



FAIR WORK
AUSTRALIA

13 April 2011

Mr Timothy Ayres
State Secretary
"Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" Known as the
Australian Manufacturing Workers' Union (AMWU)
PO Box 167
Granville 2142
New South Wales

By email: amwunsw@amwu.asn.au

Dear Mr Ayres,

Re: Fair Work (Registered Organisations) Act 2009 (RO Act) financial reports for year ended 30 September 2010 for New South Wales Branch: FR2010/2798

I refer to the above financial report for the AMWU New South Wales Branch for the year ended September 2010 which was lodged 21 March 2011. The financial report has now been filed.

Comments to assist future financial reports

I note that there is ongoing correspondence between Fair Work Australia and the National Office regarding the disclosure of employee benefits, and refer you to Fair Work Australia's letter dated 5 April 2011 and AMWU National Finance Officer Warren Soos in this regard.

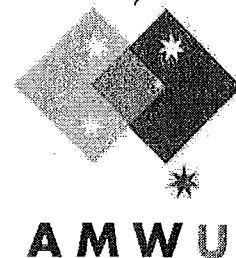
If you have any queries regarding the matters referred to in this letter, please contact me on (03) 8661 7988 or by email at olaf.richter@fwa.gov.au.

Yours sincerely,

Olaf Richter
Tribunal Services and Organisations
Fair Work Australia
Tel: (03) 8661 7988
Email: olaf.richter@fwa.gov.au



FR 2010/2798



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

NEW SOUTH WALES STATE COUNCIL

CERTIFICATE OF STATE SECRETARY

I Timothy Ayres, 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 Fair Work (Registered Organisations) Act 2009; and
- that the Full Report was provided to members in the month of January 2011; 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 11th March 2011 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Timothy Ayres
State Secretary

11th March 2011

Australian Manufacturing
Workers' Union
(Registered as AFMEPKIU)
NSW STATE OFFICE
133 Parramatta Rd
PO Box 167
GRANVILLE NSW 2142
TELEPHONE 02 9897 2011
FACSIMILE 02 9897 2219
amwunsw@amwu.asn.au

FR2010/2798



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

NEW SOUTH WALES BRANCH

FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2010

**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 Fair Work (Registered Organisations) Act 2009, presents its operating report of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, New South Wales Branch for the financial year ended 30 September 2010.

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 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 New South Wales State Branch's principal activities resulted in a net surplus for the financial year of \$32,265.

Significant Changes in Financial Affairs

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

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 the 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.

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

**AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION
NEW SOUTH WALES BRANCH**

OPERATING REPORT (Cont'd)

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 affected 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.

State Officers or Members who are Trustees of a Superannuation Entity

The details of each officer or member of the NSW 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 Trustee	Superannuation Fund	Position Held
Tim Ayres	Auscoal Superannuation	Board Member
Tim Ayres	Cbus Superannuation	Alternate Director

Other Relevant Information

The NSW Branch is not aware of any other relevant information.

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

- (a) The number of persons that were recorded in the register of members on 30 September 2010 was 26,689.
- (b) The number of persons who were employees of the reporting unit on 30 September 2010 was 61.6, 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 the Committee of Management of the 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	1 October 2009 to 30 September 2010
Paul Bastian	1 October 2009 to 23 March 2010
Tim Ayres	1 October 2009 to 30 September 2010

AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION
 NEW SOUTH WALES BRANCH

OPERATING REPORT (Cont'd)

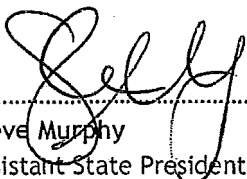
Name	Period Position Held
Bruce O'Keefe	1 October 2009 to 30 September 2010
Robyn Fortescue	1 October 2009 to 30 September 2010
Steve Vine	1 October 2009 to 30 September 2010
Sean Morgan	1 October 2009 to 30 September 2010
Mark Pearce	1 October 2009 to 30 September 2010
Bruce Campbell	1 October 2009 to 13 August 2010
Bradley Hattenfels	1 October 2009 to 30 September 2010
Steve Murphy	1 October 2009 to 30 September 2010
Jagath Bandara	1 October 2009 to 20 May 2010
Grahame Benson	1 October 2009 to 20 May 2010
Annabella Case	1 October 2009 to 20 May 2010
Graham Forrest	1 October 2009 to 20 May 2010
Marian Dzurik	1 October 2009 to 30 September 2010
Paul Wildman	1 October 2009 to 20 May 2010
Frank Sundinuh	1 October 2009 to 30 September 2010
Scott Hall	1 October 2009 to 30 September 2010
Wayne Sweetman	1 October 2009 to 30 September 2010
Mark Lee	1 October 2009 to 30 September 2010
Nellie Holtz	1 October 2009 to 20 May 2010
Glyn Williams	1 October 2009 to 30 September 2010
Raymond Jones	1 October 2009 to 20 May 2010
Gary Pond	1 October 2009 to 20 May 2010
William Simmons	1 October 2009 to 30 September 2010
Ramon Behjan	1 October 2009 to 20 May 2010
Chris Moutter	1 October 2009 to 30 September 2010
Darrel Luck	1 October 2009 to 20 May 2010
Rod MacLennan	1 October 2009 to 30 September 2010
Lesley Weers	1 October 2009 to 30 September 2010
Martin Dickson	1 October 2009 to 18 June 2010
Richard Wardropper	1 October 2009 to 30 September 2010

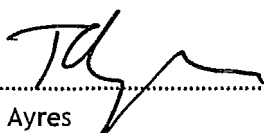
AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION
 NEW SOUTH WALES BRANCH

OPERATING REPORT (Cont'd)

Name	Period Position Held
George Glyntzos	1 October 2009 to 30 September 2010
David Lonsdale	1 October 2009 to 18 June 2010
Bernard Sass	1 October 2009 to 20 May 2010
Peter Tully	1 October 2009 to 30 September 2010
Andrew Currie	1 October 2009 to 30 September 2010
Mark Aubrey	1 October 2009 to 30 September 2010
Alan Rawlinson	1 October 2009 to 30 September 2010
Sean Emir	1 October 2009 to 20 May 2010
Frank Kenny	1 October 2009 to 30 September 2010
Philip Miller	1 October 2009 to 20 May 2010
Todd Nickle	1 October 2009 to 30 September 2010
Tom Shiner	1 October 2009 to 30 September 2010
George Simon	21 May 2010 to 30 September 2010
Vanessa Seagrove	21 May 2010 to 30 September 2010
Steve Goetz	21 May 2010 to 30 September 2010
Paea Enosi	21 May 2010 to 30 September 2010
Jenny Tynan	21 May 2010 to 30 September 2010
Andrew Dundas	21 May 2010 to 30 September 2010
Cory Wright	21 May 2010 to 30 September 2010
Michael Whiteman	21 May 2010 to 30 September 2010
Margaret Hay	21 May 2010 to 30 September 2010
Imeleta Lesoa	21 May 2010 to 30 September 2010
Kelly O'Driscoll	21 May 2010 to 30 September 2010

Signed in accordance with a resolution of State Council


 Steve Murphy
 Assistant State President


 Tim Ayres
 State Secretary

10 December 2010

**AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION
NEW SOUTH WALES BRANCH**

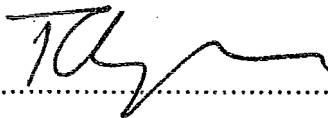
COMMITTEE OF MANAGEMENT'S STATEMENT

On 10 December 2010 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 State Council for the year ended 30 September 2010.

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;
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (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 2010;
- (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 2010 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 the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; 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 the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and.
 - (vi) no orders for inspection of the financial records have been made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.
- f) during the financial year ended 30 September 2010 the New South Wales State Council did not participate in any recovery of wages activity

For the New South Wales State Council:



Tim Ayres
State Secretary

10 December 2010

**AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION
NEW SOUTH WALES BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE
YEAR ENDED 30 SEPTEMBER 2010**

	Note	2010 \$	2009 \$
INCOME			
Remittances from National Council			
- General Fund		1,219,231	1,180,991
- Local Purpose Allocation		-	9,140
Interest Received		163	116
		<u>1,219,394</u>	<u>1,190,247</u>
TOTAL INCOME			
EXPENDITURE			
Affiliation Fees		79,523	88,837
Bank Charges		882	811
Computing		3,757	3,515
Conference & Meeting Expenses		50,722	28,288
Conference & Meeting Fees & Allowances		1,761	2,280
Delegation/Employee Expenses - Officer Holders		70,438	76,645
Delegation/Employee Expenses - Other Employees		1,957	10,342
Delegation Expenses - Members		105,752	80,964
Donations		29,091	8,357
Freight		40	333
General Office Expenses		117,948	71,419
Insurance		16,074	66,386
Motor Vehicle Expenses		216,049	233,603
Newsletter Expenses		41,221	39,965
Payroll Tax		244,456	230,459
Photocopying		14,486	17,541
Postage		29,099	36,625
Printing		508	340
Publicity		69,100	18,091
Professional Services	4	19,679	139,821
Rent		-	578
Research		2,726	11,695
Salaries- Agencies		16,625	-
Stationery		20,126	27,371
Telephone		35,109	108,636
		<u>1,187,129</u>	<u>1,302,902</u>
TOTAL EXPENDITURE			
NET SURPLUS (DEFICIT) FOR THE YEAR		<u>32,265</u>	<u>(112,655)</u>

(The attached notes form part of the financial report)

AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION
 NEW SOUTH WALES BRANCH

STATEMENT OF FINANCIAL POSITION
 AS AT 30 SEPTEMBER 2010

	Note	2010 \$	2009 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	17,605	21,081
Receivables	6	35,951	12,844
		<hr/>	<hr/>
Total Current Assets		53,556	33,925
		<hr/>	<hr/>
TOTAL ASSETS		53,556	33,925
		<hr/>	<hr/>
LIABILITIES			
Current Liabilities			
Trade and other payables	7	69,490	82,124
		<hr/>	<hr/>
TOTAL LIABILITIES		69,490	82,124
		<hr/>	<hr/>
NET LIABILITIES		(15,934)	(48,199)
		<hr/>	<hr/>
ACCUMULATED LOSSES		(15,934)	(48,199)
		<hr/>	<hr/>

(The attached notes form part of the financial report)

AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION
NEW SOUTH WALES BRANCH

STATEMENT OF CHANGES IN ACCUMULATED (LOSSES) FUNDS
FOR THE YEAR ENDED 30 SEPTEMBER 2010

	Accumulated (Losses) Funds
	\$
Balance at 30 September 2008	64,456
Net Deficit for the Year	<u>(112,655)</u>
Balance at 30 September 2009	(48,199)
Net Surplus for the Year	<u>32,265</u>
Balance at 30 September 2010	<u>(15,934)</u>

(The attached notes form part of the financial report)

**AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES UNION
NEW SOUTH WALES BRANCH**

**STATEMENT OF CASH FLOWS FOR THE
YEAR ENDED 30 SEPTEMBER 2010**

	Note	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Remittances from National Council			
- General Fund		1,219,231	1,180,991
- Local Purpose Allocation		-	9,140
Interest Received		163	116
Payments to Suppliers and Employees		(1,222,870)	(1,175,181)
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	8(b)	<u>(3,476)</u>	<u>15,066</u>
NET (DECREASE) INCREASE IN CASH HELD		(3,476)	15,066
Cash at Beginning of Year		<u>21,081</u>	<u>6,015</u>
CASH AT END OF YEAR	8(a)	<u>17,605</u>	<u>21,081</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 2010**

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 and the Fair Work (Registered Organisations) Act 2009.

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 Fair Work (Registered Organisations) Act 2009. The Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union New South Wales Branch is a Branch of the registered organisation. 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 the basis of historical costs modified by the revaluation of selected financial assets and liabilities for which the fair value basis of accounting has been applied. Cost is based on fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

**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 2010 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

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 e.g. 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 have a financial impact on 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 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
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2010 (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 amounts of assets 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 amounts of assets and liabilities.

**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 2010 (Cont'd)**

3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK AUSTRALIA

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Section 272 of the Fair Work (Registered Organisations) Act 2009 which read as follows:

- 1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).

	2010 \$	2009 \$
4. PROFESSIONAL SERVICES		
Auditors - Auditing the financial report	15,000	15,000
- Auditing the financial report - prior year	-	12,125
- Other Services-prior year	9,425	-
	<u>24,425</u>	<u>27,125</u>
Legal Expenses	<u>(4,746)</u>	<u>112,696</u>
	<u>19,679</u>	<u>139,821</u>
5. CASH AND CASH EQUIVALENTS		
Cash at Bank	<u>17,605</u>	<u>21,081</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 2010 (Cont'd)**

	2010 \$	2009 \$
6. RECEIVABLES		
Sundry Debtors	3,433	-
Prepayments	32,518	12,844
	<u>35,951</u>	<u>12,844</u>
7. TRADE AND OTHER PAYABLES		
Trade and other payables	69,490	81,962
Sundry Creditors	-	162
	<u>69,490</u>	<u>82,124</u>
8. CASH FLOW INFORMATION		
(a) For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks and other financial institutions.		
Cash at Bank	<u>17,605</u>	<u>21,081</u>
(b) Reconciliation of Cash Flow from Operations with Net Surplus (Deficit)		
Net Surplus (Deficit)	32,265	(112,655)
Changes in Assets and Liabilities		
(Increase) Decrease in Receivables	(23,107)	45,597
(Decrease) Increase in Payables	(12,634)	82,124
	<u>(3,476)</u>	<u>15,066</u>
CASH FLOWS FROM OPERATIONS		

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 2010 (Cont'd)

9. 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:

	2010	2009
	\$	\$
Net amount receivable - National Office	-	-

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 2010 (Cont'd)

10. FINANCIAL RISK MANAGEMENT

(a) *General objectives, policies and processes*

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

There have been no substantive changes in the Branch'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 Branch's financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk (see section (d) below), liquidity risk and credit risk.

The State Council have overall responsibility for the determination of the Branch'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 Branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Branch.

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:

	2010	2009
	\$	\$
Cash and cash equivalents	17,605	21,081
	<hr/>	<hr/>
The cash and cash equivalents are held in a high quality Australian financial institution		
Net amount receivable - National Council	-	-
Sundry Debtors	3,433	-
	<hr/>	<hr/>
Total receivables	3,433	-

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
NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2010 (Cont'd)

10. FINANCIAL RISK MANAGEMENT (Cont'd)

(c) *Liquidity Risk*

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

The Branch is not significantly exposed to this risk; as at 30 September 2010 it had \$17,605 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 September 2010 totalled \$69,490.

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

(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 cashflows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(i) *Interest Rate Risk*

The Branch'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 2010	Floating interest rate	Non interest bearing	Total
	\$	\$	\$
Financial Assets			
Cash and cash equivalents	17,605	-	17,605
Receivables	-	3,433	3,433
	<u>17,605</u>	<u>3,433</u>	<u>21,038</u>
Weighted average Interest rate	0.1%		
Financial Liabilities			
Payables	-	69,490	69,490
Net Financial Assets	<u>17,605</u>	<u>(66,057)</u>	<u>(48,452)</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 2010 (Cont'd)

10. FINANCIAL RISK MANAGEMENT (Cont'd)

(i) Interest Rate Risk (Cont'd)

30 September 2009	Floating interest rate \$	Non interest Bearing \$	Total \$
Financial Assets			
Cash and cash equivalents	21,081	-	21,081
Receivables	-	-	-
	<u>21,081</u>	<u>-</u>	<u>21,081</u>
Weighted average Interest rate	0.05%		
Financial Liabilities			
Payables	-	82,124	82,124
	<u>-</u>	<u>82,124</u>	<u>82,124</u>
Net Financial Assets (Liabilities)	<u>21,081</u>	<u>(82,124)</u>	<u>(61,043)</u>
Sensitivity Analysis			
2010	Carrying Amount	+0.10% (10 basis points) Profit	-0.10% (10 basis points) Loss
	\$	\$	\$
Cash and cash equivalents	<u>17,605</u>	<u>18</u>	<u>(18)</u>
2009	Carrying Amount	+0.10% (10 basis points) Profit	-0.05% (5 basis points) Loss
	\$	\$	\$
Cash and cash equivalents	<u>21,081</u>	<u>21</u>	<u>(10)</u>

(ii) Other Price Risks

The Branch 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.

(iii) Foreign Exchange Risk

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

**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 2010 (Cont'd)**

11. SUBSEQUENT EVENTS

No subsequent events have occurred that require disclosure.

12. CONTINGENT LIABILITIES

As at 30 September 2010 there are no contingent liabilities.

13. ADDITIONAL BRANCH INFORMATION

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

Level 2

133 - 137 Parramatta Road,

Granville NSW 2142

INDEPENDENT AUDIT REPORT

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

We have audited the general purpose financial report of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch, which comprises the statement of financial position as at 30 September 2010, and the statement of comprehensive income, statement of changes in accumulated (losses) funds and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes and the branch committee of management's statement for the year then ended.

Branch Committee of Management and the State Secretary's Responsibility for the Financial Report

The branch committee of management and the state secretary of the Branch are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the branch committee of management and state secretary, as well as evaluating the overall presentation of the financial report.

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



INDEPENDENT AUDIT REPORT (cont'd)

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.

Auditor's Opinion

In our opinion the general purpose financial report of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

BDO Audit (NSW-VIC) Pty Ltd

David McLean
Director
Member of Institute of Chartered Accountants
And Holder of Current Public Practice Certificate
Registered Company Auditor
SYDNEY NSW 2000

10 December 2010