



FAIR WORK ACT 2009

In 2009, the Federal Government implemented the majority of its Industrial Relations policy through the passing of the Fair Work Act 2009. As a Member of the National Farmers Federation ('NFF'), the Association was represented at the Government's peak consultative committees in the drafting of the legislation.

As outlined below, the Association was an active participant in the NFF approach to ensuring that Modern Awards implemented as part of the Fair Work Act provided the flexibility required by Members in running their farming, pastoral and horticultural businesses.

In line with Policy, the Association was successful in lobbying the Federal Parliament to pass the legislation enabling the NSW Government to refer its Industrial Relations powers to the Commonwealth. Without this referral all unincorporated Members of the Association would have fallen back to the NSW Award system in 2011.

With the implementation of the Fair Work Act, the Association delivered 13 seminars in regional centres to inform Members about the Fair Work Act and how it applied to their business.

AWARD MODERNISATION

In 2009, the Association, in conjunction with the National Farmers Federation ('NFF') continued its involvement in the Federal Government's Award Modernisation program as part of its Fair Work policy.

Under Award Modernisation the Australian Industrial Relations Commission ('AIRC') was required to streamline all awards across Australia into nationwide industry or occupational awards, with the aim of reducing regulation and providing for sustainable industry work practices. However, the process across most industries saw an increase of red tape imposed upon small businesses.

During the Award Modernisation process the Association and the NFF were successful in having the AIRC overturn its initial exposure draft for the new Pastoral Award; which limited ordinary hours of work to ten hours a day; worked between 5am and 7pm; on five days out of seven. Instead, with the support of the Australian Farmers Fighting Fund, the flexible hours of work within the Pastoral Industry Award, being the first 152 hours over a consecutive four week period was maintained.

Further, the Association and the NFF successfully campaigned for specific amendments to the Award Modernisation program to provide greater flexibility to horticultural producers. This action was taken after the Horticulture Award 2010 handed down by the AIRC failed to provide for a genuine piecework rate or flexibility in ordinary hours of work that took into account the perishable nature of horticultural produce. As a result of this change, a successful application to vary the Horticulture Award 2010 was made. This in particular featured the ability to agree to a genuine piecework rate that stands for all hours worked, and the ability to employ casuals on a flat rate for all hours worked; subject to the transitional arrangements as employers migrate across from other awards.

OCCUPATIONAL HEALTH AND SAFETY

The Association continues to seek practical and fair outcomes to occupational health and safety legislation for Members. This has included assisting the NFF with representations to Safe Work Australia, as harmonised OH&S legislation is drafted for uniform adoption by all States prior to 2012.

In 2009, the Association also supported Association Member Graeme Kirk fund his challenge in the High Court against a conviction under NSW legislation. This appeal was successful in overturning 20 years of what the Association's believes was unfair interpretation of the law by the NSW Industrial Court to the disadvantage of employers.

The Association is also involved in WorkCover Working Groups to seek practical input into guidance material produced. This includes the current Trans Tasman Quad Bike Safety Working Group, in which the Association is seeking to oppose any moves to restrict the use of Quad Bikes on farms.

IR ESSENTIALS

The Association continues to offer premium services to its IR Essentials Members. This service includes free representation in unfair dismissal claims and assistance with individual contracts, flexibility agreements, enterprise bargaining and unlimited access to the Association's IR Department.

With an increased emphasis on workers' rights under the Fair Work Act, including an extension on unfair dismissal, discrimination and targeted campaigns, IR Essentials is an important resource in managing workers.

Charles Armstrong
President



Photograph by Sue Haslingden. In the Shed. 2009.

NSW FARMERS' (INDUSTRIAL) ASSOCIATION

FINANCIAL STATEMENTS For the year ended 31 December 2009

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NSW Farmers' Industrial Association

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SMART

specific

measurable

attainable

realistic

timely policy

Statement of Operations

Discussion and Analysis of Financial Statements

For the year ended 31 December 2009

Principle activities

The principal activities of the organisation are the provision of Industrial Relations Services, management of investment funds and Membership subscription funds.

Review of operations

The principal factor affecting the financial performance of the Association was the effect of the downturn in the stock market. The returns of the Investment Managers were generally in line with the benchmarks relating to their portfolio allocations and the overall return for the year was (25%). The management of the investment portfolio is continually reviewed by the Board.

The income from dividends is \$750 thousand. The increase in fair value on financial assets is \$3.7 million which was reflective of world financial markets.

The most significant difference in operating expenditure was the decrease in management fees of \$10 million paid by the Association to NSW Farmers' Association. This change, despite the reduction of net operating expenditure in the Association, occurred as a result of the decline in both Associations' investment performance which resulted in increased losses to be shared between both Associations.

Similar to previous years, there is a loan from Westpac Bank of \$9 million through NSW Farmers' Association. A debt and interest guarantee and indemnity of \$9 million has been provided by the Association to the Westpac bank in respect of this loan.

The funds are used for investment purposes and are included in the BT Financial Services portfolio.

There has been little change in the composition of the assets of the Association.

Since balance date there has been a decrease in the in the market value of the Association's investments.

As at the 28th February 2010 the Association's investments had decreased by \$671,494 based upon the Investment Managers' reported investment portfolio holdings as at 28th February 2010. There were no contributions or withdrawals from the investment portfolio to impact this change in value.

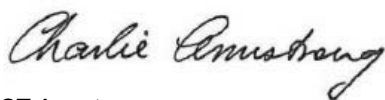
The Executive Committee is continually monitoring the Association's position and will further review the investment position prior to the Association's Annual General Meeting to be held on 22 July 2010.

Additional information

- a) Number of Members at 31 December 2009 - 7,317 (2008 - 7,062);
- b) Number of employees at 31 December 2009 - 3 (2008 : 3);
- c) Members can resign in accordance with Clause 13 of the Rules of the Association;
- d) The Association does not act as superannuation trustees; and
- e) The following are Members of the Committee, CT Armstrong, JF Ridley, GH Morphett, P Comensoli, S Archer, P Carter, R Chamen, P Darley, K Robb.

Dated at Sydney this 16th day of April 2010.

On behalf of the Executive Committee



CT Armstrong
President



P Comensoli
Treasurer

Certificate of Secretary or other authorised officer For the year ended 31 December 2009

In accordance with s268 of the *Fair Work (Registered Organisations) Act 2009* ("the FW(RO) Act"), I, Peter Comensoli, Treasurer of the NSW Farmers' (Industrial) Association certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the FW(RO) Act; and
- That the full report was available for Members from 1 July 2010 upon request at no charge to the Member or from the internet; and
- That the full report was sent to all Members on or before 1 July 2010; and
- That the full report was presented to a general meeting of Members of the reporting unit on the 22 July 2010 in accordance with section 266 of the FW(RO) Act.

For the Executive Committee:

Dated this 16th day of April 2010



P Comensoli
Treasurer

Committee of Management Statement For the year ended 31 December 2009

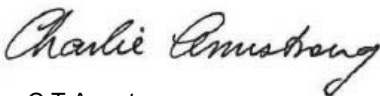
On 16 April 2010, the Executive Committee of the NSW Farmers' (Industrial) Association ("reporting unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2009.

The Executive Committee declares in relation to the GPFR that in its opinion:

- (a) The financial statements and notes comply with Australian Accounting Standards and Interpretations;
- (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 their 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 the *Fair Work (Registered Organisations) Act 2009* ("the FW(RO) Act") and the *Fair Work (Registered Organisations) Regulations 2009* ("the FW(RO) Regulations"); and
 - iv. No information has been sought in any request of a member of the reporting unit or a registrar duly made under section 272 of the FW(RO) Act during the period; and
 - v. No orders have been made for inspection of financial records made by the Commission under section 273 of the FW(RO) Act.
 - vi. That the Committee of Management Statement be signed by the President and Treasurer.

Dated at Sydney the 16th day of April 2010

On behalf of the Executive Committee



C T Armstrong
President



P Comensoli
Treasurer

Statement of Comprehensive Income For the year ended 31 December 2009

	Note	2009 \$	2008 \$
Revenue	4	1,792,231	4,218,008
Other income	5	1,374	34,405
Market movement in investments at fair value through profit and loss		8,681,190	(17,828,980)
Employee benefits expense		(216,973)	(207,856)
Promotional expenses		(30,000)	(29,000)
Management fee – NSW Farmers' Association		(2,780,361)	(12,801,000)
Investment expenses		(178,005)	(156,973)
Office and general expenses		(78,601)	(176,419)
Profit/(Loss) for the year	6	7,190,855	(26,947,815)
Other comprehensive income			
Revaluation of investments through investment revaluation reserve		(45,047)	-
Total comprehensive income for the year		7,145,808	(26,947,815)

Notes to the Financial Statements are included on pages 71 to 87.

Statement of Financial Position For the year ended 31 December 2009

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	14(a)	428,136	400,442
Trade and other receivables	7	4,688,878	1,484,505
TOTAL CURRENT ASSETS		5,117,014	1,884,947
NON-CURRENT ASSETS			
Other Financial Assets	8	39,732,875	36,076,115
Property, plant and equipment	9	26,155	26,155
TOTAL NON-CURRENT ASSETS		39,759,030	36,102,270
TOTAL ASSETS		44,876,044	37,987,217
CURRENT LIABILITIES			
Trade and other payables	10	72,148	169,969
Other liabilities	11	216,870	376,030
Provisions	12	11,241	11,241
TOTAL CURRENT LIABILITIES		300,259	557,240
NON-CURRENT LIABILITIES			
Provisions	12	2,367	2,367
TOTAL NON-CURRENT LIABILITIES		2,367	2,367
TOTAL LIABILITIES		302,626	559,607
NET ASSETS		44,573,418	37,427,610
MEMBER'S FUNDS			
Retained Earnings		44,172,841	36,981,986
Reserves		400,577	445,624
TOTAL MEMBERS' FUNDS		44,573,418	37,427,610

Notes to the Financial Statements are included on pages 71 to 87.

Statement of Changes in Equity For the year ended 31 December 2009

	Retained earnings \$	Investment revaluation reserve \$	Total \$
Balance at 1 January 2008	63,929,801	445,624	64,375,425
Net (loss) for the year	(26,947,815)	-	(26,947,815)
Balance at 31 December 2008	36,981,986	445,624	37,427,610
Balance at 1 January 2009	36,981,986	445,624	37,427,610
Net profit for the year	7,190,855	(45,047)	7,145,808
Balance at 31 December 2009	44,172,841	400,577	44,573,418

Notes to the Financial Statements are included on pages 71 to 87.

Statement of Cash Flows For the year ended 31 December 2009

	Note	2009 \$	2008 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Inflows:			
Member subscriptions		750,412	1,011,250
Interest income		24,375	27,780
Other income		68,193	223,452
		<u>842,980</u>	<u>1,262,482</u>
Outflows:			
Suppliers and employees		<u>(3,203,755)</u>	<u>(402,092)</u>
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	14(b)	<u>(2,360,775)</u>	<u>860,390</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net withdrawals from investment portfolio		<u>5,546,693</u>	<u>1,250,000</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES		<u>5,546,693</u>	<u>1,250,000</u>
CASH FLOW USED IN FINANCING ACTIVITIES			
Loan to a related party (net)		<u>(3,158,224)</u>	<u>(2,183,403)</u>
NET CASH USED IN FINANCING ACTIVITIES		<u>(3,158,224)</u>	<u>(2,183,403)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS HELD		<u>27,694</u>	<u>(73,013)</u>
Cash and cash equivalents at the beginning of the year		<u>400,442</u>	<u>473,455</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	14(a)	<u>428,136</u>	<u>400,442</u>

Notes to the Financial Statements are included on pages 71 to 87.

Notes to the Financial Statements For the year ended 31 December 2009

1. GENERAL INFORMATION

NSW Farmers' (Industrial) Association (the Association) is an association registered under the Commonwealth of Australia's *Fair Work (Registered Organisations) Act 2009* ("the FW(RO) Act").

The Association's principal place of business and registered office is as follows:

NSW Farmers' (Industrial) Association
Level 25
66 Goulburn Street
Sydney NSW 2000

The Association's principal activities are provision of services to Members and the management of investments.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and Interpretations and the requirements under Section 253 of the FW (RO) Act.

The financial statements cover NSW Farmers' (Industrial) Association as an individual entity. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with A-IFRS ensures that the financial statements and notes of the Association comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the Executive Committee on 16th April 2010.

(b) Basis of preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

(c) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Association's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Refer to Note 3 for a discussion of critical judgements in applying the entity's accounting policies, and key sources of estimation uncertainty.

(d) Adoption of new and revised Accounting Standards

In the current year, the Association has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policy notes set out below.

In addition to the above, the adoption of these new and revised Standards and Interpretations have resulted in changes to the Association's presentation of, or disclosure in, its financial statements in the following area:

(e) Presentation of the financial statements

Previously, the Association presented the statement of financial position (formerly termed the 'balance sheet'), the income statement, cash flow statement and statement of changes in equity. As a consequence of the adoption of AASB 101 Presentation of Financial Statements (2007) and associated amending standards, the Association presents a statement of comprehensive income in place of the income statement.

Statement of Cash Flows For the year ended 31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Foreign currency

The financial statements of the Association are presented in its functional currency being the currency of the primary economic environment in which the entity operates. The results and financial position of the Association is expressed in Australian dollars, which is the functional currency of NSW Farmers' (Industrial) Association and the presentation currency for the financial statements.

(g) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (i) Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (ii) For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(h) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Dividend and interest revenue

Dividend revenue from investments is recognised when the Association's right to receive payment has been established.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Membership subscription income

Membership subscription income is recognised by reference to the proportion of the term of the membership that has already expired at each financial year end.

Project income

Project income is recognised over the periods necessary to match the income with the costs they are intended to compensate.

Distribution income

Distribution income is recognised when the right to receive the revenue has been established.

Other income

Other income is recognised when the right to receive the revenue has been established.

Notes to the Financial Statements For the year ended 31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Unearned revenue

Project funding and subscription receipts relating to periods beyond the current financial year end are deferred and are disclosed as unearned income in the balance sheet.

(j) Cash and cash equivalents

Cash comprises demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of the acquisition.

(k) Financial assets

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified at fair value through profit or loss which are initially measured at fair value.

Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial asset:

- has been acquired principally for the purpose of selling in the near future; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Association's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 8.

Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Association provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

Loans and receivables are measured at amortised cost, using the effective interest method less impairment.

Available-for-sale financial assets

Available for sale financial assets held by the Association consist of Units in NFF Unit Trust. Gains and losses arising from changes in fair value are recognised directly in the investment revaluation reserve with the exemption of impairment losses, interest calculated using the effective method and foreign exchange gains and losses which are recognised directly in profit or loss. Fair value is determined in the manner described in Note 15.

Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is included in profit or loss for the period. Dividends on available-for-sale equity instruments are recognised in profit and loss when the Association's right to receive the dividends is established.

Notes to the Financial Statements For the year ended 31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Financial assets (continued)

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in equity.

Derecognition of financial assets

The Association derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Association neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Association recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Association retains substantially all the risks and rewards of ownership of a transferred financial asset, the Association continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(l) Property, plant and equipment

Property plant and equipment are stated at cost less accumulated depreciation and impairment. Costs include all expenditure that is directly attributable to the acquisition of the asset. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment.

Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

The gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following useful lives are used in the calculation of depreciation:

Plant and Equipment 3-5 years.

Notes to the Financial Statements For the year ended 31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Impairment of long-lived assets

At each reporting date, the Association reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

(n) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Association in respect of services provided by employees up to reporting date.

Defined Contribution plans are expensed when employees have rendered service entitling them to contributions.

(o) Provisions

Provisions are recognised when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that the Association will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Notes to the Financial Statements For the year ended 31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Financial instrument issued by the Association

Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant periods. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(q) Standards and Interpretations issued not yet effective

At the date of authorisation of the financial report, a number of Standards and Interpretations were in issue but not yet effective.

Initial application of the following Standards will not affect any of the amounts recognised in the financial report, but will change the disclosures presently made in relation to the Association and the Association's financial report.

Notes to the Financial Statements For the year ended 31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (continued) (q) Standards and Interpretations issued not yet effective (continued)

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 3 'Business Combinations' (revised), AASB 127 'Consolidated and Separate Financial Statements' (revised) and AASB 2008-3 'Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127'	Business combinations occurring after the beginning of annual reporting periods beginning 1 July 2009	31 December 2010
AASB 2008-6 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project'	1 July 2009	31 December 2010
AASB 2008-8 'Amendment to Australian Accounting Standards - Eligible Hedged Items'	1 July 2009	31 December 2010
AASB 2009-4 'Amendment to Australian Accounting Standards arising from the Annual Improvements Process'	1 July 2009	31 December 2010
AASB 2009-5 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process'	1 January 2010	31 December 2010
AASB 2009-7 'Amendment to Australian Accounting Standards'	1 July 2009	31 December 2010
AASB 1 'First-time Adoption of Australian Accounting Standards'	1 July 2009	31 December 2010
AASB Interpretation 17 'Distributions of Non-cash Assets to Owners', AASB 2008-13 'Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners'	1 July 2009	31 December 2010
AASB 2009-8 'Amendments to Australian Accounting Standards – Group Cash-settled Share-based Payment Transactions'	1 January 2010	31 December 2010
AASB 124 'Related Party Disclosures (2009)', AASB 2009-12 'Amendments to Australian Accounting Standards'	1 January 2011	31 December 2011
AASB 9 'Financial Instruments', AASB 2009-11 'Amendments to Australian Accounting Standards arising from AASB 9'	1 January 2013	31 December 2013
AASB 2009-9 'Amendments to Australian Accounting Standards – Additional Exemptions for First-time Adopters'	1 January 2010	31 December 2010
AASB 2009-10 'Amendments to Australian Accounting Standards – Classification of Rights Issues'	1 February 2010	31 December 2011
AASB 2009-14 'Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement'	1 January 2011	31 December 2011
AASB Interpretation 19 'Extinguishing Liabilities with Equity Instruments'	1 July 2010	31 December 2011

Notes to the Financial Statements For the year ended 31 December 2009

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

(i) Critical accounting estimates and judgements

The Executive Committee of the Association evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association. Key estimates and critical judgments are discussed below.

(ii) Key estimates – Impairment

The Association assesses impairment at each reporting date by evaluating conditions specific to the Association that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. This may involve value in use calculations which incorporate a number of key estimates and assumptions.

(iii) Key accounting judgments – Classification of Investments

Investments in listed securities have been classified as “financial assets at fair value through profit or loss” on the basis that the investments are managed and their performance evaluated on a fair value basis in accordance with the Association’s investment strategy, and information about the investments are provided internally on that basis to the Association’s key management personnel. By categorising investments in listed securities as “financial assets at fair value through profit or loss”, any movement in the fair value of the investments is recognised in the statement of comprehensive income. If they were not classified in this category, they would have been recognised as “available-for-sale” investments, and the movement in the fair value may have been recognised directly in equity until the investments are sold.

Notes to the Financial Statements For the year ended 31 December 2009

	2009 \$	2008 \$
4. REVENUE		
Dividend and trust distribution income	749,814	3,147,995
Subscription income	909,532	829,017
Interest income	24,375	111,632
Project income	44,150	58,125
NFF House Unit Trust distribution	49,075	52,318
Contributions – Special Purpose Fund	6,153	6,851
Principal Fund Investment Earnings – A S Burdekin Research Fund	9,132	12,070
	1,792,231	4,218,008

5. OTHER INCOME		
Commission income	-	7,487
Other	1,374	26,918
	1,374	34,405

6. PROFIT OR LOSS FOR THE YEAR

The profit or loss for the year has been arrived at after (crediting)/charging the following:

Changes in fair value on financial assets designated at fair value through profit or loss	(8,681,190)	17,828,980
Consultancy fees - projects	36,106	76,965
Allowances to representatives of NSW Farmers' (Industrial) Association for attendance at conferences or other meetings	-	5,352
Employee benefit expenses: Defined contribution plans	25,068	14,718

7. TRADE AND OTHER RECEIVABLES

Current		
Trade Debtors (i)	21,450	28,875
Less: Provision for doubtful debts (ii)	-	-
	21,450	28,875
Other Debtors	53,575	-
Accounts receivable from related entity: - NSW Farmers' Association (iii)	4,613,853	1,455,630
	4,688,878	1,484,505

Notes to the Financial Statements For the year ended 31 December 2009

7. TRADE AND OTHER RECEIVABLES (continued)

(i) The ageing of the trade receivables at 31 December 2009 is detailed below

	2009		2008	
	Gross \$	Provision \$	Gross \$	Provision \$
Not past due	21,450	-	28,875	-
Past due 0 – 30 days	-	-	-	-
Past due 31 plus days	-	-	-	-
Total	21,450	-	28,875	-

The average credit period on invoices is 60 days (2008: 60 days). No interest is charged on the trade receivables from the date of invoice or when past due. The Association has provided fully for all receivables identified by management as being specifically doubtful. The Association's provision policy is based on an assessment of changes in credit quality and historical experience.

Included in Industrial's trade receivables are debtors with carrying amounts of \$nil (2008:nil) which are past due at the reporting date for which the association has not provided for as there has not been a significant change in credit quality and the Association believes that the amounts are still considered recoverable. The Association does not hold any collateral over these balances.

	2009 \$	2008 \$
(ii) Movement in the allowance for doubtful debts		
Balance at beginning of year	-	3,000
Amount utilised	-	(3,000)
Balance at end of the year	-	-

(iii) At balance sheet date, the related party receivable balances are repayable on demand.

8. OTHER FINANCIAL ASSETS

Financial assets securities in listed vehicles – at fair value (i)	39,047,298	35,345,491
Unlisted securities (ii)	685,577	730,624
	39,732,875	36,076,115

(i) Securities with a fair value at 31 December 2009 of \$26,280,356 (2008: \$23,363,506) have been provided as security to Westpac Banking Corporation in respect of borrowings totalling \$9 million (2008: \$10 million) taken out by a related entity - NSW Farmers' Association.

(ii) Represents investment in units of NFF House Trust at fair value

Notes to the Financial Statements For the year ended 31 December 2009

	2009 \$	2008 \$
9. PROPERTY, PLANT AND EQUIPMENT		
<u>Buildings</u>		
Field day sheds – at cost	6,000	6,000
<u>Artworks</u>		
Artworks – at cost	20,155	20,155
Total Property, Plant and Equipment	26,155	26,155

There has been no movement in property, plant and equipment during the financial year.

10. TRADE AND OTHER PAYABLES

Current

Unsecured liabilities

Trade payables (i)	8,170	2,291
Sundry creditors and accruals	63,978	167,678
	72,148	169,969

- (i) The average credit period on purchases of certain goods is 30 days. No interest is charged on trade payables from the date of invoice. The Association has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

11. OTHER LIABILITIES

Non Current

Subscriptions received in advance	216,870	376,030
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12. PROVISIONS

Current

Employee entitlements – annual leave	11,241	11,241
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Non-current

Employee entitlements – long service leave	2,367	2,367
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13. RELATED PARTY TRANSACTIONS

(a) Transactions with Key Management Personnel

- (i) There are no employee benefits paid to any holders of office in the Association as the NSW Farmers' Association is the employer. A component of the management fee is charged to the Industrial Association for these services. A reasonable allocation of the amount of the management fee attributable to these services cannot be made.

(b) Transactions with other related parties:

- (i) During the year, the entity paid management fees of \$2,780,361 (2008: \$12,801,000) to NSW Farmers' Association, a related entity.
- (ii) The entity has provided loans to and received advances from NSW Farmers' Association, a related entity. These loans and advances are unsecured, interest free and repayable on demand. Refer Note 7 for balance outstanding at year end. No interest has been charged on the loan in 2009.

Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

Notes to the Financial Statements For the year ended 31 December 2009

14. NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Reconciliation of cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and in banks and investments in money market investments, not as outstanding bank overdrafts. Cash and cash equivalents as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

	2009	2008
	\$	\$
Cash at bank	7,443	4,117
At call deposits with financial institutions	420,693	396,325
	428,136	400,442

(b) Reconciliation of profit/(loss) for the year to net cash flows from operating activities

Profit/(Loss) for the year	7,190,855	(26,947,815)
Change in fair values of financial assets held at fair value through profit and loss	(8,503,186)	17,828,980
Dividend and interest income not received in cash	(798,888)	(3,231,847)
Investment management fee not paid in cash	-	156,973
Management fee to related entity	-	12,801,000
Changes in assets and liabilities		
Decrease (increase) in trade receivables	7,425	22,825
Decrease (increase) in other assets	-	46,047
(Decrease) increase in provisions	-	(100,000)
(Decrease) Increase in trade and other payables	(256,981)	284,227
Cash flows used in operating activities	(2,360,775)	860,390

15. FINANCIAL INSTRUMENTS

(a) Capital risk management

The Executive Committee's policy is to maintain a strong capital base so as to maintain members' confidence and to sustain future development of the Association. There were no changes in the Association's approach to capital management during the period.

The Association's capital structure comprises cash, short-term deposits, investments and other financial assets. The main purpose of these financial instruments is to raise finance for and fund the Association's operations. The Association has various other financial instruments such as trade debtors and creditors, which arise directly from its operations.

Notes to the Financial Statements For the year ended 31 December 2009

	2009 \$	2008 \$
15. FINANCIAL INSTRUMENTS (continued)		
(b) Categories of financial instruments		
Financial assets		
Cash and cash equivalents	428,136	400,442
Loans and receivables	4,688,878	1,484,505
Available-for-sale financial assets	685,577	730,624
Financial assets designated as fair value through profit or loss		
	39,047,298	35,345,491
	44,849,889	37,961,062
Financial liabilities		
Trade and other payables	72,148	169,969
	72,148	169,969

(c) Financial risk management objectives

The Executive Committee has overall responsibility for the establishment and oversight of the Association's financial management framework. The Board of a related entity – NSW Farmers' Association has an established Finance and Audit Committee ("Finance Committee"), which is responsible for developing and monitoring the Association's financial management policies. The Committee provides regular reports to the Board of Directors on its activities.

The Association's risk management policies are established to identify and analyse the risks faced by the Association, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Association's activities.

The Finance Committee will oversee how Management monitors compliance with risk management policies and procedures and review the adequacy of the risk management framework in relation to the risks.

The main risk arising from the Association's financial instruments are price risk, interest rate risk, credit risk, liquidity risk and capital risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

(d) Market risk

Market risk is the risk that changes in market prices and interest rates, will affect the Association's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and monitor market risk exposures within acceptable parameters, whilst optimising the return on risk.

There has been no change to the Association's exposure to market risks or the manner in which it manages and measures the risk from the previous year.

Interest rate risk management

The Association is exposed to interest rate risk as a consequence of its cash and deposits balances which attracts average variable interest rates. The Association's exposure to changes in interest rates relates primarily to its cash holdings.

Interest rate risk sensitivity analysis

The sensitivity analysis below have been determined based on the Association's exposure to interest rates for its financial assets and financial liabilities as at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management and represents management's assessment of the possible change in interest rates.

Notes to the Financial Statements For the year ended 31 December 2009

15. FINANCIAL INSTRUMENTS (continued)

(d) Market risk (continued)

At reporting date if interest rates had been 50 basis points higher/lower and all other variables were held constant, the Association's:

- profit for the year ended 31 December 2009 would decrease/increase by \$2,140 (2008: decrease/increase by \$2,002). This is mainly attributable to the Association's exposure to interest rates on its variable rate deposits.

Equity price sensitivity

The Association is exposed to equity price risk as a consequence of its fair value through profit and loss assets as set out in Note 8. Equity investments are held for strategic purposes. The Association does not actively trade these investments.

The Association has taken steps to limit the risk by spreading the financial assets across two fund managers and into different asset classes. Including the NSW Farmers' (Industrial) Association there are four fund managers.

Equity price sensitivity

The sensitivity analysis below has been determined based the exposure to equity price risks at the reporting date.

A 5% increase or decrease is used when reporting market price risk internally to key management and represents management's assessment of the possible change in equity prices.

The sensitivity analysis below have been determined based upon the Association's exposure to market prices at reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

At reporting date, if market prices had been 5% higher or lower and all other variables were held constant, the Association's net profit would increase/decrease by \$2.0 million (2008: \$1.8 million).

(e) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Association. The Association has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade receivables consist of a few large customers with substantial financial backing such as Governments or other farming institutions. Ongoing credit evaluation is performed on the financial condition of debtors and other receivable balances are monitored on an ongoing basis, with the result that the Association's exposure to bad debts is not significant.

The Association establishes an allowance for doubtful debts that represents its estimate of incurred losses in respect of trade and other receivables.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Association's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Notes to the Financial Statements For the year ended 31 December 2009

15. FINANCIAL INSTRUMENTS (continued)

(f) Liquidity risk management

Liquidity risk is the risk the Association will not be able to meet its financial obligations as they fall due. The Association's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions.

The Association's overall objective is to maintain a balance between continuity of funding and flexibility through the use of its assets under investment management.

The Association manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows.

Liquidity and interest risk tables

The following table details the Association's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Association can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate %	Less than 1 year \$	1 - 2 years \$	Longer than 2 years \$
2009				
Financial liabilities				
Non-interest bearing	-	224,475	-	-
2008				
Financial liabilities				
Non-interest bearing	-	378,117	-	-

The following table details the Association's remaining contractual maturity for its non-derivative financial assets. The tables have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Association anticipates that the cash flow will occur in a different period.

	Weighted average effective interest rate %	Less than 1 year \$	1 - 2 years \$	Longer than 2 years \$
2009				
Financial assets				
Non-interest bearing		44,421,184	-	-
Variable interest rate instruments	3.655	428,136	-	-
		44,849,320	-	-
2008				
Financial assets				
Non-interest bearing		37,560,411	-	-
Variable interest rate instruments	3.88	400,442	-	-
		37,960,853	-	-

Notes to the Financial Statements For the year ended 31 December 2009

15. FINANCIAL INSTRUMENTS (continued)

(g) Fair value of financial instruments

Fair value of financial instruments carried at amortised cost

The directors consider that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and financial liabilities are determined as follows.

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 and 2 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

	31/12/2009		
	Level 1	Level 2	Total
	\$	\$	\$
<i>Financial assets at fair value through profit or loss</i>			
Non-derivative financial assets designated as at fair value through profit or loss	39,047,298	-	39,047,298
<i>Available-for-sale financial assets</i>			
Unquoted equities	-	685,577	685,577
Total	39,047,298	685,577	39,732,875

There were no transfers between Level 1 and 2 in the period.

Notes to the Financial Statements For the year ended 31 December 2009

16. GUARANTEE AND INDEMNITY

A debt and interest guarantee and indemnity of \$9 million (2008: \$10 million) has been provided to the Westpac Banking Corporation in respect of \$9 million (2008: \$10 million) of bank borrowing taken out by a related entity – NSW Farmers' Association.

17. KEY MANAGEMENT COMPENSATION

Remuneration of key management personnel, including the Chief Executive, is borne by a related entity – NSW Farmers' Association. A reasonable allocation of the amount of the management fee attributable to management compensation cannot be made.

18. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirement of clause 161(f) of the *Fair Work (Registered Organisations) Regulations 2009* ("the FW(RO) Regulations") the attention of Members is drawn to the provisions of sub-sections (1),(2) and (3) of section 272 of the *Fair Work (Registered Organisations) Act 2009*, which read as follows:

- (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).

19. REMUNERATION OF AUDITORS

Auditor of the Association

Audit and review of financial reports	11,132	16,789
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The auditor of NSW Farmers' (Industrial) Association is Deloitte Touche Tohmatsu. No non -audit services were provided by the auditor of the Association during the financial year.

20. SUBSEQUENT EVENTS

Since balance date there has been a decrease in the in the market value of the Association's investments.

As at the 28th February 2010 the Association's investments had decreased by \$671,494 based upon the Investment Managers' reported investment portfolio holdings as at 28th February 2010. There were no contributions or withdrawals from the investment portfolio to impact this change in value.

The Executive Committee continues to monitor the Association's position and will further review the investment position prior to the Association's Annual General Meeting to be held in July 2010.

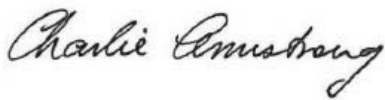
Statement by Members of the Committee For the year ended 31 December 2009

The members of the Committee declare that:

1. The financial statements and notes for the financial year ended 31 December 2009 present a true and fair view of the financial position of NSW Farmers' (Industrial) Association at 31 December 2009 and its performance for the financial year ended on that date in accordance with the Australian Accounting Standards (AIFRS) and Interpretations and the requirements under Section 253 of the *Fair Work (Registered Organisations) Act 2009* ("the FW(RO) Act").
2. At the date of this statement, there are reasonable grounds to believe that NSW Farmers' (Industrial) Association will be able to pay its debts as and when they become due and payable.

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

Dated this 16th day of April 2010



C T Armstrong
President



P Comensoli
Treasurer

Independent Auditor's Report to the members of NSW Farmers (Industrial) Association

We have audited the accompanying financial report of NSW Farmers (Industrial) Association, which comprises the statement of financial position as at 31 December 2009, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended on that date, notes comprising a summary of significant accounting policies, other explanatory information and the statement by members of the committee as set out on pages 67 to 88.

The Responsibility of Executive Committee for the Financial Report

The Executive Committee of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), financial reporting requirements under Section 253 of the Fair Work (Registered Organisations) Act 2009 ("the Act") and the requirements imposed by Part 3 of Chapter 8 of the Act. This responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive Committee, as well as evaluating the overall presentation of the financial report.

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



Auditor's Independence Declaration

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

In our opinion:

- (a) the financial report of NSW Farmers (Industrial) Association presents fairly, in all material respects, the association's financial position as at 31 December 2009, and of its financial performance, its cash flows and changes in equity for the year ended on that date in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the financial reporting requirements of Section 253 of the Fair Work (Registered Organisations) Act 2009 ("the Act") and the requirements imposed by Part 3 of Chapter 8 of the Act; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

A handwritten signature in black ink that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink, appearing to be "Michael Kaplan".

Michael Kaplan
Partner
Chartered Accountants
Sydney, 16 April 2010