



12 April 2024

Steven Murphy

National Secretary

"Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU)

Sent via email: national.secretary@amwu.org.au

CC: suwarti.asmono@crowehorwath.com.au

Dear Steven Murphy

**"Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU)
Financial Report for the year ended 30 September 2023 – (FR2023/191)**

I acknowledge receipt of the financial report for the year ended 30 September 2023 for the "Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU). The documents were lodged with the Fair Work Commission (the Commission) on 25 March 2024.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 September 2024 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The Commission will confirm these concerns have been addressed prior to filing next year's report.

Reference to Registered Organisations Commissioner

The Fair Work Commission (the Commission) has been the regulator for registered organisations since 6 March 2023. All references to the Registered Organisations Commission and Commissioner must be changed to the Fair Work Commission and General Manager of the Fair Work Commission.

I note that item (e)(v) of the committee management statement and note 3 refer to the Commissioner of the Registered Organisations Commission instead of the General Manager of the Fair Work Commission. In future year, please update these items accordingly.

Reporting Requirements

The Commission's website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements.

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Kylie Ngo
Fair Work Commission



Level 4 133 Parramatta Rd
Granville NSW 2142

25 March, 2024

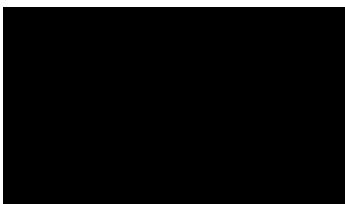
**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING AND KINDRED INDUSTRIES UNION**

NATIONAL COUNCIL

CERTIFICATE OF NATIONAL SECRETARY

I, Steven Murphy, being the National Secretary of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union National Council certify:

- that the documents lodged herewith are copies of the Full Report, referred to in section 268 of the Fair Work (Registered Organisations) Act 2009; and
- that the Full Report was provided to members on the AMWU website on 22 December 2023; and
- that the Full Report was presented to a meeting of the Committee of Management of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union National Council on 21 March, 2024 in accordance with section 266(3) of the Fair Work (Registered Organisations) Act 2009.



~~STEVEN MURPHY~~
NATIONAL SECRETARY

**Automotive, Food, Metals, Engineering, Printing And
Kindred Industries Union**

National Council

ABN 59 459 725 116

Financial Report for the year ended 30 September 2023

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Contents

	Page
Report required Under Subsection 255(2A)	2
Operating Report	3
Committee of Management Statement	9
Statement of Comprehensive Income	10
Statement of Financial Position	12
Statement of Changes in Accumulated Funds and Reserves	13
Statement of Cash Flows	14
Notes to and forming part of the Accounts	15
Officer Declaration Statement	49
Independent Auditors Report	50

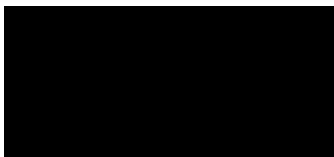
Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Report required Under Subsection 255(2A)

For the year ended 30 September 2023

The National Council presents the expenditure report, as required under subsection 255(2A), on the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union National Council for the year ended year ended 30 September 2023.

Categories of expenditures	2023 <i>In AUD</i>	2022 <i>In AUD</i>
Remuneration and other employment-related costs and expenses – employees	26,408,806	28,593,471
Advertising	474,537	483,672
Operating costs	12,263,522	11,777,523
Donations to political parties	-	-
Legal costs	170,447	123,702
Other Costs	5,352,275	4,755,287



National Secretary – Steven Murphy

Dated at Sydney this 13th day of December 2023.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Operating Report

For the year ended 30 September 2023

The National Council, being the Committee of Management for the purposes of the Fair Work (Registered Organisations) Act 2009, presents its operating report of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union (AFMEPKIU), National Council for the financial year ended 30 September 2023.

The operational name for the AFMEPKIU is the Australian Manufacturing Workers' Union (AMWU). The Union is a 'not for profit' entity, a registered organisation under the Fair Work (Registered Organisations) Act 2009.

1 Review of the National Council's Principal Activities

The AFMEPKIU's principal industrial objectives are aimed at the improvement of wages and working conditions for members throughout industry. This has been done primarily by way of industrial awards and enterprise agreements. The AFMEPKIU has also been active in trying to influence governments at all levels in a wide range of political issues.

2 Significant Changes in Principal Activities

There were no significant changes in the nature of the National Council's principal activities during the financial year.

3 Results of Principal Activities

During the year to 30 September 2023 the AFMEPKIU negotiated and registered 463 enterprise bargaining agreements nationally.

The AFMEPKIU's National Office is responsible for applying to improve industrial awards covering our members. During the year ending 30 September 2023 the National Office improved award minimum rates for all workers and was actively participating in the Fair Work Commission's review of Modern Awards. The State Branches are responsible for advising members in their State of these gains and ensuring members receive the appropriate wage.

The AFMEPKIU National Council General Fund principal activities resulted in a net deficit for the financial year of \$1,701,418 (2022: net surplus of \$12,744,175).

4 Significant Changes in Financial Affairs

There were no significant changes in the financial affairs of the National Council during the financial year.

5 The Right of Members to Resign

Rule 43(8) of the AFMEPKIU Rules states that a member may resign his/her membership by notifying his/her State Secretary in writing, addressed and delivered to that officer.

A notice of resignation from membership takes effect:

(a) where the member ceases to be eligible to become a member of the organisation:

(i) on the day on which the notice is received by the organisation; or

(ii) on the day specified in the notice, which is a day not earlier than the day when whichever is later; or

(b) In any other case:

(i) At the end of two weeks, after the notice is received by the organisation; or

(ii) On the day specified in the notice;

whichever is later.

Any dues payable but not paid by a former member of the organisation, in relation to a period before the member's resignation from the organisation took effect, may be sued for and recovered in the name of the organisation, in a court of competent jurisdiction, as a debt due to the organisation.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Operating Report

For the year ended 30 September 2023

A notice delivered to the State Secretary shall be taken to have been received by the organisation when it is delivered.

A notice of resignation that has been received by the organisation is not invalid because it was not addressed and delivered to the State Secretary.

A resignation from membership is valid even if it is not effected in accordance with this Rule if the member is informed in writing by or on behalf of the organisation that the resignation has been accepted.

Nothing in Rule 43(8) of the AFMEPKIU Rules interferes with a member's right to resign from the union as set out under section 174(1) of the Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

6 Statement of Salaries, Board Fees, Associated Entities, Key Relationships & Disclosure Statements

The AFMEPKIU National Council's top five salary rates are as follows:

Level	Position	Per Annum
5	Officer	107,338
6	Senior Officer	112,749
7	Assistant State Secretary	120,611
8	Assistant National Secretary / National Executive Officer/State Secretary	127,676
9	National Secretary/National President	137,491

Note: AFMEPKIU base superannuation is paid at a range of between 10.5% and 12.5%, and annual leave loading is calculated at 17.5%. A maximum service increment of \$4,000 is payable to Officers with over 16 years of service.

Board Fees

Board Fees received by the AFMEPKIU National Council on behalf of employees who are members of external boards, are as follows:

Organisation	Amount Received
Australian Super	157,386
Australian Construction Industry Redundancy Trust	42,249
CBUS	74,045
Department of Home Affairs	655
Building & Construction Industry Training Fund	11,757
Industry Capability Network Limited	15,455
Media Super	2,000
Coverforce Pty Ltd	3,562
TAFE Queensland	25,613
Jobs and Skills Councils	1,265

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Operating Report

For the year ended 30 September 2023

Associated Entities & Principal Relationships

The National Council has significant influence over two associated entities as follows:

- 1 A 49% interest in UCover. UCover provides the income protection insurance cover known as WageGuard. The AFMEPKIU has taken an interest in this company to ensure that members receive the best possible income protection product through their Enterprise Agreement and all income derived from this activity is reinvested in membership services and support.
- 2 A 24% interest in Industry Printing and Publishing (IPP) Pty Ltd, a print and design company with which the AFMEPKIU has a long standing interest. During the period, the business operations of IPP have been sold to a third party, whilst the shareholding in the entity remains.

The rules of the AFMEPKIU provide that all Director/Sitting Fees payable to AFMEPKIU employees are to be paid directly to the AFMEPKIU.

Key Relationships

The National Council has developed key relationships over a long period with a number of suppliers of various goods and services. These relationships are conducted on normal commercial terms, and are periodically tested against market price:

Supplier	
Building Services	Legal Services
CBD MECHANICAL ELECTRICAL	MAURICE BLACKBURN PTY LTD
ENERGY AUSTRALIA	TAYLOR & SCOTT
ORIGIN ENERGY SERVICES LTD	LUCY SAUNDERS
SIMPLY ENERGY	Printing & Publicity Services
SIEMENS LTD	
BENITEZ HOLDINGS P/L	DCMC DESIGN PTY LTD
CONSOLIDATED PROPERTY SERVICES	MCPHERSONS PRINTING GROUP
KNIGHT FRANK AUSTRALIA P/L	CREATIVE WORKS
MCGEES PROPERTY	MOUNTAIN MEDIA
DAIKIN AUSTRALIA P/L	BLUE GUM CLOTHING CO. P/L
J HUTCHISON P/L	MINUTEMAN PRESS
HD & TA WEBER	ENVELOPE EXPERTS
EXTREME FIRE SOLUTIONS & ELECTRICAL	CATE BROADBENT
OTIS LIFTS	HORTON ADVISORY
AGL P/L	Travel Services
SPIFFY CLEAN P/L	
STEMAR GROUP P/L	AMERICAN EXPRESS
Financial & Advisory Services	QANTAS
	FCM TRAVEL SOLUTIONS
FINDEX (AUST) PTY LTD T/AS CROWE AUSTRALASIA	CABCHARGE AUST P/L
COVERFORCE INSURANCE BROKING	MERCURE SYDNEY
ICARE	Vehicle Services
NATIONAL AUSTRALIA BANK	
INDUSTRY FUNDS SERVICES	
Direct Membership Services	GILLEN MOTORS PTY LTD
	HEARTLAND MOTORS
	SUMMIT FLEET LEASING
ON THE LINE AUSTRALIA INC	ROAM

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Operating Report

For the year ended 30 September 2023

IT & Communications Services	
CANON AUSTRALIA P/L	TELSTRA
COMPUTER MERCHANTS	OPTUS
INFOR GLOBAL SOLUTIONS(ANZ)P/L	EXETEL
SOFTWARE ONE	SOFTWARE ONE AUST P/L
IT INTEGRITY	NORTHERN MANAGED FINANCE P/L
ASCENDER PTY LTD	PSI PACIFIC MANAGED SOLUTIONS
TPG TELECOM	LUCID MULTI CLOUD

Officers' Material Personal Interests

For the year ended 30 September 2023, the Officers of the AFMEPKIU have declared no material personal interests.

Payments to related parties or declared persons

For the year ended 30 September 2023, the AFMEPKIU has made no reportable payments to any related party or declared person or body of the Union.

7 National Officers or Members who are Trustees of a Superannuation Entity

The details of each member, or officer of the National Council who at 30 September 2023 is a trustee of a superannuation entity or an exempt public sector superannuation scheme or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation, are as follows:

Name of officer or member	Superannuation Fund	Position Held
Glenn Thompson	Australian Super	Member Director
Glenn Thompson	ACIRT	Member Director
Belinda Griggs	ACIRT	Member director - Alternate
Abha Devasia	C+BUS	Member Director
Anne Donnellan	C+BUS	Member Director
Steve McCartney	Building & Construction Industry Training Fund	Member Representative Director
Lorrain Cassin	Media Super	Chari of Media super – Cbus merger transmission committee

8 Other Relevant Information

The National Council is not aware of any other relevant information.

9 Prescribed Information Required Under the Fair Work (Registered Organisations) Regulations 2009

- a. The number of persons who were recorded in the register of members on 30 September 2023 was 54,672.
- b. The number of persons who were employees of the reporting unit on 30 September 2023 was 214, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Operating Report

For the year ended 30 September 2023

- c. The name of each person who has been a member of National Council, at any time during the reporting period, and the period for which he or she held such a position is as follows:

Name	Period Position Held
Ann-Marie Allan	1 October, 2022 to 30 September, 2023
Jacob Batt	1 October, 2022 to 31 August, 2023
Peter Bauer	1 October, 2022 to 30 September, 2023
Shannon Brooks	1 October, 2022 to 21 February, 2023
Michael Cannon	1 October, 2022 to 11 July, 2023
Lorraine Cassin	1 October, 2022 to 30 September, 2023
Adam Davis	1 October, 2022 to 30 September, 2023
Andrew Dettmer	1 October, 2022 to 30 September, 2023
Gordon Entwisle	1 October, 2022 to 30 September, 2023
Steven Fainges	1 October, 2022 to 13 July, 2023
Robyn Fortescue	1 October, 2022 to 30 September, 2023
Stuart Gordon	31 August, 2023 to 30 September, 2023
Chris Harper	1 October, 2022 to 31 January, 2023
Jesse Hawke	1 October, 2022 to 30 September, 2023
Brett Huybers	1 October, 2022 to 7 July, 2023
Andy Kane	1 October, 2022 to 30 September, 2023
Chris Kirkby	1 October, 2022 to 18 July, 2023
Jon Lambropoulos	1 October, 2022 to 30 September, 2023
Keith Lang	1 October, 2022 to 30 September, 2023
Lou Malgeri	1 October, 2022 to 30 September, 2023
Tony Mavromatis	1 October, 2022 to 30 September, 2023
Steve McCartney	1 October, 2022 to 30 September, 2023
Noel Mitchell	1 October, 2022 to 11 July, 2023
Chris Mooney	1 October, 2022 to 30 September, 2023
Steve Murphy	1 October, 2022 to 30 September, 2023
David Norris	1 October, 2022 to 30 September, 2023
Colin Ormsby	1 October, 2022 to 30 September, 2023
Mark Pearce	1 October, 2022 to 7 July, 2023
Tony Piccolo	1 October, 2022 to 11 July, 2023
Darryl Piper	23 February, 2023 to 30 September, 2023
Tim Ring	1 October, 2022 to 30 September, 2023
Dominic Rozario	1 October, 2022 to 30 September, 2023
Darrell Scanlan	1 October, 2022 to 30 September, 2023
John Short	1 October, 2022 to 30 September, 2023
Dean Slevin	1 October, 2022 to 30 September, 2023
Karen Smith	1 October, 2022 to 13 July, 2023
Brad Strike	18 July, 2023 to 30 September, 2023
Mick Terry	1 October, 2022 to 30 September, 2023
Glenn Thompson	1 October, 2022 to 30 September, 2023
Jenny Tynan	1 October, 2022 to 7 July, 2023
Rohan Webb	1 October, 2022 to 30 September, 2023
Cory Wright	1 October, 2022 to 30 September, 2023

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

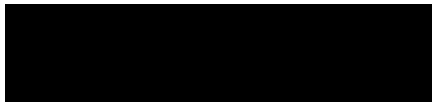
Operating Report

For the year ended 30 September 2023

Signed in accordance with a resolution of National Council



National Secretary – Steven Murphy



Acting National President – Glenn Thompson

Dated at Sydney this 13th day of December 2023.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Committee of Management Statement

For the year ended 30 September 2023

On 13 December 2023 the National Council of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union passed the following resolution in relation to the general purpose financial report (GPFR) of the National Council for the year ended 30 September 2023.

The National Council declares in relation to the GPFR that in its opinion:

- a. the financial statements and notes comply with the Australian Accounting Standards.
- b. the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- c. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the National Council for the financial year to which they relate;
- d. there are reasonable grounds to believe that the National Council will be able to pay its debts as and when they become due and payable; and
- e. during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the National Council were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the National Council have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the National Council have been kept and maintained in accordance with the RO Act; and
 - (iv) the financial records of the National Council have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) no information has been sought in any request by a member of the National Council or Commissioner duly made under Section 272 of the RO Act; and
 - (vi) no orders for inspection of financial records has been made by Fair Work Commission under section 273 of the RO Act.

This declaration is made in accordance with a resolution of the National Council:



National Secretary – Steven Murphy

Dated at Sydney this 13th day of December 2023.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Statement of Comprehensive Income For the year ended 30 September 2023

<i>In AUD</i>	Note	2023	2022
Revenue from contracts with customers			
Contributions	4	33,723,789	33,222,245
Total revenue from contracts with customers		<u>33,723,789</u>	<u>33,222,245</u>
Other income			
Distribution from financial assets at fair value through other comprehensive income		2,076,532	2,310,509
Interest received		241,832	159,785
Grant income	5(d)	961,183	707,300
Rent received	5(a)	4,342,415	3,091,931
Sundry income (including Board fees)	5(b)	5,045,855	5,794,520
Total other income		<u>12,667,817</u>	<u>12,064,045</u>
Total revenue and other income		<u>46,391,606</u>	<u>45,286,290</u>
Depreciation			
Buildings – owner occupied	16	1,444,830	1,329,015
Computer equipment	16	316,943	364,050
Furniture and fittings	16	75,862	39,936
Motor vehicles	16	847,335	856,214
Right of use asset	18	(145,919)	100,142
Total depreciation property, plant and equipment		<u>2,539,051</u>	<u>2,689,357</u>
Employment benefit expenses			
Salaries		21,001,379	22,629,447
Accrued Annual Leave		31,320	(259,855)
Long Service Leave		164,938	(463,658)
Redundancy expenses		691,350	2,778,369
Superannuation		2,486,108	2,497,701
Subtotal	6	<u>24,375,095</u>	<u>27,182,004</u>
Fringe Benefits Tax		344,804	426,512
Payroll Tax		319,056	313,387
Total Employment benefit expenses		<u>25,038,955</u>	<u>27,921,903</u>
State branch expenditure	9	<u>5,350,276</u>	<u>4,755,287</u>

The notes on pages 15 to 48 are an integral part of these financial statements.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Statement of Comprehensive Income For the year ended 30 September 2023

<i>In AUD</i>	Note	2023	2022
Other expenses			
Affiliation fees	7(a)	568,906	540,313
Bank and Government charges		194,394	217,128
Building expenses		3,142,311	3,084,829
Computing		1,006,166	638,700
Conference and meeting expenses		237,480	69,864
Delegation/employee expenses	8	985,743	671,569
Donations and Grants	7(b)	62,273	99,591
Finance costs		7,808	5,332
Freight		7,472	8,244
Fund expenses:			
Political fund expenditure		348,656	949,084
Hardship fund expenditure		355,516	563,221
Education fund expenditure		144,780	34,153
Strategic plan fund expenditure		494,209	309,864
Funeral benefits		22,140	33,410
General office expenditure	7(c)	676,860	347,817
Insurance		1,267,552	1,119,593
Membership printing		356,839	346,992
Motor Vehicle expenses		166,815	219,645
Movement in expected credit losses		-	(473,374)
Printing and stationery		264,711	241,870
Postage		23,173	12,615
Printing and distribution - AMWU News		102,954	185,772
Professional services	24	248,955	207,038
Publicity		441,960	483,672
Rent Paid		186,767	44,022
Research		139,855	109,579
Telephone		287,010	296,565
Total other expenses		11,741,305	10,367,108
Total expenditure		44,669,587	45,733,655
Operating surplus for the year		1,722,019	(447,365)
Gain on disposal of assets		225,321	492,423
Gain/(loss) on revaluation of investment properties		(3,632,296)	12,699,117
Loss on sale of investments		(16,462)	-
Net (deficit)/ surplus for the year		(1,701,418)	12,744,175
Other comprehensive income			
Net increase/(decrease) in value of financial assets held at fair value through other comprehensive income		3,030,851	(8,562,258)
Gain on revaluation of land and buildings		-	5,842,076
Other comprehensive income for the year		3,030,851	(2,720,182)
Total comprehensive income for the year		1,329,433	10,023,993

The notes on pages 15 to 48 are an integral part of these financial statements.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Statement of Financial Position

As at 30 September 2023

<i>In AUD</i>	Note	2023	2022
Assets			
Cash and cash equivalents	10	6,117,122	6,214,960
Trade and other receivables	11	6,408,782	7,503,643
Other financial assets	12	83,312,449	80,297,159
Other assets	11	2,040,485	1,405,118
Non-current assets classified as held for sale	13	400,000	-
Current assets		<u>98,278,838</u>	<u>95,420,880</u>
Investments	14	313,001	313,001
Investment property	17	59,480,000	63,040,000
Property, plant and equipment	16	71,173,274	69,491,227
Right-of-use assets	18	175,428	54,115
Other financial assets	12	46,670	46,670
Non-current assets		<u>131,188,373</u>	<u>132,945,013</u>
Total assets		<u>229,467,211</u>	<u>228,365,893</u>
Liabilities			
Trade and other payables	19	940,771	1,016,462
Provisions	20	8,189,002	8,564,771
Deferred revenue	21	1,468,919	1,784,918
Lease liability	22	-	36,562
Current liabilities		<u>10,598,692</u>	<u>11,402,713</u>
Provisions	20	807,504	235,477
Lease liability	22	10,340	6,461
Non-current liabilities		<u>817,844</u>	<u>241,938</u>
Total liabilities		<u>11,416,536</u>	<u>11,644,651</u>
Net assets		<u>218,050,675</u>	<u>216,721,242</u>
Accumulated funds and reserves			
Financial assets at fair value through other comprehensive income		(1,782,629)	(4,813,480)
Revaluation reserve		39,438,573	39,438,573
Accumulated funds	23	180,394,731	182,096,149
Total accumulated funds and reserves		<u>218,050,675</u>	<u>216,721,242</u>

The notes on pages 15 to 48 are an integral part of these financial statements.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Statement of Changes in Accumulated Funds and Reserves
For the year ended 30 September 2023

<i>In AUD</i>	Accumulated Funds	Fair Value Investment Reserve	Revaluation Reserve	Total
Balance at 1 October 2021	169,351,974	3,748,778	33,596,497	206,697,249
Total comprehensive income				
Net surplus for the year	12,744,175	-	-	12,744,175
Other comprehensive income				
Decrease in value of financial assets at fair value	-	(8,562,258)	-	(8,562,258)
Revaluation surplus	-	-	5,842,076	5,842,076
Total other comprehensive income	-	(8,562,258)	5,842,076	(2,720,182)
Total comprehensive income	<u>12,744,175</u>	<u>(8,562,258)</u>	<u>5,842,076</u>	<u>10,023,993</u>
Balance at 30 September 2022	<u>182,096,149</u>	<u>(4,813,480)</u>	<u>39,438,573</u>	<u>216,721,242</u>
Balance at 1 October 2022	182,096,149	(4,813,480)	39,438,573	216,721,242
Total comprehensive income				
Deficit for the year	(1,701,418)	-	-	(1,701,418)
Other comprehensive income				
Increase in value of financial assets at fair value	-	3,030,851	-	3,030,851
Total other comprehensive income	-	3,030,851	-	3,030,851
Total comprehensive income	<u>(1,701,418)</u>	<u>3,030,851</u>	<u>-</u>	<u>1,329,433</u>
Balance at 30 September 2023	<u>180,394,731</u>	<u>(1,782,629)</u>	<u>39,438,573</u>	<u>218,050,675</u>

The notes on pages 15 to 48 are an integral part of these financial statements.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Statement of Cash Flows

For the year ended 30 September 2023

<i>In AUD</i>	Note	2023	2022
Cash flows from operating activities			
Contributions received		36,833,100	37,054,257
Receipts from other reporting units		-	-
Payments to other reporting units		(5,350,276)	(4,755,287)
Cash paid to suppliers and employees		(41,098,946)	(42,907,932)
Distributions received		2,092,093	2,310,509
Interest received		241,832	159,785
Interest paid		(7,808)	(5,332)
Rent received		5,071,861	2,685,248
Grant income		908,252	2,150,107
Sundry income		5,850,585	6,267,894
Net cash from operating activities	10	4,540,693	2,959,249
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		435,471	684,496
Payments for property, plant and equipment		(5,296,649)	756,000
Net proceeds from investments		230,724	(1,926,606)
Net payments for investments		-	(3,101,777)
Net cash used in investing activities		(4,630,454)	(3,587,887)
Cash flows from financing activities			
Lease liability repayments		(8,077)	(108,025)
Net cash used in financing activities		(8,077)	(108,025)
Net decrease in cash and cash equivalents		(97,838)	(736,663)
Cash and cash equivalents at beginning of year		6,214,960	6,951,623
Cash and cash equivalents at end of year	10	6,117,122	6,214,960

The notes on pages 15 to 48 are an integral part of these financial statements.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

1 Significant accounting policies

Basis of preparation

The financial report is for the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union National Council (AFMEPKIU) operating under the name of the Australian Manufacturing Workers' Union (AMWU), and in accordance with the Fair Work (Registered Organisations) Act 2009 the National Council is a reporting unit. The Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union is an organisation registered under the Fair Work (Registered Organisations) Act 2009. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the National Council are not subject to the Corporations Act 2001.

The reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009 require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards.

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009 for a not for profit oriented entity.

The financial statements, except for cash flow information, have been prepared on an accrual basis and in accordance with the historical cost, except for certain classes of property, plant and equipment and investment properties, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian dollars.

Change in basis of reporting

The financial report has been prepared on a reporting unit basis for the National Council and excluding the State Branches. In 2013 and years prior to that the financial report was prepared on a branch consolidation basis. The National Council has significant influence over the 'State Branches' or 'State Councils', and control of the funds supplied to finance Branch activities. These include the following branches:

- New South Wales State Branch
- Victoria Branch
- Queensland Branch
- South Australia Branch
- Western Australia Branch
- Tasmania Branch

Further information on the State branch expenditure can be obtained by reference to the individual state branch financial reports. The following is a summary of the significant accounting policies adopted by the National Council in the preparation and presentation of the financial report.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

(a) Financial instruments

Financial assets and financial liabilities are recognised when the National Council entity becomes a party to the contractual provisions of the instrument.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the National Council's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the National Council initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The National Council's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Classification and subsequent measurement

As at the reporting date, the National Council's financial assets consisted of cash and cash equivalents, investment portfolios of equity and other instruments which are measured at fair value through other comprehensive income, trade and other receivables and accrued income which are measured at amortised cost in accordance with the below accounting policy.

A contract asset is recognised when the National Council's right to consideration in exchange goods or services that have transferred to the customer but payment has not yet been received.

Financial assets at amortised cost

The National Council measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the union intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

Further, these assets must be held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. The National Council's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the National Council commits to purchase or sell the asset.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value investment reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss.

De-recognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The union has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the union has transferred substantially all the risks and rewards of the asset, or
 - b) the union has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the union has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the union continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

The National Council recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the National Council's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For trade and other receivables that do not have a significant financing component, the National Council applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the National Council does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The National Council has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

Classification and subsequent measurement

At the reporting date, the Council's financial liabilities include trade and other payables which are measured at amortised cost in accordance with the below accounting policy.

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(b) Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

(c) Revenue

The National Council recognised revenue as follows;

Revenue from Contracts with Customers

Revenue is recognised at an amount that reflects the consideration to which the National Council is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the National Council: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Membership contribution revenue is recognised over the period of time to which the subscription relates, as the benefits of the membership are provided to the customer.

Revenue from the sale of goods is recognised at the point in time the performance obligation is satisfied, being the point at which the customer obtains control of the goods.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Board fees are fees received where union officers are appointed to a board of trustees for superannuation funds as union representatives. These fees are recognised at the point in time that they are received.

Other revenue is recognised when it is received or when the right to receive payment is established.

Government grants

Government grant revenue is recognised over time, as the company satisfies its performance obligations as stated in the grant funding agreements, which is typically associated with the expenditure of related costs under the agreement. Specifically, government grants whose primary condition is that the National Council should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Union with no future related costs are recognised in profit or loss in the period in which they become receivable.

(d) Deferred revenue

Deferred revenue is recognised if a payment is received or a payment is due from a customer before the National Council transfers the related goods or services. Deferred revenue is recognised as revenue when the National Council satisfies the performance obligation under the subscription arrangement.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

(e) Property, plant and equipment

All Property, Plant and Equipment including those located at State Council Offices are recorded in the Statement of Financial Position of the National Council and all depreciation thereon is reflected in the National Council Statement of Comprehensive Income.

Property, plant and equipment held at revaluation model

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date. Land and buildings are revalued every 3 years. A revaluation of land and buildings was conducted as at 31 October 2022, and was based upon the assessment of an independent valuation expert.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

The depreciation rates used for each class of asset are:

- | | |
|--------------------------|-----------|
| • Buildings | 2% - 5% |
| • Computer equipment | 20% - 33% |
| • Furniture and fittings | 10% - 20% |
| • Motor Vehicles | 20% |

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the 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 the profit or loss.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

(f) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise. Assets are valued in accordance with AASB 13 Fair Value Measurement and AASB 140 Investment Property. Fair value of Land and Buildings is based on market participant's perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

(g) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

(h) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

(i) Impairment of non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

(j) Leases

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Union's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(k) Employee benefits

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

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability. Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the National Council in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The National Council recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

(l) Income tax

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

(m) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables on the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to the Australian Tax Office is included as part of receivables or payables as appropriate. Cash flows are included in the statement of cash flows on a gross basis.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

(n) **Contingent liabilities and contingent assets**

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

(o) **Associates**

An associate is an entity over which the National Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the individual assets and obligations for the liabilities of the joint operation.

The results and assets and liabilities of associates and its joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 'Non-current Asset Held for Sale and Discontinued Operations'. Under the equity method, an investment in an associate or joint venture is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate.

When the share of losses of an associate or joint venture exceeds the interest in that associate, the National Council discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

The investments in Ucover and IPP are deemed to be associates.

When the National Council's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the National Council does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

(p) Going concern support

The National Council is not reliant on the financial support of any other reporting units to ensure they can continue on a going concern basis. No financial support has been received in the year to 30 September 2023.

Pursuant to the Section 242(3) of the RO Act, each branch is regarded as a reporting unit for the RO Act reporting purposes.

The National Council supports the branches through:

- the allocation of funds to the branch to meet operational expenses
- the payment of the wages and salaries of the branch officers and employees.

The National Council has not provided any financial support to any reporting unit other than the branches noted in Note 9.

(q) Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(r) Adoption of new Accounting Standard requirements

The National Council has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the National Council.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

(s) Future Australian Accounting Standard requirements

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted for the annual reporting period ending 30 September 2023. These are outlined in the table below.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted for the annual reporting period ending 30 September 2023. These are outlined in the table below.

Reference	Title	Summary	Application date of standard	Impact on financial report	Application date for the Branch
AASB 2020-1 Amendments to Australian Accounting Standards – Classifications of Liabilities as Current or Non-Current AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current–Deferral of Effective Date	Liabilities – Current or Non-Current	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	Annual reporting periods beginning on or after 1 January 2023.	Little impact expected but entities should consider the appropriate classification of liabilities as current or non-current.	1 October 2023
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates [amends AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2] AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards	Disclosure of Accounting Policies and Definition of Accounting Estimates	AASB 2021-2 amends a number of standards as follows: <ul style="list-style-type: none"> • AASB 7, to clarify that <i>information about measurement bases for financial instruments is expected to be material to an entity's financial statements;</i> • AASB 101, to require entities to <i>disclose their material accounting policy information rather than their significant accounting policies;</i> • AASB 108, to clarify how <i>entities should distinguish changes in accounting policies and changes in accounting estimates;</i> • AASB 134, to identify <i>material accounting policy information as a component of a complete set of financial statements; and</i> • AASB Practice Statement 2, to provide guidance on how to <i>apply the concept of materiality to accounting policy disclosures.</i> 	Annual reporting periods beginning on or after 1 January 2023.	No impact on reported financial performance or position. Reductions in quantum of accounting policies disclosures to focus on key decision areas and material policies only.	1 October 2023

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Notes to and forming part of the Accounts
 For the year ended 30 September 2023

Reference	Title	Summary	Application date of standard	Impact on financial report	Application date for the Branch
		<p>AASB 2021-6 amends certain accounting standards to address the disclosure of material accounting policy information rather than significant accounting policies consistent with AASB 2021-2 as follows:</p> <ul style="list-style-type: none"> • <i>AASB 1049, to require entities to disclose their material accounting policy information rather than their significant accounting policies;</i> • <i>AASB 1054, to reflect the updated terminology used in AASB 101; and</i> <p>AASB 1060, to require entities to disclose their material accounting policy information rather than their significant accounting policies and to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements.</p>			

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

2 Accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The National Council makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Critical judgments in applying the National Council's accounting principles

There are no critical judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(a) Impairment for expected credit losses

The National Council's assumptions in determining the expected credit losses on financial assets are outlined in item Note 1 (a) of this report.

(b) Fair value of investment property

The National Council's assumptions in determining the fair value of investment property are outlined in item Note 17 of this report.

(c) Estimation of useful life of assets

The National Council's assumptions about the useful life of assets are set out in item Note 1(e) of this report.

(d) Long service leave provision

The National Council's assumptions in determining the provision for long service leave are set out in Note 1(k) of this report.

3 Section 272 Fair Work (Registered Organisation) ACT 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

1. A member of a reporting unit, or the Commissioner, 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).

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

4 Revenue from contracts with customers

<i>In AUD</i>	2023	2022
Gross contributions	33,723,789	33,222,245
	<u>33,723,789</u>	<u>33,222,245</u>
Comprises the following various funds:		
Political Fund	454,515	479,268
Hardship Fund	669,446	881,513
Education Fund	223,149	293,838
Strategic Plan Resource Fund	690,198	506,457
General Fund	31,686,481	31,061,169
	<u>33,723,789</u>	<u>33,222,245</u>

Disaggregation of revenue

The National Council derives its revenue from the single major revenue stream, being the provision of services to members. Contributions revenue is recognised over the term of the period to which the contributions relate. The disclosure above adequately depicts a breakdown of how the nature, amount, timing and cash flows of revenue from customers are affected by economic factors.

5 Other income

(a) Rent Received

<i>In AUD</i>	2023	2022
Electricity recovered	165,209	55,013
Tenant items recovered	4,463	3,017
Rent received – investment property	3,960,409	2,880,935
Rent outgoings received	67,208	45,295
Car parking	144,906	107,671
Other	220	-
	<u>4,342,415</u>	<u>3,091,931</u>

(b) Sundry income

<i>In AUD</i>	2023	2022
Dividend received	246	554
Protect income distributions	823,222	1,525,503
Income from Associate – U-Cover Pty Ltd	3,122,406	2,882,511
Training course fees	-	143,999
Promotional income – advertising	224,342	140,455
Board fees	446,764	377,899
Miscellaneous income	428,875	723,599
	<u>5,045,855</u>	<u>5,794,520</u>

(c) Other revenue

Gain on disposal of assets	225,321	492,423
Gain/(loss) on revaluation of investment properties	(3,632,296)	12,699,117
Loss on sale of investments	(16,462)	-
	<u>(3,423,437)</u>	<u>13,191,540</u>

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Notes to and forming part of the Accounts
For the year ended 30 September 2023

(d) **Grant income**

Grant income	961,183	707,300
	961,183	707,300

6 Employment benefit expenses

In AUD

Holders of office:

	2023	2022
Wages and salaries	4,865,410	6,562,612
Superannuation	616,484	744,148
Leave and other entitlements	184,960	895,336
Separation and redundancies	-	2,089,248
Other employee expenses	-	-
	5,666,854	10,291,344

Employees other than office holders:

Wages and salaries	16,135,969	16,066,836
Superannuation	1,869,624	1,753,553
Leave and other entitlements	11,298	(1,618,850)
Separation and redundancies	691,350	689,121
Other employee expenses	-	-
	18,708,241	16,890,660
Total employee expenses	24,375,095	27,182,004

7 Other expenses

(a) **Affiliations**

In AUD

	2023	2022
Australian People for Health, Education & Development	6,144	25,998
Australasian Railway Association	1,500	1,000
Australia Fair Trade & Investment Network	300	-
Australian Council of Trade Unions	367,188	370,030
Australian Palestine Advocacy Network	400	400
IndustriALL	106,627	103,381
International Union of Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations	18,822	25,080
Philippines Australia Union Link	50	100
Registered Workers Club Holiday Centre	4,000	4,000
Responsible Forest Management	1,700	2,128
Union Network International	59,523	6,574
Western Australia branch	2,652	1,622
	568,906	540,313

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Notes to and forming part of the Accounts
For the year ended 30 September 2023

(b) Donations and Grants

<i>In AUD</i>	2023	2022
Donations or Grants \$1,000 or less		
Grants	-	1,000
Donations	7,373	1,209
	<u>7,373</u>	<u>2,209</u>
Donations or Grants Over \$1,000		
Grants	-	11,273
Donations	54,900	86,109
	<u>54,900</u>	<u>97,382</u>
Total	<u>62,273</u>	<u>99,591</u>

(c) General office expenditure

<i>In AUD</i>	2023	2022
Total paid to employers for payroll deductions of membership	637,104	142,386
Other	39,756	205,431
	<u>676,860</u>	<u>347,817</u>

8 Delegation/ Employee expenses/(refunds)

<i>In AUD</i>	2023	2022
Employees - Office holders	358,777	133,252
Employees – Other	393,510	392,694
Members	200,488	129,287
	<u>952,775</u>	<u>655,233</u>
International - Office holders	10,974	16,336
International – Other	21,994	-
	<u>32,968</u>	<u>16,336</u>
Total	<u>985,743</u>	<u>671,569</u>

9 State Branch expenditure

<i>In AUD</i>	2023	2022
State branch expenditure is broken down amongst the state branches as follows:		
New South Wales branch	818,014	682,969
Queensland branch	1,384,184	1,368,762
South Australia branch	194,500	188,180
Tasmania branch	199,366	196,755
Victoria branch	1,878,717	1,457,464
Western Australia branch	875,495	861,157
	<u>5,350,276</u>	<u>4,755,287</u>

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

10 Cash and cash equivalents

<i>In AUD</i>	2023	2022
Advances and floats	16,250	16,626
Bank accounts:		
National Council General Fund	1,871,919	2,030,219
National Council Political Fund	-	-
State Revenue accounts	1,663,420	-
Recoverable deposits	28,143	17,893
Short-term deposits	2,537,390	4,150,222
Cash and cash equivalents in the statement of cash flows	<u>6,117,122</u>	<u>6,214,960</u>

Restatement of cash and cash equivalents reported in the previous year

Short-term investments and deposits that can readily be converted into cash with a maximum investment duration of three months or less are treated as cash and cash equivalents. Hence the following balances were

<i>In AUD</i>	Reported 2022	Short-term Deposits	Restated 2022
Cash and cash equivalents	2,064,738	4,150,222	6,214,960
Other financial assets	84,447,381	(4,150,222)	80,297,159

Reconciliation of cash flows from operating activities

<i>In AUD</i>	Note	2023	2022
Cash flows from operating activities			
Net (deficit)/ surplus for the year		(1,701,418)	12,744,175
Adjustments for:			
Depreciation	16	2,539,051	2,689,357
(Gain) on disposal of fixed assets	5	(225,321)	(492,423)
Loss/(gain) on revaluation of investment property	24	3,632,296	(12,699,117)
Loss on sale of investments		16,462	-
Change in trade and other receivables	11	459,494	(205,557)
Change in other financial assets	12	15,561	-
Change in trade and other payables	19	(75,691)	447,726
Change in provisions and employee benefits		196,258	(723,513)
Change in deferred revenue	21	(315,999)	1,198,601
Net cash from operating activities		<u>4,540,693</u>	<u>2,959,249</u>

11 Trade and other receivables

<i>In AUD</i>	2023	2022
Current		
Trade receivables	353,888	1,158,618
Accrued interest	-	7,193
Accrued membership income	325,160	310,687
Provision for bad debts	(9,608)	(84,127)
Rent receivable	355,592	650,796
National Entitlement Security Trust (NEST) *	5,383,750	5,460,476
	<u>6,408,782</u>	<u>7,503,643</u>

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

* The National Council has transferred monies to NEST in order to secure the current provision of long service leave entitlements for its employees, officers and officials

Accrued membership income

The significant changes between opening and closing balances of accrued membership income primarily relates to the allocation of payments against accrued membership income during the period, and the recognition of membership income earned by not yet invoiced at 30 September 2023.

<i>In AUD</i>	2023	2022
Non-current		
IPP Property Trust - Distribution receivable	59,152	59,152
Less: Provision for expected credit losses	(59,152)	(59,152)
	<u>-</u>	<u>-</u>

The movement in the allowance for expected credit losses of trade and other receivables is as follows:

<i>In AUD</i>	2023	2022
Balance at 1 October	59,152	534,696
Provision for expected credit losses	-	-
Amounts received during the period	-	(475,544)
Amounts written off during the period	-	-
Balance at 30 September	<u>59,152</u>	<u>59,152</u>

Other assets

<i>In AUD</i>	2023	2022
Current		
Prepayments	1,945,251	1,348,899
Sundry debtors	95,234	56,219
	<u>2,040,485</u>	<u>1,405,118</u>

12 Other financial assets

<i>In AUD</i>	2023	2022
Financial assets at fair value through other comprehensive income:		
<i>Managed funds</i>		
Equity instruments, designated at fair value through OCI	23,108,649	23,533,831
Non-equity instruments at fair value through OCI	60,203,800	56,763,328
Total Managed funds	<u>83,312,449</u>	<u>80,297,159</u>
Foundation units	46,670	46,670
	<u>83,359,119</u>	<u>80,343,829</u>
Current	83,312,449	80,297,159
Non-current	46,670	46,670
	<u>83,359,119</u>	<u>80,343,829</u>

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

13 Non-current assets classified as held for sale

<i>In AUD</i>	2023	2022
Current		
Investment property available for sale	400,000	-
	<u>400,000</u>	<u>-</u>

14 Investments

<i>In AUD</i>	2023	2022
Current		
Investments in associates accounted for using the equity method	313,001	313,001
	<u>313,001</u>	<u>313,001</u>

Name of entity	Principal Activity	2023	2022
		%	%
Ucover	Ucover provides the income protection insurance cover known as WageGuard. The AFMEPKIU has an interest in the company to ensure that members receive the best possible income protection products through their Enterprise Agreements and all income derived from this activity is reinvested in membership Services and support.	49%	49%
Industry Printing and Publishing Pty Limited (IPP)	IPP is a print and design company which the AFMEPKIU has a long standing interest. As a private company it has no published price quotations. The audited financial information as at the 30 September is not readily available. Accordingly, the 30 June 2023 amounts are applied to represent the gains or losses.	24%	24%

Summary financial information of associates

Ucover – year ended 30 June 2023

<i>In AUD</i>	2023	2022
Statement of financial position:		
Assets	3,890,694	3,521,895
Liabilities	(3,890,694)	(3,521,895)
Net assets	<u>-</u>	<u>-</u>
Statement of comprehensive income:		
Income	6,946,602	6,151,516
Expenses	(761,612)	(496,310)
Net surplus/(deficit)	<u>6,184,990</u>	<u>5,655,206</u>
Share of net surplus:		
Share of net surplus before tax	3,030,645	2,771,051
Income tax expense	-	-
Share of net surplus after tax	<u>3,030,645</u>	<u>2,771,051</u>

Note that the AFMEPKIU receives dividends from Ucover which represents their share of profits on the underlying investment, therefore no further movement on the carrying value has been recorded.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Notes to and forming part of the Accounts
For the year ended 30 September 2023

Summary financial information of associates
Industry Printing and Publishing Pty Limited – year ended 30 June 2023

<i>In AUD</i>	2023	2022
Statement of financial position:		
Assets	1,204,600	501,135
Liabilities	(250,000)	(1,264,778)
Net assets	<u>954,600</u>	<u>(763,643)</u>
Statement of comprehensive income:		
Income	-	6,027
Expenses	-	(97,375)
Net surplus/(deficit)	<u>-</u>	<u>(91,348)</u>
Share of net surplus:		
Share of net surplus/(deficit) before tax	-	21,924
Income tax expense	-	-
Share of net surplus after tax	<u>-</u>	<u>21,924</u>

Dividends received from associates \$nil (2022: \$nil).

Associates had contingent liabilities and capital commitments as at 30 June 2023 of \$nil (2022: \$nil) and \$nil (2022: \$nil), respectively.

Note that the information disclosed for the two associates Industry Printing and Publishing Pty Limited does not coincide with AFMEPKIU's year-end date of 30 September, as the associates both have financial reporting year end dates of 30 June.

15 Assets measured at fair value on the Statement of Financial Position

2023	Balance	Level 1	Level 2	Level 3
Financial assets at fair value through other comprehensive income – Managed funds: Equity instruments	23,108,649		23,108,649	
Financial assets at fair value through other comprehensive income – Managed funds: Non-equity instruments	60,203,800		60,203,800	
Financial assets at fair value through other comprehensive income – Unquoted Foundation units	46,670			46,670

2022	Balance	Level 1	Level 2	Level 3
Financial assets at fair value through other comprehensive income – Managed funds: Equity instruments	23,533,831	-	23,533,831	-
Financial assets at fair value through other comprehensive income – Managed funds: Non-equity instruments	56,763,328	-	56,763,328	-
Financial assets at fair value through other comprehensive income – Unquoted Foundation units	46,670	-	-	46,670

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Notes to and forming part of the Accounts
For the year ended 30 September 2023

For assets measured at fair value on Level 3 in the Statement of Financial Position

	Foundation Units	Equity investments	Total
Opening balance - 2022	46,670	-	46,670
Total gains or losses			
- in profit or loss	-	-	-
- in other comprehensive income	-	-	-
Purchases	-	-	-
Disposals	-	-	-
Transfers out of Level 3	-	-	-
Closing balance - 2023	46,670	-	46,670
Total gains or losses for the period included in profit or loss:			
2023	-	-	-
2022	-	-	-

16 Property, plant and equipment

In AUD

	2023	2022
<i>Computer equipment</i>		
At cost	2,904,757	2,487,104
Accumulated depreciation and impairment	(2,294,693)	(2,020,197)
	<u>610,064</u>	<u>466,907</u>
<i>Furniture and fittings</i>		
At cost	6,145,797	5,919,564
Accumulated depreciation and impairment	(5,730,476)	(5,654,614)
	<u>415,321</u>	<u>264,950</u>
<i>Motor vehicles</i>		
At cost	4,771,976	4,484,993
Accumulated depreciation and impairment	(2,508,528)	(2,262,755)
	<u>2,263,448</u>	<u>2,222,238</u>
Properties held for own use – at Valuation		
<i>Land and Buildings</i>		
Land at fair value	34,093,869	33,946,045
Buildings	32,108,073	32,108,074
Accumulated depreciation and impairment	(1,708,732)	(263,903)
	<u>64,493,210</u>	<u>65,790,216</u>
<i>Buildings - work in progress</i>		
At cost	3,391,231	746,916
	<u>3,391,231</u>	<u>746,916</u>
Total property, plant and equipment	83,415,703	79,692,696
Accumulated depreciation and impairment	(12,242,429)	(10,201,469)
Net carrying amount	<u>71,173,274</u>	<u>69,491,227</u>

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

Movements in carrying amounts 2023

In AUD

	<i>Computer equipment</i>	<i>Furniture and fittings</i>	<i>Motor vehicles</i>	<i>Land and Buildings</i>	<i>Buildings - work in progress</i>	Total
Opening balance - 2022	466,907	264,950	2,222,238	65,790,216	746,916	69,491,227
Additions	277,760	223,734	1,030,328	28,500	3,736,328	5,296,650
Disposals	(182,827)	-	(743,344)	-	-	(926,171)
Transfers	322,720	2,500	-	119,325	(1,147,566)	(703,021)
Re-valuations	-	-	-	-	-	-
Depreciation expense	(316,943)	(75,862)	(847,335)	(1,444,830)	-	(2,684,970)
Depreciation on disposal	97,998	-	601,561	-	-	699,559
Transfers to Investment	-	-	-	-	-	-
Closing balance - 2023	665,615	415,322	2,263,448	64,493,211	3,335,678	71,173,274

Property, plant and equipment

All property, plant and equipment (inclusive of land and buildings) including those located at State Council Offices are recorded in the Statement of Financial Position of the National Council and all depreciation thereon is reflected in the National Council Statement of Comprehensive Income.

All land and building assets are carried at their fair value, in accordance with AASB 13 Fair Value Measurement and AASB 116 Property, Plant and Equipment. Fair value of Land and Buildings is based on market participant's perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs.

When an item of Land and Building is revalued, the entire class of asset to which belongs shall be revalued.

Each remaining class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and any impairment in value.

Revaluations

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are to be conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. Land and buildings are revalued every 3 years. A revaluation of land and buildings was conducted as at 31 October 2022, and was based upon the assessment of an independent valuation expert.

Revaluation increments for all land and buildings are recognised in other comprehensive income and credited to the revaluation reserve in equity. However, to the extent that an increment reverses a revaluation decrement in respect of the same class of asset previously recognised as a loss in the statement of profit or loss, the increment is recognised immediately as a gain in the statement of profit or loss. Revaluation decrements for all property, plant and equipment are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation reserve on the same class of assets, in which case, the decrement is debited directly to the asset revaluation reserve.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the union commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

- Buildings 2% - 5%
- Computer Equipment 20% - 33%
- Furniture and Fittings 10% - 20%
- Motor Vehicles 20%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date. Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the statement of comprehensive income in the year that the item is derecognised.

17 Investment property

Rental income is received on buildings owned and occupied by the National Office and branches in each State, with the exception of the designated investment property set out below. The portions of property rented vary in each State. The portions occupied by the Union and or its branches is more than an insignificant portion of the available space and is not able to be separately sold as part of a Strata title. Accordingly, the property other than the buildings noted below have not been classified as Investment property.

Investment property

<i>In AUD</i>	Note	2023	2022
Balance at 1 October		63,040,000	50,873,000
Additions		490,407	67,883
Disposals		(230,000)	-
Classified as held for sale	13	(400,000)	-
Transfers from property, plant and equipment		211,889	(600,000)
Change in fair value		<u>(3,632,296)</u>	<u>12,699,117</u>
Balance at 30 September		<u>59,480,000</u>	<u>63,040,000</u>

Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

Assets measured at fair value on this Statement of Financial Position

2023	Balance	Level 1	Level 2	Level 3
Investment properties	59,480,000	-	-	59,480,000

2022	Balance	Level 1	Level 2	Level 3
Investment properties	63,040,000	-	-	63,040,000

Level 1 - Investments in equity and debt instruments are assets with available quoted prices (unadjusted) in active markets.

Level 2 - are asset values based on available unit prices that are not quoted in an active market. Equity instruments and non-equity instruments in managed funds are carried at fair value based on the current unit price for redemption of those units within the funds. The Unit prices are obtained from the trustees annually.

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Investment Properties: \$59,880,000 - are held at fair value, on the basis of Councillor's valuations performed on or around 30 September 2023. The valuations have applied recognised valuation techniques with support from independent valuation experts, including the Income Capitalisation Method. Under the Income Capitalisation Method, a property's fair value is estimated based on the normalised net operating income generated by the property, which is divided by the capitalisation rate (the investor's rate of return).

Description of significant unobservable inputs

	Valuation technique	Significant unobservable inputs	Range (weighted average)
Properties held as Investment property	Income Capitalisation Method	• Net rental income	• \$2.57m
		• Capitalisation rate	• 5.5% - 6.75%

Significant increases or decreases in the estimated rental income and capitalisation rate in isolation would result in significantly higher (lower) fair value of the properties.

<i>In AUD</i>	2023
Opening balance - 2022	63,040,000
Total gains or losses	
- in profit or loss	(3,632,296)
- in other comprehensive income	-
Purchases	-
Disposals	-
Transfers from property, plant and equipment	472,296
Transfers out of Level 3	-
Closing balance - 2023	<u>59,880,000</u>

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Notes to and forming part of the Accounts
For the year ended 30 September 2023

18 Right-of-use assets

In AUD

Non-current

Right-of-use assets	175,428	54,115
Accumulated amortisation and impairment	-	-
	<u>175,428</u>	<u>54,115</u>

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

<i>In AUD</i>	2023	2022
Balance at 1 October	54,115	82,060
Additions	267,232	72,197
Depreciation expense	(145,919)	(100,142)
Balance at 30 September	<u>175,428</u>	<u>54,115</u>

19 Trade and other payables

In AUD

Current

Trade payables

	2023	2022
Trade payables	436,531	187,942
GST payable	292,270	235,791
Sundry creditors	211,970	592,729
	<u>940,771</u>	<u>1,016,462</u>

As at 30 September 2023, there were no payables due to the following:

- Other Branches with the AMWU;
- Members' employers in respect of payroll deductions for memberships.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Notes to and forming part of the Accounts
For the year ended 30 September 2023

20 Provisions

<i>In AUD</i>	2023	2022
Current		
Annual leave entitlements	3,378,793	3,347,473
Long service leave entitlements	4,810,209	5,217,298
Provision for redundancy	-	-
Other	-	-
	<u>8,189,002</u>	<u>8,564,771</u>
Non-current		
Long Service Leave entitlements	<u>807,504</u>	<u>235,477</u>
	807,504	235,477
Employee provisions		
Office holders:		
Annual leave	880,903	1,075,398
Long service leave	1,746,982	1,925,885
Provision for Redundancy	-	-
Other	-	-
Subtotal employee provisions—office holders	<u>2,627,885</u>	<u>3,001,283</u>
Employees other than office holders:		
Annual leave	2,497,890	2,272,075
Long service leave	3,870,731	3,526,890
Provision for Redundancy	-	-
Other	-	-
Subtotal employee provisions—employees other than office	<u>6,368,621</u>	<u>5,798,965</u>
Total employee provisions	<u>8,996,506</u>	<u>8,800,248</u>

21 Deferred revenue

<i>In AUD</i>	2023	2022
Current		
Membership dues paid in advance	74,450	337,518
Deferred grant revenue	1,394,469	1,447,400
	<u>1,468,919</u>	<u>1,784,918</u>

Membership dues paid in advance

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$337,518.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 September 2023 is \$74,750. The National Council expects that 100% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one year. These performance obligations relate to the provision of services associated with a membership of the union.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

22 Lease liability

<i>In AUD</i>	2023	2022
Lease liability (current)	-	36,562
Lease liability (non-current)	10,340	6,461
	<u>10,340</u>	<u>43,023</u>

Amounts recognised in statement of profit or loss and other comprehensive income

<i>In AUD</i>	2023	2022
Interest on lease liabilities	5,315	5,332
Expenses relating to short term & low value leases	61,990	44,022
Accretion of interest payments	80,811	94,386
	<u>148,116</u>	<u>143,740</u>

The National Council leases a number of small office spaces over leases that range between 1-2 years in length. The National Council has not accounted for any options to extend its lease arrangements, on the basis that it is not reasonably likely these options will be exercised.

23 Accumulated funds summary

<i>In AUD</i>	Opening Balance 1 Oct 2022	Contributions into Funds	Net Expenditure and transfers of funds	Profit and Loss of General Fund	Closing Balance 30 Sep 2023
National Council Political	638,782	454,515	(348,656)	-	744,641
Education	7,645,846	223,149	(144,780)	-	7,724,215
Hardship	8,165,624	669,446	(355,516)	-	8,479,554
Strategic Plan Resource	2,638,728	690,198	(494,209)	-	2,834,717
York Endowment	46,313	-	-	-	46,313
General	162,960,856	(2,037,308)	1,343,161	(1,701,418)	160,565,291
	<u>182,096,149</u>	<u>-</u>	<u>-</u>	<u>(1,701,418)</u>	<u>180,394,731</u>

Funds	The specific purpose of the fund
National Council Political	Established under Rule to further the political objectives of the Union amongst the membership and the wider community.
Education	Established to assist members and employees to gain knowledge and skills which strengthen their participation in Union activities.
Hardship	Established for the welfare of Union members who require relief from hardship.
Strategic Plan	Established for initiatives arising from the National Strategic Plan or the National Industry Committees
York Endowment	The late Eric Percival York bequeathed his estate to the AMF&SU to be invested for the benefit of the Union.
General	The working account of the AFMEPKIU National Office.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Notes to and forming part of the Accounts
For the year ended 30 September 2023

24 Professional services

In AUD

	2023	2022
Auditors		
Audit fees	66,750	75,000
Preparation of financial statements	6,250	4,250
Other assurance engagements	5,508	4,086
	<u>78,508</u>	<u>83,336</u>
Legal Expenses		
Litigation	170,369	10,272
Other legal matters	78	113,430
	<u>170,447</u>	<u>123,702</u>
Total professional fees	<u>248,955</u>	<u>207,038</u>

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

25 Financial risk management

(a) General objectives, policies and processes

The National Council is exposed to risks that arise from its use of financial instruments. This note describes the National Council's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the National Council's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The National Council's financial instruments consist mainly of deposits with banks and receivables. The main risks the National Council is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The National Council has overall responsibility for the determination of the National Council's risk management objectives and policies.

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the National Council incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the National Council.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

<i>In AUD</i>	2023	2022
Receivables		
National entitlement security trust	5,383,750	5,460,476
Trade and sundry debtors	1,025,032	2,043,167
	<u>6,408,782</u>	<u>7,503,643</u>

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

(c) Liquidity risk

Liquidity risk is the risk that the National Council may encounter difficulties raising funds to meet commitments associated with financial instruments.

The National Council is not significantly exposed to this risk; as at 30 September 2023 it had \$6,117,122 (2022: \$6,214,960) of cash and cash equivalents to meet its obligations as they fall due. The Financial liabilities recorded in the financial statements at 30 September 2023 were \$951,111 (2022: \$1,059,485). The National Council manages liquidity risk by monitoring cash flows.

(d) Market Risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts

For the year ended 30 September 2023

(e) Interest Rate Risk

The National Council's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

The Union's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:

	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
30 September 2023				
<i>In AUD</i>				
Financial assets				
Cash Assets	6,072,729	-	44,393	6,117,122
Receivables	-	5,383,750	1,025,032	6,408,782
Managed Funds/Other	-	-	83,359,119	83,359,119
	<u>6,072,729</u>	<u>5,383,750</u>	<u>84,428,544</u>	<u>95,885,023</u>
Weighted average Interest rate	0.03%	1.87%		
Financial Liabilities				
Payables	-	-	940,771	940,771
Lease liabilities	-	10,340	-	10,340
	<u>-</u>	<u>10,340</u>	<u>940,771</u>	<u>951,111</u>
Net financial assets	<u>6,072,729</u>	<u>5,373,410</u>	<u>83,487,773</u>	<u>94,933,912</u>
30 September 2022				
<i>In AUD</i>				
Financial assets				
Cash Assets	6,180,442	-	34,518	6,214,960
Receivables	-	5,460,476	2,043,167	7,503,643
Managed Funds/Other	-	-	80,343,829	80,343,829
	<u>6,180,442</u>	<u>5,460,476</u>	<u>82,421,514</u>	<u>94,062,432</u>
Weighted average Interest rate	0.02%	1.49%		
Financial Liabilities				
Payables	-	-	1,016,462	1,016,462
Lease liabilities	-	43,023	-	43,023
	<u>-</u>	<u>43,023</u>	<u>1,016,462</u>	<u>1,059,485</u>
Net financial assets	<u>6,180,442</u>	<u>5,417,453</u>	<u>81,405,052</u>	<u>93,002,947</u>

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

Sensitivity Analysis

2023 <i>In AUD</i>	Carrying Amount	+1.00%	-1.00%
		(100 basis points)	(100 basis points)
		<i>Profit</i>	<i>Loss</i>
Cash Assets	6,072,729	60,727	(60,727)
Receivables	5,383,750	53,838	(53,838)
Managed Funds	-	-	-
Short term deposits	-	-	-

2022 <i>In AUD</i>	Carrying Amount	+1.00%	-1.00%
		(100 basis points)	(100 basis points)
		<i>Profit</i>	<i>Loss</i>
Cash Assets	6,180,442	61,804	(61,804)
Receivables	5,460,476	54,605	(54,605)
Managed Funds	-	-	-
Short term deposits	-	-	-

(f) Other Price Risks

The National Council invests surplus cash in managed funds, and in doing so it exposes itself to the fluctuations in price that are inherent in such a market. The National Council manages other price risks by monitoring the allocations made by the funds. The National Council's exposure to equity price risk is as follows:

Sensitivity Analysis - Managed Funds (external)

Fund Allocation	2023	2022	2023	2022
	In %	In %	In AUD	In AUD
Domestic Shares	11.93%	10.90%	9,943,156	8,751,446
International Shares	13.63%	14.84%	11,358,429	11,919,718
Listed Property	3.38%	3.57%	2,815,521	2,862,668
Domestic Fixed Interest	32.24%	33.09%	26,856,369	26,568,848
International Fixed Interest	16.94%	15.57%	14,117,151	12,502,546
Cash	13.61%	13.38%	11,339,579	10,740,332
Alternative Investments	8.26%	8.66%	6,882,244	6,951,601
	100.00%	100.00%	83,312,449	80,297,159

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council

Notes to and forming part of the Accounts
For the year ended 30 September 2023

2023 <i>In AUD</i>	Carrying Amount	+10.00%	-10.00% (1000
		(1000 basis	basis points)
		points)	basis points)
		<i>Other</i>	<i>Other</i>
		<i>Equity Profit</i>	<i>Equity Loss</i>
Domestic Shares	9,943,156	994,316	(994,316)
International Shares	11,358,429	1,135,843	(1,135,843)
Listed Property	2,815,521	281,552	(281,552)
Domestic Fixed Interest	26,856,369	2,685,637	(2,685,637)
International Fixed Interest	14,117,151	1,411,715	(1,411,715)
Cash	11,339,579	1,133,958	(1,133,958)
Alternative Investments	6,882,244	688,224	(688,224)
	<u>83,312,449</u>	<u>8,331,245</u>	<u>(8,331,245)</u>

2022 <i>In AUD</i>	Carrying Amount	+10.00%	-10.00% (1000
		(1000 basis	basis points)
		points)	basis points)
		<i>Other</i>	<i>Other</i>
		<i>Equity Profit</i>	<i>Equity Loss</i>
Domestic Shares	8,751,446	875,145	(875,145)
International Shares	11,919,718	1,191,972	(1,191,972)
Listed Property	2,862,668	286,267	(286,267)
Domestic Fixed Interest	26,568,848	2,656,885	(2,656,885)
International Fixed Interest	12,502,546	1,250,255	(1,250,255)
Cash	10,740,332	1,074,033	(1,074,033)
Alternative Investments	6,951,601	695,160	(695,160)
	<u>80,297,159</u>	<u>8,029,717</u>	<u>(8,029,717)</u>

(g) Foreign Exchange Risk

The National Council is not directly exposed to foreign exchange rate risk.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

26 Superannuation

Superannuation plans are defined contribution plans. The benefits provided under these plans are based on accumulated contributions and earnings for each employee. The Union's liability is limited to paying the contributions to the plans.

27 Related parties

The aggregate amount of remuneration paid to office holders during the financial year is disclosed in the statement of comprehensive income under Salaries Officials as disclosed at note 6 to the accounts.

The aggregate amount paid during the financial year to a superannuation plan in respect of office holders was \$616,484 (2022: \$744,148).

There have been no other transactions between the office holders and the union other than those relating to their membership of the union and reimbursement by the union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length. Delegation and international expenses for office holders totalled \$369,751 in the year (2022: \$149,588) as disclosed in Note 8 to the accounts.

The National Council received income of \$3,122,407 (2022: \$2,882,511) from its associate, U Cover Pty Ltd during the year.

The National Council held amounts receivable of \$59,152 (2022: \$59,152) from its associate, Industrial Printing and Publishing Ltd as at balance date. \$nil was received from the company during 2023 (2022: \$475,544). The remaining balance is fully impaired and has no carrying value at 30 September 2023.

Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union National Council

Notes to and forming part of the Accounts For the year ended 30 September 2023

28 Key Management Personnel Compensation

Key management personnel are those persons who have authority and responsibility for planning, directing and controlling the activities of the National Council and National Administrative and Budget Committee. Key management personnel have been determined to consist of the National Secretary, National President, National Executive Officer, All State Secretaries, Assistant National Secretaries and the NSW Printing Division Secretary. Remuneration received or due by key management personnel of the National Council for management of its affairs are as follows:

<i>In AUD</i>	2023	2022
Short-term employee benefits		
Salary (including annual leave taken)	1,755,819	2,470,651
Annual leave accrued	136,699	130,292
Service entitlement/performance bonus accrued	48,000	49,000
Total short-term employee benefits	<u>1,940,518</u>	<u>2,649,943</u>
Post-employment benefits:		
Superannuation	223,236	210,753
Total post-employment benefits	<u>223,236</u>	<u>210,753</u>
Other long-term benefits:		
Long-service leave	44,427	42,345
Total other long-term benefits	<u>44,427</u>	<u>42,345</u>
Termination benefits	-	-
Total	<u>2,208,181</u>	<u>2,903,041</u>

29 Contingent liabilities

The National Council is not aware of any contingent liabilities that would require disclosure in this financial report.

30 Additional information

The registered office and principal place of business of the union is:
Level 4, 133 – 137 Parramatta Road, Granville NSW 2142.

31 Subsequent events

There has been no matters or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the National Council, the results of those operations, or the state of affairs of the National Council in subsequent financial periods.

**Automotive, Food, Metals, Engineering, Printing And Kindred Industries Union
National Council**

Officer Declaration Statement

I, Steven Murphy, being the Secretary of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, declare that the following did not occur during the reporting period ending 30 September 2023.

The reporting unit did not:

- Agree to receive financial support from another reporting unit to continue as a going concern
- Acquired an asset or liability due to an amalgamation Under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination of revocation by the General Manager, Fair Work Commission
- Receive capitation fees and other revenue from another reporting unit
- Receive revenue via compulsory levies
- Receive donations
- Receive revenue from undertaking recovery of wages activity
- Recognise income from volunteer services
- Pay capitation fees to another reporting unit
- Pay compulsory levies
- Pay a grant that was \$1,000 or less
- Pay a grant that exceeds \$1,000
- Pay a penalty imposed under the RO Act or the Fair Work Act 2009
- Have a receivable with other reporting unit(s)
- Have an allowance for expected credit losses for a receivable with other reporting unit(s)
- Have a payable with other reporting unit(s)
- Have a payable to an employer for that employer making payroll deductions of membership
- Have another entity administer the financial affairs of the reporting unit
- Make a payment to a former related party of the reporting unit.



National Secretary – Steven Murphy

Dated at Sydney this 13th day of December 2023.

Independent Auditor's Report to the Members of Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, National Council

Opinion

We have audited the financial report of Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, National Council (the "National Council") which comprises the statement of financial position as at 30 September 2023, the statement of comprehensive income, the statement of changes in accumulated funds and reserves, and the statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, National Council as at 30 September 2023, and its financial performance and its cash flows for the year ended on that date in is in accordance with:

- (a) the Australian Accounting Standards; and
- (b) any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the National Council is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the National Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Information Other than the Financial Report and Auditor's Report Thereon

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee of Management for the Financial Report

The committee of management of the National Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management is responsible for assessing the National Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the National Council or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 National Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.

- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the National Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the National Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the National Council to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the National Council audit. We remain solely responsible for our audit opinion.

We communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

I declare that I am an auditor registered under the RO Act.

Crowe Audit Australia
Crowe Audit Australia



Suwarti Asmono
Partner

13 December 2023
Sydney

Registration number (as registered under the RO Act): AA2017/236

**AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED
INDUSTRIES UNION**

NATIONAL POLITICAL FUND

FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

CONTENTS

	Page
Committee of Management Statement	1
Report required Under Subsection 255(2A)	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Accumulated Funds/Losses	5
Statement of Cash Flows	6
Notes to and forming part of the Accounts	7
Officer Declaration Statement	16
Independent Audit Report	17

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

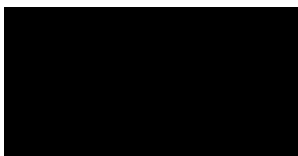
COMMITTEE OF MANAGEMENT'S STATEMENT

On the 13th Dec 2023 National Council of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union passed the following resolution in relation to the general purpose financial report (GPFR) of the National Political Fund for the year ended 30 September 2023:

The National Political Fund declares that in its opinion:

- a) The financial statements and notes comply with the Australian Accounting Standards;
- b) The financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the National Political Fund for the financial year to which they relate;
- d) There are reasonable grounds to believe that the National Political Fund will be able to pay its debts as and when they become due and payable; and
- e) During the financial year to which the GPFR relates and since the end of that year:
 - (i) Meetings of the National Political Fund committee of management were held in accordance with the rules of the organisation; and
 - (ii) The financial affairs of the National Political Fund have been managed in accordance with the rules of the organisation; and
 - (iii) The financial records of the National Political Fund have been kept and maintained in accordance with the RO Act; and;
 - (iv) The financial records of the National Political Fund have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) No information has been sought in any request by a member of the National Political Fund or Commissioner duly made under Section 272 of the RO Act; and
 - (vi) No orders for inspection of financial records have been made by Fair Work Commission under section 273 of the RO Act.

This declaration is made in accordance with a resolution of the National Council:



Steven Murphy
National Secretary

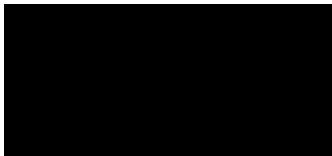
13th December 2023

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

REPORT REQUIRED UNDER SUBSECTION 255(2A)

The National Council presents the expenditure report, as required under subsection 255(2A), on the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union National Council Political Fund for the year ended 30 September 2023.

Categories of expenditures	2023 \$	2022 \$
Remuneration and other employment-related costs and expenses – employees	-	-
Advertising	-	-
Operating costs	406,345	366,413
Donations to political parties	37,500	583,993
Legal costs	-	-



.....
National Secretary – Steven Murphy
13th December 2023

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL COUNCIL POLITICAL FUND**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Note	2023 \$	2022 \$
INCOME			
Contributions		454,515	457,279
Interest received		24	21,989
TOTAL INCOME		<u>454,539</u>	<u>479,268</u>
EXPENDITURE			
Affiliation fees	2	365,707	326,566
Audit and accountancy fees	3	14,161	15,400
Bank and government charges		110	120
Capitation fees and other expense to another reporting unit		-	-
Delegation/employee expenses – office holders		-	-
Delegation expenses – employees		1,091	500
Delegation expenses – members		-	-
Donations	4	37,500	583,993
General office expenses	5	-	4,724
Marginal seat election expenses		13,710	19,103
Legal costs		-	-
Other expenses	6	11,566	-
TOTAL EXPENDITURE		<u>443,845</u>	<u>950,406</u>
NET SURPLUS / (DEFICIT) FOR THE YEAR		<u>10,694</u>	<u>(471,138)</u>
Other Comprehensive Income for the year		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>10,694</u>	<u>(471,138)</u>

The above statement should be read in conjunction with the notes

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL COUNCIL POLITICAL FUND**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023**

	Note	2023 \$	2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	411	29
Trade and other receivables		649,435	614,838
Prepayments		-	20,535
Total Current Assets		<u>649,846</u>	<u>635,402</u>
TOTAL ASSETS		<u>649,846</u>	<u>635,402</u>
TOTAL LIABILITIES			
Current Liabilities			
Trade payables		9,000	5,250
Other payables		-	-
Total Current Liabilities		<u>9,000</u>	<u>5,250</u>
TOTAL LIABILITIES		<u>9,000</u>	<u>5,250</u>
NET ASSETS		<u>640,846</u>	<u>630,152</u>
ACCUMULATED FUNDS / (LOSSES)		<u>640,846</u>	<u>630,152</u>

The above statement should be read in conjunction with the notes

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL COUNCIL POLITICAL FUND**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS/(LOSSES)
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Accumulated Funds/(Losses) \$
Balance at 30 September 2021	1,101,290
Net (deficit) for the year	(471,138)
Other comprehensive income for the year	-
Total comprehensive income for the year	<u>(471,138)</u>
Balance at 30 September 2022	<u>630,152</u>
Net surplus/(deficit) for the year	10,694
Other comprehensive income for the year	-
Total comprehensive income for the year	<u>10,694</u>
Balance at 30 September 2023	<u>640,846</u>

The above statement should be read in conjunction with the notes

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received			
Contributions and Remittances		454,515	457,279
Interest received		24	21,989
Receipts from other reporting unit/controlled entity(s)			
Cash used			
Payments to suppliers and employees		(454,157)	(475,319)
Interest paid			
Payment to other reporting units/controlled entity(s)		-	(4,000)
		<hr/>	<hr/>
NET CASH FROM OPERATING ACTIVITIES	7b	<u>382</u>	<u>(51)</u>
NET INCREASE/(DECREASE) IN CASH HELD		382	(51)
Cash at the beginning of the year		<hr/> <u>29</u>	<hr/> <u>80</u>
CASH AT THE END OF THE YEAR	7a	<hr/> <u>411</u>	<hr/> <u>29</u>

The above statement should be read in conjunction with the notes

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisations) Act 2009 (RO Act)*. For the purpose of preparing the general purpose financial statements, the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union National Council Political Fund is a not-for-profit entity.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and in accordance with historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

Going concern basis of accounting

The financial statements have been prepared on the basis that the fund is a going concern, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Committee of Management believes it is appropriate to adopt the going concern basis for preparing the financial statements on the grounds that the National Council has agreed to provide financial support to the National Political Fund until at least 12 months after the date of signing the financial statements.

Comparative amounts

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

Significant accounting judgements and estimates

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The National Council Political Fund makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(b) Critical judgments in applying the National Council Political Fund 's accounting principles

There are no critical judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

The following is a summary of the significant accounting policies adopted by the National Council Political Fund in the preparation of the financial report.

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. SIGNIFICANT ACCOUNTING POLICIES

Adoption of New Australian Accounting Standard requirements

The Fund has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Fund.

Future Australian Accounting Standards

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on National Council Political Fund include:

Reference	Title	Summary	Application date of standard	Impact on financial report	Application date for the
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classifications of Liabilities as Current or Non-Current</i>	Liabilities – Current or Non-Current	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.	Annual reporting periods beginning on or after 1 January 2023.	Little impact expected but entities should consider the appropriate classification of liabilities as current or non-current.	1 October 2023
AASB 2020-6 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current-Deferral of Effective Date</i>		For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.			

Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which the fund is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the fund: identifies the contract with a customer; identifies the performance obligations in the contract, determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

All members' contributions are paid directly to National Council. Remittances from National Council are the amounts reimbursed by the National Council to cover the Fund's expenses and are recognised at the point in time they are made by the National Council.

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. SIGNIFICANT ACCOUNTING POLICIES

Donations are recognised at the time the pledge is made.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

Expenditure

Expenses represent amounts paid directly by the Fund for operational costs. Other operational expenses such as salaries which relate to the Fund are paid for by the National Council and are included in the financial report of the National Council only.

Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts.

Financial instruments

Loans and Receivables

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

Income Tax

No provision for income tax is necessary, as Trade Unions are exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*.

Goods and Services Tax (GST)

Revenues and expenses are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or part of an item of the expense. Receivables and payables on the statement of financial position are shown inclusive of GST.

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

Cash flows are included in the statement of cash flows on a gross basis.

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023	2022
	\$	\$
2. AFFILIATION FEES		
Australia Labor Party NSW	65,510	68,576
Australia Labor Party Victoria	124,981	102,174
Australia Labor Party Queensland	88,774	70,060
Australia Labor Party Northern Territory	1,864	1,959
Australia Labor Party South Australia	21,931	23,191
Australia Labor Party Western Australia	55,392	56,010
Australia Labor Party Tasmania	7,255	4,596
	<u>365,707</u>	<u>326,566</u>
3. AUDIT AND ACCOUNTANCY FEES		
Auditors		
• Audit Fees	-	-
• Preparation of Financial Statements	-	-
• Financial member affiliation audit	14,161	14,500
Other audit and accountancy services	-	900
	<u>14,161</u>	<u>15,400</u>
4. GRANTS AND DONATIONS		
Total expenses that were \$1,000 or less	-	2,050
Total expenses that exceeded \$1,000	37,500	581,943
Total Grants and Donations	<u>37,500</u>	<u>583,993</u>
5. GENERAL OFFICE EXPENSES		
General Office expenses	-	724
Payments to other reporting unit: Victoria	-	4,000
	<u>-</u>	<u>4,724</u>
6. OTHER EXPENSES		
Election Expenses	2,800	-
Advert Campaigns – Print & Stationary	7,500	-
Printing	630	-
Sundry Expenses	636	-
	<u>11,566</u>	<u>-</u>

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023	2022
	\$	\$
7. CASH FLOW INFORMATION		
(a) Reconciliation of cash and cash equivalents as per statement of financial position to statement of cash flow:		
Cash and cash equivalents as per:		
Statement of cash flow	<u>411</u>	<u>29</u>
Statement of financial position	<u>411</u>	<u>29</u>
<i>Difference</i>	<u>-</u>	<u>-</u>
(b) Reconciliation of cash flow from operations with Net Surplus/(Deficit)		
Net Surplus/(Deficit)	10,694	(471,138)
Changes in Assets and Liabilities:		
(Increase)/decrease in prepayments	20,536	(3,980)
(Increase)/Decrease in Receivables from National Council General Fund	(50,653)	468,817
Increase/(Decrease) in payables	<u>19,805</u>	<u>5,250</u>
Cash flows from operations	<u>382</u>	<u>(51)</u>
(c) Cash Flow Information - Reporting Units		
Cash inflows		
Remittances from National Council	<u>454,515</u>	<u>457,279</u>
Cash outflows		
Payments to National Council	<u>-</u>	<u>-</u>
Total Cash Outflows	<u>-</u>	<u>-</u>

8. CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

There are no contingent liabilities, assets or commitments as at 30 September 2023.

9. RELATED PARTY TRANSACTIONS

- (a) The aggregate amount of remuneration paid to officers during the financial year is included in the National Council's Financial Report.
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected fulltime officials is included in the National Council's Financial Report.
- (c) There have been no other transactions between the officers and the Union other than those relating to their membership of the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

9. RELATED PARTIES (Cont'd)

- (d) The ultimate controlling entity of the Fund is the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, National Council.
- (e) Transactions with Ultimate Controlling Entity:
- (i) Remittances from National Council are disclosed in the statement of comprehensive income.
 - (ii) The amount receivable from the National Office as at 30 September 2023 is recorded in the trade and other receivables and is \$665,490. (2022: \$614,838).
- (f) The ultimate controlling entity of the Fund is the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, National Council.

10. FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

The Fund is exposed to risks that arise from its use of financial instruments. This note describes the National Political Fund's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the National Political Fund's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The National Council Political Fund's financial instruments consist mainly of deposits with banks and receivables. The main risks the Fund is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The State Council have overall responsibility for the determination of the National Council Political Fund's risk management objectives and policies.

(b) Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Fund incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Fund .

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2023	2022
	\$	\$
Cash and cash equivalents	411	29
Trade Receivables	<u>665,490</u>	<u>614,838</u>
	<u>665,901</u>	<u>614,867</u>

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

10. FINANCIAL RISK MANAGEMENT (Cont'd)

(c) *Liquidity risk*

Liquidity risk is the risk that the Fund may encounter difficulties raising funds to meet commitments associated with financial instruments.

The National Political Fund is not significantly exposed to this risk; as at 30 September 2023 it had \$411 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 September 2023 total \$9,000 (2022:\$5,250).

The Fund manages liquidity risk by monitoring cash flows. Further the National Council has made an undertaking to provide financial support to the Fund.

(d) *Market risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(d)(i) *Interest rate risk*

The National Political Fund's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

30 September 2023	Floating interest rate \$	Non-interest Bearing \$	Total \$
Financial Assets			
Cash and cash equivalents	411	-	411
Trade Receivables	-	649,435	649,435
Weighted average Interest rate	0.1%	0%	0.1%
Financial Liabilities			
Payables	-	(9,000)	(9,000)
Net Financial Assets/(Liabilities)	411	640,435	640,846

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

10. FINANCIAL RISK MANAGEMENT (Cont'd)

30 September 2022	Floating interest rate	Non-interest bearing	Total
	\$	\$	\$
Financial Assets			
Cash and cash equivalents	29	-	29
Trade Receivables	-	614,838	614,838
Weighted average Interest rate	0.6%	0%	0.6%
Financial Liabilities			
Payables	-	(5,250)	(5,250)
Net Financial Assets/(Liabilities)	29	609,588	609,617

Sensitivity Analysis

	Carrying Amount	+0.5% (50 basis points) Profit	-0.5% (50 basis points) Loss
2023	\$	\$	\$
Cash assets	411	-	-
2022			
Cash assets	29	-	-

(d)(ii) Other Price Risks

The Fund does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(d)(iii) Foreign Exchange Risk

The Fund is not directly exposed to foreign exchange rate risk.

11. SUBSEQUENT EVENTS

There were no events that occurred after 30 September 2023, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the .

12. KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel compensation has been disclosed in the National Council's financial report.

**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

13. SECTION 272 FAIR WORK (REGISTERED ORGANISATION) ACT 2009

In accordance with the requirements of the Fair Work (Registered Organisation) Act 2009, the attention of members is drawn to the provisions of subsection (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

- (1) A member of a reporting unit, or the Commissioner, 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).

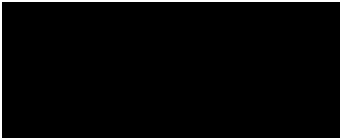
**AUTOMOTIVE, FOOD, METALS, ENGINEERING,
PRINTING & KINDRED INDUSTRIES UNION
NATIONAL POLITICAL FUND**

OFFICER DECLARATION STATEMENT

I, Steven Murphy, being the Secretary of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union National Political Fund, declare that the following did not occur during the reporting period ending 30 September 2023:

The reporting unit did not:

- Agree to provide financial support to another reporting unit to ensure they continued as a going concern (refer to agreement regarding financial support not dollar amounts)
- Acquire an asset or liability due to an amalgamation Under Part 2 of Chapter 3 of the RO Act, a restructure of the Branches of an organisation, a determination of revocation by the General Manager, Fair Work Commission
- Receive periodic or membership subscriptions
- Receive capitation fees from another reporting unit
- Receive revenue via compulsory levies
- Received revenue from undertaking recovery of wages activity (*Remove if wage recovery received, and disclose the revenue from recovery of wages activity in the statement of comprehensive income*)
- Incur fee as consideration for employers making payroll deductions of membership subscriptions
- Pay capitation fees to another reporting unit
- Pay compulsory levies
- Pay a grant that was \$1,000 or less
- Pay a grant that exceeds \$1,000
- Pay Wages and Salaries, Superannuation, Leave and Other Entitlements, Separation and Redundancies to Office Holders or other than Office Holders, as these are paid by the National Council and are included in the financial report of the National Council only
- Pay other employee expenses to employees (other than holders of office)
- Pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- Pay legal costs relating to litigation
- Pay legal costs relating to other legal matters
- Pay a penalty imposed under the RO Act or the Fair Work Act 2009
- Have a receivable with other reporting unit(s)
- Have a payable with other reporting unit(s)
- Have a payable to an employer for that employer making payroll deductions of membership subscriptions
- Have a payable in respect of legal costs relating to litigation
- Have a payable in respect of legal costs relating to other legal matters
- Have Employee Provisions (annual leave provision, long service leave provision, separation and redundancy provision and other employee provisions) for Office Holders or other than Office Holders, as these are paid by the National Council and are included in the financial report of the National Council only
- Have a fund of account for compulsory levies, voluntary contributions or required by the rules of the organisation or
- Transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- Provide cash flows to another reporting unit
- Make a payment to a former related party of the reporting unit


National Secretary - Steven Murphy

13th December 2023

Independent Auditor's Report to the Members of Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, National Council Political Fund

Opinion

We have audited the financial report of Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, National Council Political Fund ("National Council Political Fund") which comprises the statements of financial position as at 30 September 2023, the statements of profit or loss and other comprehensive income, the statements of changes in accumulated funds and the statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the Committee of management Statement, the subsection 255 (2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, National Council Political Fund as at 30 September 2023, and its financial performance and its cash flows for the year ended on that date in is in accordance with:

- (a) the Australian Accounting Standards; and
- (b) any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of going concern basis in the preparation of the financial statements of the National Council Political Fund is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the National Council Political Fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Some of the Crowe personnel involved in preparing this document may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation Crowe's personnel involved in preparing this document, please speak to your Crowe adviser.

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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

Information Other than the Financial Report and Auditor's Report Thereon

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee of Management for the Financial Report

The committee of management of the National Council Political Fund is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management is responsible for assessing the National Council Political Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the National Council Political Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 National Council Political Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.

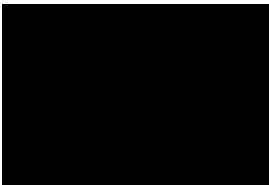
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the National Council Political Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the National Council Political Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the National Council Political Fund to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the National Council Political Fund audit. We remain solely responsible for our audit opinion.

We communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

I declare that I am an auditor registered under the RO Act.

Crowe Audit Australia

Crowe Audit Australia



Suwarti Asmono
Partner

13 December 2023
Sydney

Registration number (as registered under the RO Act): AA2017/236