



Australian Government

Australian Industrial Registry

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Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0410
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Mr Dave Oliver
Acting National Secretary
Automotive, Food, Metals, Engineering
Printing and Kindred Industries Union
Level 4
33-137 Parramatta Road
GRANVILLE NSW 2142

Dear Mr Oliver,

Attention Mr Warren Soos, National Finance Officer

**Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union
Financial Reports for the Year Ended 30th September 2006
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

**National Council – FR2006/529
Victorian Branch – FR2006/534
Queensland Branch – FR2006/531
Tasmanian Branch – FR2006/533**

**Western Australian Branch – FR2006/535
South Australian Branch – FR2006/532
New South Wales Branch – FR2006/530**

Thank you for the financial reports of the above named organisation and its branches for the year ended 30th September 2006. The documents were lodged in the Industrial Registry on 23rd March 2007.

The documents have been filed.

I make the following comments to assist you in preparing financial documents in the future. You do not need to take any further action in respect of the documents which have been lodged.

GENERAL COMMENTS RELATING TO ALL FINANCIAL RETURNS

Statement of Loans, Grants and Donations

Thank you for the Statement of Loans, Grants and Donations dated 22nd December 2006. The Statement will be placed on a separate file that is not available for viewing by the general public.

The Statement that has been lodged does not distinguish between grants and donations that were made by National Council and by each of the Branches. The Statement is signed by the Acting National Secretary.

When preparing Statements in the future, I draw to your attention the fact that section 237(7) of the RAO Schedule requires each Branch to lodge a separate Statement of loans, grants and donations. Each Branch's Statement must also be signed by an officer of that particular Branch (see section 237(2) of the RAO Schedule).

You are therefore requested in future to separately list the loans, grants and donations made by National Council and by each of the Branches and to have an officer from each of those Branches or National Council sign the statement (or that part of the statement if a single document is lodged) relating to their reporting unit.

COMMENTS REGARDING NATIONAL ACCOUNTS

Auditor's Opinion – Political Fund

The Auditor's Opinion states that the financial report for the political fund is in accordance with Australian Accounting Standards but no reference is made to whether or not it also complies with the requirements of the RAO Schedule.

Section 257(5) of the RAO Schedule requires an auditor, in his or her report, to state whether the General Purpose Financial Report (GPFR) is presented fairly in accordance with not only Australian Accounting Standards but also any other requirements imposed by the RAO Schedule.

You are therefore requested to ensure in future that the Auditor prepares his or her opinion making express reference both to applicable Australian Accounting Standards and to relevant provisions in the RAO Schedule. It would be sufficient if the Auditor's Opinion made the following statement:

In my opinion the General Purpose Financial Report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.

GPFR – Disclosure of Expenditure

When preparing a GPFR, section 253(2) of the RAO Schedule requires a reporting unit to provide information that is specified in the Industrial Registrar's Reporting Guidelines. In particular, Guideline 11 sets out in detail those items of expense that must be disclosed by a reporting unit either in the notes to, or on the face of, a financial statement. Included are such items as:

- fees and/or allowances paid for attendance at conferences (11(i));
- conference and meeting expenses (11(k));

It may be that these expenses are included in the figure for 'Delegations' on page 7 but it is not clear on the face of the Income Statement.

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

COMMENTS REGARDING TASMANIAN BRANCH ACCOUNTS

Auditor's Opinion

As stated above with respect to the National accounts, the Auditor's Opinion is required to state whether the GPFR is presented fairly in accordance with both Australian Accounting Standards and any other requirements imposed by the RAO Schedule. The opinion which has been given does not make any reference to the RAO Schedule. You are therefore requested to ensure in future that the Auditor prepares his or her opinion making express reference both to applicable Australian Accounting Standards and to relevant provisions in the RAO Schedule. It would be sufficient if the Auditor's Opinion made the following statement:

In my opinion the General Purpose Financial Report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.

Consistency of Accounting Policies between Branches

Section 252(2) of the RAO Schedule and Item 17(e)(iv) of the Registrar's Reporting Guidelines require the financial records of each reporting unit to be kept, as far as practicable, on a consistent basis.

All of the reporting units (other than Tasmania) have a similarly worded statement in Note 1 that the financial reports of National Council and all branches have been prepared on a cash basis following advice from the Registry that the terms of section 252(3) of the RAO Schedule in effect create a standing exemption from the Australian Accounting Standard that mandates accrual accounts.

The Tasmanian report, however, states in paragraph 2 of Note 1 that it 'has been prepared on the basis of historical cost'. There is no statement regarding preparation of Tasmanian Branch accounts on a cash basis.

A similar issue was raised with respect to the Tasmanian Branch's accounts for the financial year ended 30th September 2005 (FR2005/546). It may be that this year's discrepancy arises from a typographical error as each of the other reports contains a paragraph under the heading 'Basis of Preparation' in Note 1 stating 'The financial report has been prepared on a cash basis as regards the income and expenditure of the National Council/Branch and on the basis of historical costs...' (ie. it appears that the beginning of the sentence may have been omitted).

You are requested to examine this issue and to ensure that, in future, the requirements of section 252(2) and Item 17(e)(iv) regarding consistency of accounts are met.

NEW SOUTH WALES BRANCH

Accounting Officer's Certificate

The Accounting Officer's certificate was a document required to be lodged under the former financial reporting requirements of the *Workplace Relations Act* 1996. This certificate is not required under the RAO Schedule as it has, in effect, been replaced by the Operating Report.

Committee of Management Certificate

In addition to the Committee of Management certificate (which is required by section 253(2) of the RAO Schedule and Guidelines 16 to 18 of the Registrar's Reporting Guidelines), the accounts contain a 'Committee of Management's Certificate' which refers to the *Industrial Relations Act* 1991.

This is presumably a document that is required to be lodged with the state Commission in New South Wales. There is no requirement under the RAO Schedule to lodge a Committee of Management certificate with the Industrial Registry.

Please do not hesitate to contact Robert Pfeiffer by email at robert.pfeiffer@air.gov.au or on (03) 8661 7817 if you wish to discuss this letter.

A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/188V>.

Yours sincerely,



Robert Pfeiffer
Statutory Services Branch

24 May 2007

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

NEW SOUTH WALES STATE COUNCIL

CERTIFICATE OF STATE SECRETARY

I Paul Bastian, being the State Secretary of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union New South Wales State Council certify:

- that the documents lodged herewith are copies of the Full Report, referred to in section 268 of the ROA Schedule; and
- that the Full Report was provided to members in the month of January 2007; 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 New South Wales State Council on 2nd march 2007 in accordance with section 266 of the ROA Schedule.

State Secretary
Paul Bastian

Signature

Date

2nd March 06

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

NEW SOUTH WALES BRANCH

FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2006

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

NEW SOUTH WALES BRANCH

OPERATING REPORT

The State Council, being the Committee of Management for the purposes of the Workplace Relations Act 1996, presents its operating report of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, NSW Branch for the financial year ended 30 September 2006.

Review of the State'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.

Significant Changes in Nature of Principal Activities

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

Results of Principal Activities

The AFMEPKIU NSW State Branch's principal activities resulted in a surplus for the financial year, of \$9,938.

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 the member ceases to be eligible to become a member;

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.

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

NEW SOUTH WALES BRANCH

OPERATING REPORT (cont'd)

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.

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 Workplace Relations Act 1996. In accordance with section 174(1) of the Workplace Relations Act 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.

State Officers or Members who are either Directors or Trustees of a Superannuation Entity

The details of each officer or member of the New South Wales Branch who 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
Michelle Burgess – Union Officer	Food Industry Superannuation Trust	Trustee

Other Relevant Information

The New South Wales Branch is not aware of any other relevant information.

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

NEW SOUTH WALES BRANCH

OPERATING REPORT (cont'd)

Prescribed Information Required Under the Workplace Relations (RAO) Regulations 2003

- (a) The number of persons who were recorded in the register of members on 30 September 2006 was 31,771.
- (b) The number of persons who were employees of the reporting unit on 30 September 2006 was 75.4, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis.
- (c) The name of each person who has been a member of State 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
Jim O'Neill	01.10.2005 to 30.09.2006
Paul Bastian	01.10.2005 to 30.09.2006
Tim Ayres	01.10.2005 to 30.09.2006
Bruce O'Keefe	01.10.2005 to 30.09.2006
Robyn Fortescue	01.10.2005 to 30.09.2006
Matthew Lowe	01.10.2005 to 30.09.2006
Garry Hingle	01.10.2005 to 30.09.2006
Mark Pearce	01.10.2005 to 30.09.2006
Bruce Campbell	01.10.2005 to 30.09.2006
Leon Drury	01.10.2005 to 30.09.2006
Noel Castles	01.10.2005 to 25.07.2006
Daniel Wallace	20.05.2006 to 30.09.2006
Mark Hoban	01.10.2005 to 30.09.2006
Steve Murphy	01.10.2005 to 30.09.2006
Ghazi Noshie	01.10.2005 to 30.09.2006
Alan Ward	02.12.2005 to 30.09.2006
Martin Schutz	01.10.2005 to 30.09.2006
Vanessa Seagrove	01.10.2005 to 30.09.2006
Grahame Benson	01.10.2005 to 30.09.2006
Annabella Case	01.10.2005 to 30.09.2006
Jay Curac	20.05.2006 to 30.09.2006
Marian Dzurik	01.10.2005 to 30.09.2006
Dave Minutello	20.05.2006 to 30.09.2006
Frank Sundinuhi	20.05.2006 to 30.09.2006
Richard Davies	20.05.2006 to 30.09.2006
Mick Beattie	20.05.2006 to 30.09.2006
Leon Ruka	20.05.2006 to 30.09.2006
Nellie Holtz	20.05.2006 to 30.09.2006
Dennis Noel	01.10.2005 to 30.09.2006
Robert Edmundson	20.05.2006 to 30.09.2006
Gary Pond	01.10.2005 to 30.09.2006


AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION**NEW SOUTH WALES BRANCH****OPERATING REPORT (Cont'd)**

Name	Period Position Held
Bill Simmons	01.10.2005 to 30.09.2006
John Stewart	01.10.2005 to 30.09.2006
Chris Moutter	20.05.2006 to 30.09.2006
Geoffrey Wallace	20.05.2006 to 30.09.2006
Dennis Gazlay	01.10.2005 to 30.09.2006
Darrel Luck	01.10.2005 to 30.09.2006
Mark McIntyre	01.10.2005 to 30.09.2006
Lesley Weers	20.05.2006 to 30.09.2006
Steven Johnson	01.10.2005 to 16.06.2006
Richard Wardropper	01.10.2005 to 30.09.2006
Stephen Mowczan	20.05.2006 to 30.09.2006
Beverley Hope	01.10.2005 to 30.09.2006
Bernard Sass	01.10.2005 to 30.09.2006
Andrew Currie	01.10.2005 to 30.09.2006
Kevin Mackenzie	20.05.2006 to 30.09.2006
Alan Rawlinson	20.05.2006 to 30.09.2006
Anthony Hennessy	20.05.2006 to 30.09.2006
Frank Kenny	01.10.2005 to 30.09.2006
Philip Miller	01.10.2005 to 30.09.2006
Graeme Robinson	01.10.2005 to 30.09.2006
Steve Vine	20.05.2006 to 30.09.2006
Mark West	01.10.2005 to 30.09.2006
Geoff Cohen	01.10.2005 to 19.05.2006
Chris Hellyer	01.10.2005 to 19.05.2006
John Hewett	01.10.2005 to 19.05.2006
Neil Hopkins	01.10.2005 to 19.05.2006
Glen James	01.10.2005 to 19.05.2006
Ambegahahewage Jayasingha	01.10.2005 to 19.05.2006
Jeff Kime	01.10.2005 to 19.05.2006
Thomas Taylor	01.10.2005 to 22.11.2005
Natasha Todoroska	01.10.2005 to 19.05.2006
Dave Crawley	01.10.2005 to 19.05.2006
Sean Emir	01.10.2005 to 19.05.2006
Daniel Donnison	01.10.2005 to 19.05.2006
Dorothy Hilbery	01.10.2005 to 19.05.2006

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

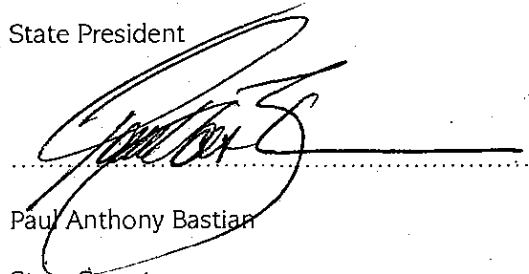
**NEW SOUTH WALES BRANCH
OPERATING REPORT (Cont'd)**

Signed in accordance with a resolution of State Council



Jim O'Neill

State President



Paul Anthony Bastian

State Secretary

1 December 2006

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

NEW SOUTH WALES BRANCH

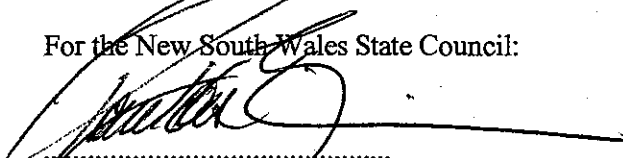
COMMITTEE OF MANAGEMENT'S STATEMENT

On 1 December 2006 the State Council of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union New South Wales Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the New South Wales State Council for the year ended 30 September 2006.

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

- (a) the financial report and notes comply with the Australian Accounting Standards to the extent detailed in note 1 to the Financial Report;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 30 September 2006;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 September 2006 and since the end of the financial year:
 - (i) meetings of the State Council were held in accordance with the rules of the organisation and the rules of the Branch; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
 - (iv) the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other branches and National Council of the organisation; and
 - (v) no information has been sought in any request of a member of the Branch or a Registrar under section 272 of Schedule 1B to the Workplace Relations Act 1996; and
 - (vi) no orders have been made by the Commission under section 273 of Schedule 1B to the Workplace Relations Act 1996
- f) during the financial year ended 30 September 2006 the New South Wales State Council did not participate in any recovery of wages activity

For the New South Wales State Council:


.....
Paul Anthony Bastian
State Secretary

1 December 2006


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

NEW SOUTH WALES BRANCH

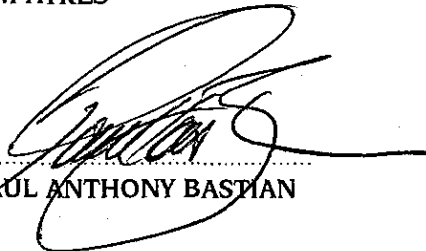
COMMITTEE OF MANAGEMENT'S CERTIFICATE

We, **TIM AYRES** and **PAUL ANTHONY BASTIAN**, being two members of the Committee of Management of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch, do state on behalf of the Committee, and in accordance with a resolution passed by the Committee that:-

- [i] In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Branch as at 30 September 2006.
- [ii] In the opinion of the Committee of Management, meetings of the Committee were held in the year ended 30 September 2006, in accordance with the rules of the Branch.
- [iii] To the knowledge of any member of the Committee, there have been no instances where records of the Branch or other documents (not being documents containing information made available to a member of the Union under Sub-Section 512 (2) of the Industrial Relations Act, 1991 as applied by Sub-Section 282(3) of the Industrial Relations Act, 1996) or copies of these records or documents, or copies of the rules of the Branch, have not been furnished, or made available to members in accordance with the requirements of the Industrial Relations Act, 1996, the Regulations thereto, or the rules of the Branch.
- [iv] The Branch has complied with Sub-Section 517(1) and (5) of the Industrial Relations Act, 1991 in relation to the financial accounts in respect of the period ended 30 September 2005 and the Auditors' Report thereon.



.....
TIM AYRES



.....
PAUL ANTHONY BASTIAN

1 December 2006

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

NEW SOUTH WALES BRANCH

ACCOUNTING OFFICER'S CERTIFICATE

I, **PAUL ANTHONY BASTIAN**, being the Officer responsible for keeping the accounting records of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch, certify that as at 30 September 2006, the number of members of the Union was 31,771.

In my opinion:

- (i) The attached accounts show a true and fair view of the financial affairs of the Branch as at 30 September 2006.
- (ii) A record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Branch.
- (iii) Before any expenditure was incurred by the Branch, approval of the incurring of the expenditure was obtained in accordance with the rules of the Branch.
- (iv) With regard to funds of the Branch raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- (v) No loans or other financial benefits, other than remuneration in respect of their full time employment with the Branch, were made to persons holding office in the Branch.
- (vi) The register of members of the Branch was maintained in accordance with the New South Wales Industrial Relations Act, 1996.


.....
PAUL ANTHONY BASTIAN

1 December 2006

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

NEW SOUTH WALES BRANCH

**INCOME STATEMENT FOR THE
YEAR ENDED 30 SEPTEMBER 2006**

	Note	2006 \$	2005 \$
INCOME			
Remittances from National Council			
- General Fund		1,174,093	1,215,945
- Local Purpose Allocation		10,562	10,935
Interest Received		909	859
TOTAL INCOME		<u>1,185,564</u>	<u>1,227,739</u>
EXPENDITURE			
Affiliation Fees		75,162	78,407
Bank Charges		1,125	1,516
Computing		7,831	4,849
Delegation/Employee Benefits – Officer Holders		21,554	46,067
Delegation/Employee Benefits – Other Employees		26,928	22,792
Delegation Expenses - Members		125,928	109,922
Donations		10,154	11,203
Freight		393	389
General Office Expenses		83,478	83,053
Insurance		100,350	92,813
Motor Vehicle Expenses		220,507	187,896
Newsletter Expenses		10,983	3,045
Payroll Tax		215,838	217,581
Penalty Imposed by Industrial Relations Commission		-	2,000
Photocopying		33,855	41,118
Postage		35,742	36,712
Printing		3,100	(1,525)
Publicity		26,456	15,028
Professional Services	4	33,500	132,076
Rent		2,310	2,118
Research		2,485	1,867
Stationery		27,538	20,851
Telephone		110,409	121,213
TOTAL EXPENDITURE		<u>1,175,626</u>	<u>1,230,991</u>
NET SURPLUS/(DEFICIT) FOR THE YEAR		<u>9,938</u>	<u>(3,252)</u>

(The attached notes form part of the financial report)

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

NEW SOUTH WALES BRANCH

**BALANCE SHEET
AS AT 30 SEPTEMBER 2006**

	Note	2006 \$	2005 \$
ACCUMULATED FUNDS			
Represented by Net Assets as follows:		<u>59,364</u>	<u>49,426</u>
ASSETS			
Current Assets			
Cash and cash equivalents	5	12,036	1,859
Receivables	6	<u>47,328</u>	<u>47,567</u>
Total Current Assets		<u>59,364</u>	<u>49,426</u>
TOTAL ASSETS		<u>59,364</u>	<u>49,426</u>
TOTAL LIABILITIES			
		<u>-</u>	<u>-</u>
NET ASSETS		<u>59,364</u>	<u>49,426</u>

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	Accumulated Funds \$
Balance at 1 October 2004	52,678
Net (Deficit) for Year	<u>(3,252)</u>
Balance at 30 September 2005	49,426
Net Surplus for the Year	<u>9,938</u>
Balance at 30 September 2006	<u>59,364</u>

(The attached notes form part of the financial report)

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

NEW SOUTH WALES BRANCH

**CASH FLOW STATEMENT FOR THE
YEAR ENDED 30 SEPTEMBER 2006**

	Note	2006 \$	2005 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Remittances from National Council			
-General Fund		1,174,093	1,215,945
-Local Purpose Allocation		10,562	10,935
Interest Received		909	859
Payments to Suppliers and Employees		(1,175,387)	(1,224,925)
NET CASH PROVIDED BY OPERATING ACTIVITIES	7(b)	<u>10,177</u>	<u>2,814</u>
NET INCREASE IN CASH HELD		10,177	2,814
Cash at Beginning of Year		<u>1,859</u>	<u>(955)</u>
CASH AT END OF YEAR	7(a)	<u>12,036</u>	<u>1,859</u>

(The attached notes form part of the financial report)

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

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2006

1. SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations the Workplace Relations Act 1996 and the Industrial Relations Act 1996, with the exception that the financial report has been prepared on the cash basis rather than the accrual basis as required by applicable Accounting Standards. The Union has determined to adopt the cash basis of accounting in the preparation of the financial reports of national council and all branches following advice from the Australian Industrial Registry that the terms of section 252(3) of the Workplace Relations Act 1996 in effect create a standing exemption from the Australian Accounting Standard that mandates accrual accounts. Section 253(3) states that financial records of an organisation may, so far as they relate to the income and expenditure of the organisation, be kept on a cash basis or accrual basis, at the option of the organisation.

Compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS) except for:

- Segment reporting because AASB 114 "Segment Reporting" does not apply to not-for-profit organisations.
- Impairment of assets under AASB 136 "Impairment of assets"

BASIS OF PREPARATION

The financial report is for the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union New South Wales Branch. The Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union is an organisation registered under the Workplace Relations Act, 1996. The Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union New South Wales Branch is a Branch of the registered organisation and is also a registered organisation in accordance with the Industrial Relations Act, 1996. 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 State Branch are not subject to the Corporations Act 2001.

The financial report has been prepared on a cash basis as regards the income and expenditure of the Branch and on the basis of historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets. Cost is based on fair values of the consideration given in exchange for assets.

This is the first financial report prepared under AIFRS and AASB 1 First-Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these statements. Comparatives for the year ended 30 September 2005, have been presented applying AIFRS.

There have been no adjustments required to assets, liabilities or accumulated funds as a result of the introduction of AIFRS.

The following is a summary of the significant accounting policies adopted by the New South Wales Branch in the preparation of the financial report.

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

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2006 (Cont'd)

I. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

a) (i) Revenue

All members' contributions are paid direct to National Council. Remittances from National Council are the amounts reimbursed by the National Council to cover Branch expenses and are recognised when received by the Branch.

(ii) Expenditure

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

(iii) Employee Entitlements

Provision for employee benefits in the form of Long Service Leave and Accrued Annual Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment in the financial report of the National Council.

(iv) Property, Plant and Equipment

All fixed assets are recorded in the financial reports of the National Council and the depreciation regarding those assets is charged in the National Council accounts.

(v) 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.

(vi) Accounting Standards Issued But Not Yet Effective

There have been no accounting standards issued which will impact the financial report in future periods and which are not yet effective.

(vii) Goods and Services Tax (GST)

Revenues and expenses are recognised net of GST, except:

- (a) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of an item of expense; or
- (b) for receivables and payables which are recognised inclusive of GST.

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

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

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

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2006 (Cont'd)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

b) Going Concern Basis of Accounting

The financial report has been prepared on the basis that the Branch 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 State Council believes it is appropriate to adopt the going concern basis for preparing the report on the grounds that the National Council has made an undertaking to provide financial support to the Branch.

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.

(a) Critical accounting estimates and assumptions

The New South Wales Branch 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 amount of asset and liabilities.

(b) Critical judgments in applying the New South Wales Branch's accounting principles

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

3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272 of Schedule 1B which read as follows:

- 1) A member of a reporting unit, or registrar, 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

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2006 (Cont'd)**

3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR (Cont'd)

In accordance with the requirements of the Industrial Relations Act, 1991 [NSW] the attention of members is drawn to the provisions of Sub-Sections (1) and (2) of Section 512 which read as follows:

- 1) A member of an organisation, or the Industrial Registrar, may apply to the organisation for specified information prescribed by the regulations in relation to the organisation.
- 2) An organisation must, on the making of such an application, make the specified information available to the member or the Industrial Registrar in the manner, and within such time, prescribed by the regulations.

	2006	2005
	\$	\$
4. PROFESSIONAL SERVICES		
Auditors - Auditing the financial report	19,500	20,500
- Other Services	<u>-</u>	<u>-</u>
Legal Expenses	<u>14,000</u>	<u>111,576</u>
	<u>33,500</u>	<u>132,076</u>
5. CASH AND CASH EQUIVALENTS		
Cash at Bank	12,036	1,859
	<u>12,036</u>	<u>1,859</u>
6. RECEIVABLES		
Net amount receivable - National Council	45,823	46,019
Sundry Debtors	<u>1,505</u>	<u>1,548</u>
	<u>47,328</u>	<u>47,567</u>

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

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2006 (Cont'd)**

	2006 \$	2005 \$
7. CASH FLOW INFORMATION		
(a) For the purposes of the cash flow statement, cash includes cash on hand and at call deposits with banks and other financial institutions.		
Cash at Bank	<u>12,036</u>	<u>1,859</u>
(b) Reconciliation of Cash Flow from Operations with Net Surplus (Deficit)		
Net Surplus (Deficit)	9,938	(3,252)
Changes in Assets and Liabilities		
Decrease in Receivables	239	6,066
CASH FLOWS FROM OPERATIONS	<u>10,177</u>	<u>2,814</u>

8. RELATED PARTIES

- (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 full time 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.
- (d) The ultimate controlling entity of the Branch 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 income statement.
 - (ii) Net Amounts Receivable from the National Office are as follows:

	2006 \$	2005 \$
Net amount receivable - National Office	<u>45,823</u>	<u>46,019</u>

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

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2006 (Cont'd)**

9. FINANCIAL INSTRUMENTS

Interest Rate Risk

The Branch'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:

30 September 2006	Floating interest rate	Non interest bearing	Total
	\$	\$	\$
Financial Assets			
Cash	12,036	-	12,036
Receivables	-	47,328	47,328
	<u>12,036</u>	<u>47,328</u>	<u>59,364</u>
Weighted average Interest rate	1.20%		
Financial Liabilities			
Payables	-	-	-
Net Financial Assets	<u>12,036</u>	<u>47,328</u>	<u>59,364</u>
30 September 2005	Floating interest rate	Non interest bearing	Total
	\$	\$	\$
Financial Assets			
Cash	1,859	-	1,859
Receivables	-	47,567	47,567
	<u>1,859</u>	<u>47,567</u>	<u>49,426</u>
Weighted average Interest rate	1.00%		
Financial Liabilities			
Payables	-	-	-
Net Financial Assets	<u>1,859</u>	<u>47,567</u>	<u>49,426</u>

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

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2006 (Cont'd)**

9. FINANCIAL INSTRUMENTS (Cont'd)

Credit Risk Exposure

Credit risk is the risk that counterparties to a financial asset will fail to discharge their obligation, causing the Branch to incur financial loss.

The credit risk exposure of the Branch to financial assets which have been recognised in the Balance Sheet is generally the carrying amounts, net of any provisions for doubtful debts.

The carrying amounts of cash and non-interest bearing monetary financial assets and liabilities (e.g. receivables and payables) approximate net fair values.

10. SUBSEQUENT EVENTS

There are no subsequent events that have occurred or are likely to occur that require disclosure.

11. ADDITIONAL BRANCH INFORMATION

The registered office and principal place of business of the Branch is:

Level 2,
133 – 137 Parramatta Road
Granville NSW 2142

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

NEW SOUTH WALES BRANCH

INDEPENDENT AUDIT REPORT

To the members of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch.

Scope

The Financial Report and the Responsibility of the Committee of Management and the Branch Secretary

The financial report comprises the income statement, balance sheet, statement of changes in accumulated funds, cash flow statement, accompanying notes to the financial statements and the Committee of Management's Statement, Committee of Management's Certificate and Accounting Officer's Certificate for the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch, for the year ended 30 September 2006.

The Committee of Management and the Branch Secretary are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996 and the Industrial Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996 and the Industrial Relations Act 1996, including compliance with Accounting Standards to the extent disclosed in Note 1 to the financial statements and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Branch's financial position and its performance as represented by the results of its operations and cash flows.

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

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

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

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

NEW SOUTH WALES BRANCH

INDEPENDENT AUDIT REPORT (Cont'd)

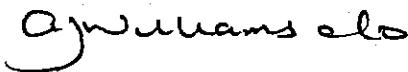
Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996 and the Industrial Relations Act 1996.

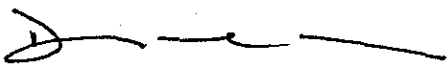
Audit Opinion

In our opinion:

- (a) The financial report of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch is in accordance with the Workplace Relations Act 1996, including:
 - (i) giving a true and fair view of the Branch's financial position as at 30 September 2006 and its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards to the extent disclosed in Note 1 to the financial statements; and
 - (iii) complying with any other requirements of the RAO.
- (b) The financial report of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch is in accordance with other mandatory professional reporting requirements in Australia.
- (c) We have received all the information and explanations required for the purposes of our audit.
 - (i) There were kept by the Branch in respect of the year under review, satisfactory records detailing the sources and nature of income of the Branch [including income from members] and the nature and purposes of expenditure, and
 - (ii) The attached financial report, including the Certificates of the Committee of Management and the Accounting Officer, is prepared in accordance with Section 510 of the Industrial Relations Act, 1991, as applied by Section 282(3) of the Industrial Relations Act 1996.



A.J. WILLIAMS & CO.
Chartered Accountants.



DAVID MCLEAN
Registered Company Auditor.
SYDNEY NSW 2000

1 December 2006