

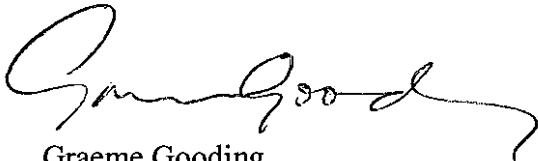
3 December 2002

Mr Robert Pfeiffer
Statutory Services Branch
Australian Industrial Registry
Level 35, Nauru House
80 Collins Street
Melbourne Vic 3000

Dear Mr Pfeiffer

Please find enclosed copy of Victorian Association of Forest Industries auditor's report and accounts for the financial year ending 30 June 2002. Also enclosed is the certificate confirming the documents were presented to the Annual General Meeting.

Yours faithfully



Graeme Gooding
Executive Director





VICTORIAN ASSOCIATION OF
FOREST INDUSTRIES
Growth and regrowth for Australia

**Victorian Association of Forest Industries
Financial documents for year ended 30 June 2002**

This is to certify that the financial documents lodged with the Australian Industrial Registry for the year ended 30 June 2002 are copies which were presented to the Annual General Meeting on 22 November 2002 in accordance with section 279 of the *Workplace Relations Act 1996*.

**Graeme Gooding
Executive Director**

Office holder?

Victorian Association of
Forest Industries

**SPECIAL PURPOSE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002
TOGETHER WITH REPORTS
OF THE COMMITTEE MEMBERS AND AUDITORS**

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES

COMMITTEE OF MANAGEMENT'S CERTIFICATE

We, GREGORY HENRY McCORMACK and DAVID GODING, being two members of the Committee of Management of the Victorian Association of Forest Industries, do state on behalf of the Committee and in accordance with a resolution passed by the Committee, that:

- (i) in the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the organisation as at the end of the financial year ended 30 June 2002
- (ii) in the opinion of the Committee of Management, meetings held during the financial year ended 30 June 2002 were held in accordance with the rules of the organisation;
- (iii) to the knowledge of any member of the Committee, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under sub-section 275(2) of the Workplace Relations Act 1996), or copies of those records or documents, or copies of the rules of the organisation, have not been furnished, or made available, to members of the organisation in accordance with the Workplace Relations Act 1996, the regulations thereto, or rules of the organisation; and
- (iv) in relation to the report prepared in accordance with 276 of the Workplace Relations Act 1996 by the auditor of the organisation in respect of the financial year immediately preceding the financial year to which the accounts relate and in relation to the accounts prepared in accordance with subsection 273(1) of the Act to which that report relates, the organisation has complied with subsection 279(1) and (6) of the Act.

(signed).....
G. H. McCORMACK

(signed).....
D. GODING

Dated this 1st day of November, 2002.


VICTORIAN ASSOCIATION OF FOREST INDUSTRIES

ACCOUNTING OFFICER'S CERTIFICATE

I GRAEME HUGH GOODING being the Officer responsible for keeping the accounting records of the Victorian Association of Forest Industries, certify that as at 30 June 2002, the number of members of the organisation was; 73 and

In my opinion:-

- (i) the attached accounts show a true and fair view of the financial affairs of the organisation as at the end of the financial year ended 30 June 2002;
- (ii) a record has been kept of all monies paid by, or collected from, members of the organisation, and all moneys so paid or collected have been credited to the bank account or accounts to which those moneys are to be credited, in accordance with the rules of the organisation;
- (iii) before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;
- (iv) there were no payments made out of funds of the organisation raised by compulsory levies or voluntary contributions from members of the organisation, or any other funds (other than General Fund the operation of which is required by the rules of the organisation) other than the purpose for which the fund was operated;
- (v) no loans or other financial benefits, other than remuneration in respect of their full-time employment with the organisation, were made to persons holding office in the organisation; and
- (vi) the register of members of the organisation was maintained in accordance with the Workplace Relations Act 1996.

(signed) 
G. H. GOODING

Dated this 31 day of October, 2002.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2002

	Note	2002 \$	2001 \$
<u>INCOME</u>			
Membership Fees		978,053	763,457
Consulting & Industry Representation		136,750	130,000
Office Rental, Administration and Service Charges		115,500	110,600
Interest on Investment and Dividends		16,036	24,858
NAFI Contribution		23,059	-
Sundry Income		8,993	62,296
Grant Income		<u>93,201</u>	<u>4,674</u>
<u>TOTAL INCOME</u>		<u>1,371,592</u>	<u>1,095,885</u>
<u>EXPENDITURE</u>			
Administration, Management & Organisational		647,860	728,552
Office and Occupancy		104,206	92,259
Staff Retirement, Long Service and Annual Leave		23,796	9,508
Functional and Other Expenses		<u>564,691</u>	<u>298,890</u>
<u>TOTAL EXPENDITURE</u>		<u>1,340,553</u>	<u>1,129,209</u>
OPERATING SURPLUS/(LOSS) FOR THE YEAR	2	31,039	(33,324)
General Fund Balance at the beginning of the financial year		<u>1,691,036</u>	<u>1,724,360</u>
General Fund Balance at the end of the financial year		<u>1,722,075</u>	<u>1,691,036</u>

The accompanying notes form part of these financial statements.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES

BALANCE SHEET
AS AT 30 JUNE 2002

	Note	2002 \$	2001 \$
CURRENT ASSETS			
Cash	3	566,403	446,855
Receivables	4	197,722	140,162
Other		<u>6,167</u>	<u>-</u>
TOTAL CURRENT ASSETS		<u>770,292</u>	<u>587,017</u>
NON-CURRENT ASSETS			
Investments	5	557	555
Property, plant and equipment	6	<u>1,373,503</u>	<u>1,403,695</u>
TOTAL NON-CURRENT ASSETS		<u>1,374,060</u>	<u>1,404,250</u>
TOTAL ASSETS		<u>2,144,352</u>	<u>1,991,267</u>
CURRENT LIABILITIES			
Accounts payable	7	131,651	46,284
Provisions	8	182,379	131,423
Other	9	<u>100,000</u>	<u>100,000</u>
TOTAL CURRENT LIABILITIES		<u>414,030</u>	<u>277,707</u>
NON-CURRENT LIABILITIES			
Provisions	8	<u>8,252</u>	<u>22,524</u>
TOTAL NON-CURRENT LIABILITIES		<u>8,252</u>	<u>22,524</u>
TOTAL LIABILITIES		<u>422,282</u>	<u>300,231</u>
NET ASSETS		<u>1,722,070</u>	<u>1,691,036</u>
Represented by:			
MEMBERS' FUNDS			
General Funds		<u>1,722,070</u>	<u>1,691,036</u>
TOTAL MEMBERS' FUNDS		<u>1,722,070</u>	<u>1,691,036</u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are a special purpose financial report, prepared solely for distribution to the members for the purpose of fulfilling the requirements of the Workplace Relations Act, 1996. The committee has determined that the entity is not a reporting entity.

The statements have been prepared in accordance with the accrual basis of accounting as defined in AAS 6 and are in accordance with Accounting Standards and other mandatory professional reporting requirements, with the exception of:

AAS1:	Statement of Financial Performance
AAS 22:	Related Party Disclosures
AAS 28:	Statement of Cash Flows
AAS 30:	Accounting for Employee Entitlements
AAS 33:	Presentation and Disclosure of Financial Instruments

The statements are also prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these statements:

(a) Fixed Assets

Freehold land and buildings are brought to account at cost or at independent or committee's valuation.

The depreciable amount of all fixed assets are depreciated on a straight line or reducing balance basis over the useful lives of the assets to the association commencing from the time the asset was held ready for use.

The carrying amount of fixed assets is reviewed annually by the committee to ensure it is not in excess of the recoverable amount of those assets.

(b) Employee Entitlements

Provision is made for the entity's 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, annual leave and long service 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 by the entity to an employee superannuation fund and are charged as expenses when incurred.

(c) Income Tax

No provision for income tax is necessary as the Association is exempt from income tax under Section 50-15 of the Income Tax Assessment Act.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

NOTE 2: OPERATING SURPLUS

	2002	2001
	\$	\$
(a) Operating Revenue:		
Sales revenue		
- Interest and dividends from investments	16,036	24,858
- Membership fees and levies	978,053	763,457
- Consulting & Industry representation	136,750	130,000
- Rent, administration and service charges	115,500	110,600
- Other revenue	<u>125,253</u>	<u>66,970</u>
	<u>1,371,592</u>	<u>1,095,885</u>
 (b) Charging as Expenses:		
(i) Employees		
Salaries & allowances	349,249	434,329
(ii) Holders of Office		
Salaries & allowances	168,730	162,240
 Audit fees	4,400	4,400
Division & sections	1,336	1,508
Long service leave	(8,081)	(39,462)
Annual leave	(13,381)	(16,360)
Staff retiring expense	45,258	65,330
Depreciation	<u>45,277</u>	<u>54,502</u>

NOTE 3: CASH

Cash on hand: Petty Cash	598	1,000
Cash at bank: ANZ Banking Group	<u>565,805</u>	<u>445,855</u>
	<u>566,403</u>	<u>446,855</u>

NOTE 4: RECEIVABLES

CURRENT

Accounts Receivable	351,244	264,913
Less Provision for Doubtful Debts	<u>(155,000)</u>	<u>(127,673)</u>
	<u>196,244</u>	<u>137,240</u>
 Sundry Debtors	1,478	10,517
Less Provision for Doubtful Debts	-	(7,595)
	<u>1,478</u>	<u>2,922</u>
	<u>197,722</u>	<u>140,162</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

	2002	2001
	\$	\$

NOTE 5: INVESTMENTS

NON-CURRENT

Investments comprise:

Shares

- in other corporations listed on a
prescribed stock exchange at cost

	<u>557</u>	<u>555</u>
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NOTE 6: PROPERTY, PLANT AND EQUIPMENT

LAND AND BUILDINGS

LAND:

320 - 324 Russell Street, Melbourne at cost:

	760,000	760,000
--	---------	---------

Allotment Y298, Creswick at cost

	<u>35,155</u>	<u>35,155</u>
--	---------------	---------------

Total land

	<u>795,155</u>	<u>795,155</u>
--	----------------	----------------

BUILDINGS

320 - 324 Russell Street, Melbourne at cost

	560,690	560,690
--	---------	---------

Less accumulated depreciation

	<u>(82,632)</u>	<u>(70,373)</u>
--	-----------------	-----------------

Total buildings at cost

	<u>478,058</u>	<u>490,317</u>
--	----------------	----------------

Total land and buildings

	<u>1,273,213</u>	<u>1,285,472</u>
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PLANT AND EQUIPMENT

Plant and equipment at cost

	201,578	215,109
--	---------	---------

Less accumulated depreciation

	<u>(101,288)</u>	<u>(96,886)</u>
--	------------------	-----------------

Total plant and equipment

	<u>100,290</u>	<u>118,223</u>
--	----------------	----------------

Total property, plant and equipment

	<u>1,373,503</u>	<u>1,403,695</u>
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NOTE 7: ACCOUNTS PAYABLE

CURRENT

Unsecured liabilities

Accounts Payable

	131,308	46,393
--	---------	--------

GST Payable(Receivable)

	<u>343</u>	<u>(109)</u>
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	<u>131,651</u>	<u>46,284</u>
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

	2002	2001
	\$	\$
NOTE 8: PROVISIONS		
CURRENT		
Annual Leave	35,157	48,538
Long Service Leave	67,222	61,031
Campaign	-	21,854
Provision for member legal expenses	<u>80,000</u>	<u>-</u>
	<u>182,379</u>	<u>131,423</u>
NON-CURRENT		
Long Service Leave	<u>8,252</u>	<u>22,524</u>

NOTE 9: OTHER LIABILITIES

CURRENT		
T.P.C. Received-In-Advance	<u>100,000</u>	<u>100,000</u>

NOTE 10: PROVISION FOR CAMPAIGN

In 1992/93 Special Levy Funds were allocated by resolution of the Executive Committee for a major campaign surrounding the Central Highlands. The provision represents the amount of the provision remaining at balance date. These funds were progressively drawn down against education, public affairs and awareness activities with major benefits to the Central Highlands.

NOTE 11: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of subsections (1), (2) & (3) of section 274, which are read as follows:-

274(1) A member of an organisation shall, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.

274(2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the prescribed information available to the member or Registrar in such manner, and within such time, as is prescribed.

274(3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES

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

Scope

We have audited the financial statements, being a special purpose financial report of Victorian Association of Forest Industries for the year ended 30 June 2002 as set out on pages 3 - 8. The committee is responsible for the financial statements and have determined that the accounting policies used are appropriate to meet the needs of the Workplace Relations Act 1996 and the needs of the members. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

The financial statements have been prepared for the purpose of fulfilling the requirements of the Workplace Relations Act 1996. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with the accounting policies described in Note 1 to the financial statements. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements.

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

Audit Opinion

In our opinion:

- (i) satisfactory accounting records were kept by the organisation in respect of the financial year, including records of the sources and nature of the income of the organisation (including income from members) and records of the nature and purposes of the expenditure of the organisation;
- (ii) the accounts and statements prepared under Section 273 of the Workplace Relations Act 1996 were properly drawn up so as to give a true and fair view of:
 - (a) the financial affairs of the Victorian Association of Forest Industries as at 30 June 2002, and
 - (b) the income and expenditure, and surplus of the Victorian Association of Forest Industries for the year ended 30 June 2002; and
- (iii) all information and explanations that, under subsection 276(2) officers or employees of the Victorian Association of Forest Industries were required to provide were provided.

CW Stirling & Co
Chartered Accountants



John A Phillips
Partner

Dated this 6th day of November 2002, Melbourne.

**VICTORIAN ASSOCIATION OF FOREST INDUSTRIES
DISCLAIMER
TO THE MEMBERS OF VICTORIAN ASSOCIATION OF FOREST INDUSTRIES**

The additional financial data presented on pages 11 - 13 is in accordance with the books and records of the association which have been subjected to the auditing procedures applied in our statutory audit of the association for the year ended 30 June 2002. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Victorian Association of Forest Industries) in respect of such data, including any errors of omissions therein however caused.

C.W. Stirling & Co

CW Stirling & Co
Chartered Accountants

for A Phillip

John A Phillips
Partner

Dated this 6th day of *November* 2002, Melbourne.

VICTORIAN ASSOCIATION OF FOREST INDUSTRIES

ADDITIONAL INFORMATION ON THE 2002 FINANCIAL STATEMENTS

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2002

	2002 \$	2001 \$
INCOME:		
Membership fees and levies	978,053	763,457
Consulting & Industry Representation	136,750	130,000
Rental, administration and service charges	115,500	110,600
Interest and dividends from investments	16,036	24,858
NAFI Contribution	23,059	-
Other income	8,993	62,296
Grant income	<u>93,201</u>	<u>4,674</u>
TOTAL INCOME	<u>1,371,592</u>	<u>1,095,885</u>
LESS EXPENDITURE:		
Cost of General Association Activities and Administration, Management and Organisation (refer attached schedule)	647,860	728,552
Staff Retiring Expense	45,258	65,330
Office Expenses (refer attached schedule)	104,206	92,259
Functional and Other Expenses (refer attached schedule)	<u>564,691</u>	<u>298,890</u>
TOTAL EXPENDITURE	<u>1,362,015</u>	<u>1,185,031</u>
Excess of income over expenditure	<u>9,577</u>	<u>(89,146)</u>
Expense for Annual Leave	(13,381)	(16,360)
Expense for Long Service Leave	<u>(8,081)</u>	<u>(39,462)</u>
	<u>(21,462)</u>	<u>(55,822)</u>
Net Operating Surplus/(Deficit) for the year Transferred to General Fund	<u>31,039</u>	<u>(33,324)</u>

These financial statements should be read in conjunction with the attached Disclaimer.

ADDITIONAL INFORMATION ON THE 2002 FINANCIAL STATEMENTS

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2002

	2002 \$	2001 \$
<u>ADMINISTRATION, MANAGEMENT AND ORGANISATION EXPENDITURE</u>		
Depreciation	45,277	54,502
Division & sections	1,336	1,508
Executive & Sub Committee	2,412	5,940
Fringe benefits tax	10,800	55,354
General expenses	9,042	5,915
Motor vehicle expenses	14,668	16,856
Payroll tax	3,076	2,225
Salaries and Allowances to Employees	548,669	576,569
Travelling expenses	<u>12,580</u>	<u>9,683</u>
<u>Total Cost of General Association Activities and Administration, Management and Organisation</u>	<u>647,860</u>	<u>728,552</u>
 <u>OFFICE EXPENDITURE</u>		
Cleaning	14,043	12,418
Insurances	15,526	19,492
Light & power	11,328	11,183
Postage & telephones	25,522	19,879
Printing & stationery	15,295	9,402
Rates & taxes	9,389	8,799
Repairs & maintenance	<u>13,103</u>	<u>11,086</u>
<u>Total Office Expenses</u>	<u>104,206</u>	<u>92,259</u>

These financial statements should be read in conjunction with the attached Disclaimer.

ADDITIONAL INFORMATION ON THE 2002 FINANCIAL STATEMENTS

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2002

	2002	2001
	\$	\$
<u>FUNCTIONAL AND OTHER</u>		
<u>EXPENSES</u>		
Annual dinner	5,214	(370)
Annual report & statistics	-	6,185
Arbitration	-	50,429
Audit fees	4,400	4,400
Bad Debts	29,829	-
Bank charges	874	792
Communication Activites	153,288	8,123
Conferences	909	864
Consulting Resources	143,733	68,659
Corporate Activities	39,688	25,287
Doubtful debts	22,327	28,514
Education	-	50
Government charges	675	1,613
Grant Expenditure	24,801	12,860
Legal	12,625	-
N.A.F.I - expenses	378	1,782
NAFI Hardware Royalties	23,059	-
Occupational Health & Safety	-	3,574
Public Affairs Contribution	-	1,340
Presentations	-	979
Public Affairs-TCA	77,422	52,500
Public Land Council	-	-
Publications	14,041	1,631
Regional Forest Agreements	-	13,287
Sundry Expenses	113	1,075
Staff training	7,413	6,092
Subscriptions to organisations	3,902	2,326
Subscriptions - Public Relations	-	1,898
PLVC	-	5,000
<u>Total Functional and Other Expenses</u>	<u>564,691</u>	<u>298,890</u>

These financial statements should be read in conjunction with the attached Disclaimer.



AUSTRALIAN INDUSTRIAL REGISTRY

Level 36, Naumi House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994-S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672

Our Ref: 232V: FR2002/324

Mr Graeme Gooding
Executive Director
Victorian Association of Forest Industries
Fax: 9665 9233

Dear Mr Gooding,

**Re: Victorian Association of Forest Industries
Financial return for year ended 30 June 2002
(FR2002/324)**

Receipt is acknowledged of the financial documents of the Victorian Association of Forest Industries, for the year ended 30 June 2002. The documents were lodged in the Industrial Registry on 5 December 2002.

The documents have been filed.

The following matter concerning the financial reporting requirements of the Workplace Relations Act 1996 ("the Act") may require your further attention:-

- **Disclosure of grant in income and expenditure statement**

Section 269(1) of the Act requires an organisation to lodge in the Industrial Registry as soon as practicable after each financial year a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.

Inspection of the *'Additional Information on the 2002 Financial Statements - Income and Expenditure Statement'* indicates a disclosure of *"Grant Expenditure \$24,801"*.

Would you please arrange lodgement in the Industrial Registry of a s269(1) statement covering any grant exceeding \$1,000 - such statement should include particulars as required by subsection 269(5) of the Act.

The following matters are advised for assistance when preparing future financial documents, no further action is requested in respect of these.

- **Secretary's Certificate not dated**

It is noted that the Secretary's certificate is undated. All certificates should be dated as a matter of course.

- **Date documents supplied to members**

Inclusion of the date the documents were supplied to member is not expressly required by s280 of the Act but including the date can demonstrate compliance with the timescale requirements.

- **Secretary's Certificate signed by Executive Director**

A certificate prepared under s280(1)(b) of the Act is to be prepared by the Secretary, unless the rules of the organisation provide that another officer should do so. An examination of the rules does not indicate such provision has been made. Accordingly, a member of the Executive

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Committee (preferably the President or a Vice-President) rather than the Executive Director would be the appropriate person to prepare such certificate. The Executive Director not being an office holder as defined under the Act.

- **Accounting Officer's Certificate signed by Executive Director**

A certificate prepared under regulation 109(1)(a) is to be prepared by the officer responsible for the keeping of the accounting records - refer regulation 109(4). An examination of the rules of the organisation indicates that a member of the Executive Committee rather than the Executive Director is the appropriate person to prepare such certificate. The Executive Director not being an office holder as defined under the Act.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I can be contacted on (03) 8661-7811.

Yours sincerely,



Shane Ellard
Team Manager - RIA Team 4
Statutory Services Branch

3 January 2003

21 January, 2003

Rec'd 23/1/03
fb

Shane Ellard
Team Manager - RIA Team 4
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001

Dear Shane,

Re: Victorian Association of Forest Industries
Financial return for year ended 30 June 2002
(FR2002/324)

In reply to your letter of January 3, 2003 regarding a matter concerning the financial reporting requirements of the Workplace Relations Act 1996 in relation to the disclosure of grant expenditure, I advise that the amount of \$24,801 is an error in allocation or misinterpretation of the account.

The account "Grant Expenditure" should read, "Grant Related Expenses" as the monies are related to expenses incurred that are directly associated with the grant income we have received for various projects or programs. The account "Grant Expenditure" is not related to grant monies provided to other related businesses or associations. The monies should have been reallocated amongst a few accounts such as consultants fees and travel expenses. We will ensure that these types of expenses are correctly allocated when preparing future financial documents.

I trust this resolves the issue and apologise for any inconvenience caused.

Yours sincerely,



Graeme Gooding
Executive Director