</u>	<u>79,848</u>
	<u>46,669</u>	<u>161,703</u>
9 Property, Plant and Equipment		
Land and Buildings		
Plant & Equipment – at cost	206,324	494,098
Less: Accumulated Depreciation	<u>(154,376)</u>	<u>(378,725)</u>
	<u>51,948</u>	<u>115,373</u>
Motor Vehicles – at cost	-	12,000
Less: Accumulated Depreciation	<u>-</u>	<u>(5,736)</u>
	<u>-</u>	<u>6,264</u>
	<u>51,948</u>	<u>121,637</u>
10 Investments		
Shares in listed companies – at market value	<u>818</u>	<u>788</u>
11 Intangible Assets		
Liquor License	50,000	50,000
Less: Accumulated Amortisation	<u>(49,906)</u>	<u>(49,906)</u>
	<u>94</u>	<u>94</u>
12 Trade and Other Payables		
CURRENT		
Trade Creditors & Accruals	147,513	167,775
Input Tax Credits	<u>(39,868)</u>	<u>(43,234)</u>
GST Payable	-	64,148
	<u>107,645</u>	<u>188,689</u>

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
13 Short-Term Provisions		
CURRENT		
Annual Leave	26,110	22,004
Long Service Leave	<u>48,415</u>	<u>35,295</u>
	<u>74,525</u>	<u>57,299</u>
Aggregate employee entitlement liability	<u>74,525</u>	<u>57,299</u>
14 Other Liabilities		
CURRENT		
K Orth Training Fund Monies	8,030	3,626
Restaurant & Catering ACT	1,368	-
Deposit for Future Events	<u>33,708</u>	<u>15,413</u>
	<u>43,106</u>	<u>19,039</u>
15 Capital and Leasing Commitments		
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable -		
Not later than one year	-	118,994
Later than one year but not later than 5 years	<u>-</u>	<u>-</u>
Total Operating Lease Liability	<u>-</u>	<u>118,994</u>



Chartered Accountants

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Restaurant & Catering Industry Association of NSW (the association), which comprises the balance sheet as at 30 June 2009, and the income statement, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Industrial Relations Act 1996 and its regulations and are appropriate to meet the needs of the members. The committee's responsibilities also include establishing and maintaining internal control relevant to the preparations 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

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, 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 preparations 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 committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the committee's financial reporting under the Industrial Relations Act 1996 and its regulations. We disclaim an assumption of responsibility for any reliance on this report or on the financial reports to which it relates to any person other than the members, or for a purpose other than that for which it was prepared.

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

Independence

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

Auditor's Opinion

In our opinion, the financial report of Restaurant & Catering Industry Association of NSW presents fairly, in all material respects the financial position of Restaurant & Catering Industry Association of NSW as of 30 June 2009 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Bandle McAneney & Co

**Anthony J Bandle
Partner**

Canberra:

Dated this.....day of2009

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW
ABN: 26 214 164 082
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
INCOME		
Miscellaneous	16,162	39,879
Advertising Sales	64,940	47,222
Annual General Meeting	3,144	2,568
Sponsorship	265,623	296,448
Rent Received	18,587	22,993
Ticket Sales	326,310	358,465
Raffle, Donation and Auction Income	3,771	3,589
Interest Received	14,571	21,903
BIA Reimbursements	5,468	5,863
Legal Services	-	1,984
Fish on Friday	16,818	58,431
Accreditation Revenue	13,274	13,658
Commissions Received	22,487	58,486
Industrial Relations	16,693	48,053
Training Programs	660,315	863,816
In House Courses	146,896	158,505
Publication Sales	20,698	19,687
Work Cover Assist Program	63,050	6,746
Work Choices	-	-
Subscriptions	774,292	895,820
"U" in Cafés	47,246	-
R & C ACT Reimbursements	26,306	26,702
R&C NSW Legal Practice	36,218	52,000
Cooks to Chef	28,994	67,035
Consultancy- HTN	<u>60,000</u>	<u>50,000</u>
TOTAL INCOME	<u>2,651,863</u>	<u>3,119,853</u>

The accompanying notes form part of these financial statements

RESTAURANT & CATERING INDUSTRY ASSOCIATION OF NSW

ABN: 26 214 164 082

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009 (Cont).

	2009	2008
	\$	\$
Less: EXPENSES		
Accountancy & Audit Fees	20,400	20,400
Annual General Meeting	5,265	6,675
Advertising	18,208	30,527
Affiliation and Subscription Fees	14,677	22,521
Amortisation	-	(3,538)
Bad Debts Written Off	4,282	5,103
Bank Fees and Charges	21,626	26,128
CEO Expenses	46,304	49,848
Car Space Rental	1,787	9,356
Capitation Fees	49,350	50,989,
Office Cleaning	14,604	14,963
Computer Expenses	27,944	23,373
Consultants Fees	57,807	65,103
Consultancy- R&C Legal PTY LTD	144,497	114,927
Commissions – Membership	73,259	60,780
Commission – Legal	-	2,042
Commission – Staff	-	-
Depreciation	24,579	30,192
Donations	1,000	4,636
Electricity	9,582	9,234
Fringe Benefits Tax	11,082	7,317
General Promotion Expense	2,656	10,826
Provision for Annual Leave	4,106	(15,429)
Insurance	18,168	21,276
Interest Expense	2,881	69
Judges Expenses	152,391	142,423
Leasing Expenses	-	172
Legal Fees	4,808	3,068
Marketing Venue Expenses	263,512	319,197
Impairment Assets – office equipment	43,092	-
Provision for Long Service Leave	13,120	(6,742)
Meetings – National, regional and sundry	8,418	19,801
Motor Vehicle Expenses	13,983	12,688
Payroll Tax	15,544	21,753
Photocopying	104,018	100,472
Postage and Courier	59,636	71,812
Plaques / Certificates	16,180	17,474
Printing & Stationery	89,885	128,859
Publications	9,410	7,221
Public Relations	11,235	30,831
RSA Certificates	36,455	28,182
Rent	148,320	129,725
Repairs & Maintenance	3,603	7,375
Regional Retainers	27,339	31,410
Reimbursements – Regional, Executive and Staff	15,801	41,390
Salaries	645,786	712,224
Staff Training	2,749	4,110
Storage Fees	-	1,788
Sundry Expenses	5,921	8,359
Superannuation Contributions	58,921	67,210
Telephone	69,146	67,942
Training Expenses	338,725	480,337
Travelling Expenses	78,770	25,688
Work Cover	4,572	-
Work Choices	-	918
Award Modernisation	49,832	-
"U" in Cafés	-	-
Assets < \$1000	362	-
R & C Legal		1,968
TOTAL EXPENSES	<u>2,865,598</u>	<u>3,044,973</u>
NET SURPLUS / DEFICIT	<u>(213,735)</u>	<u>74,880</u>

The accompanying notes form part of these financial statements