



24 March 2016

Mr Tim Ayres  
State Secretary  
Australian Manufacturing Workers' Union, New South Wales Branch  
Level 2, 133 Parramatta Road  
Granville NSW 2142

By e-mail: [info@amwu.asn.au](mailto:info@amwu.asn.au)

Dear Mr Ayres

**Australian Manufacturing Workers' Union, New South Wales Branch  
Financial Report for the year ended 30 September 2015 - FR2015/355**

I acknowledge receipt of the financial report for the year ended 30 September 2015 for the Australian Manufacturing Workers' Union, New South Wales Branch. The financial report was lodged with the Fair Work Commission (FWC) on 9 March 2016.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Whilst the 2015 report has been filed the following matter should be addressed in the preparation of the next financial report.

**1. General Purpose Financial Report**

Activities under Reporting Guidelines not disclosed

Item 15 of the Reporting Guidelines states that if the activities identified in item 14 have not occurred in the reporting period, a statement to this effect must be included in the notes to the GPFR. I note that for the following items no such disclosure has been made:

- 14(c) - compulsory levies raised
- 14(d) - donations or grants received

**2. Auditor's Statement**

Reporting Guideline 37(a) requires the auditor's statement to make a declaration as to whether in the auditor's opinion the GPFR is presented fairly in accordance with "...Australian Accounting Standards."

I note that the auditor has issued an opinion that the GPFR presents fairly with "...Australian Accounting Standards to the extent described in Note 1..."

For the 30 September 2016 financial report please ensure that the auditor undertakes the audit and issues an audit opinion to comply with all Australian Accounting Standards.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4685 or by email at [ken.morgan@fwc.gov.au](mailto:ken.morgan@fwc.gov.au)

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

Ken Morgan  
Financial Reporting Advisor  
Regulatory Compliance Branch



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

**NEW SOUTH WALES STATE COUNCIL**

**CERTIFICATE OF STATE SECRETARY**

I, Tim 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 on the AMWU website on 18 December 2015, and an article in the AMWU News advising the membership of the Full Report's availability was sent to members 11 January 2016; 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 4<sup>th</sup> March 2016 in accordance with section 266(3) of the Fair Work (Registered Organisations) Act 2009.

State Secretary,  
Tim Ayres

Signature

4<sup>th</sup> March 2016

Australian Manufacturing  
Workers' Union  
(Registered as AFMEPKIU)  
NSW STATE OFFICE  
133 Parramatta Rd  
PO Box 167  
GRANVILLE NSW 2142  
TELEPHONE 02 9897 4200

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

**NEW SOUTH WALES BRANCH**

**FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015**

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

**NEW SOUTH WALES BRANCH**

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# **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 2015

The operational name for the Automotive Food Metals Engineering Printing and Kindred Industries Union (AFMEPKIU) is the Australian Manufacturing Workers' Union (AMWU). The Union is a 'not for profit' entity, a registered organisation under Fair Work Act (2009).

#### **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 on 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**

During the year to 30 September 2015 the AFMEPKIU negotiated and registered 319 enterprise bargaining agreements nationally, 95 of which were from New South Wales.

The AFMEPKIU's National Office is responsible for applying to improve industrial awards covering our members. During the year ending 30 September 2015 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 Branch is responsible for advising members in their State of these gains and ensuring members receive the appropriate wage.

The AFMEPKIU New South Wales State Branch's principal activities resulted in a surplus for the financial year of \$25,065.

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**NEW SOUTH WALES BRANCH**

**OPERATING REPORT (cont'd)**

**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.

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 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.

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

**NEW SOUTH WALES BRANCH**

**OPERATING REPORT (cont'd)**

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

**Salaries**

The New South Wales Branch's top five salary rates are as follows:

Level	Position	Per Annum
4	Organiser	\$80,678.00
5	Senior Organiser	\$84,708.00
6	Team Leader/Assistant State Secretary Level 1	\$88,977.20
7	Assistant State Secretary Level 2	\$95,178.20
8	State Secretary	\$100,755.20

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.

The identity of the officers of the New South Wales Branch who are the two highest paid in terms of relevant remuneration for the year ended 30 September 2015, are as follows:

Position	Name	Salary, Super & Service Increment	Travel & Other Allowances	Non-Cash Benefits
State Secretary	Tim Ayres	\$118,406.84	\$1,155.00	Provision of a Motor Vehicle
Assistant State Secretary	Steve Murphy	\$112,543.39	\$805.16	Provision of a Motor Vehicle

The following Officer left the employment of the New South Wales Branch during the year ended 30 September 2015 and, in addition to their base salary and allowances for the period worked, they received payment for their accrued Long Service Leave and/or Annual Leave entitlements and/or a separation package consistent with National Council policy:

Position	Name	Relevant Remuneration	Non-Cash Benefits
Assistant State Secretary	Andrew Currie	\$116,125.47	Provision of a Motor Vehicle

**Board Fees**

Board Fees received by the New South Wales Branch on behalf of employees who are members of external boards, are as follows:

Organisation	Amount received
Workers Compensation Dust Diseases Board	\$9,442



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

### **NEW SOUTH WALES BRANCH**

Mechanical & Electrical Redundancy Trust	\$2,500
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### **OPERATING REPORT (cont'd)**

#### Key Relationships

The AFMEPKIU New South Wales State Branch 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:

<b>Supplier</b>	
<b>Financial Services</b>	<b>Travel Services</b>
GIO Workers Compensation (NSW)	Carlson Wagonlit Travel
Warren Saunders Insurance Brokers	Qantas
BDO East Coast Partnership	
<b>Legal Services</b>	<b>Vehicle Services</b>
Turner Freeman Lawyers	Bodyworks Smash Repairs
<b>Printing &amp; Publicity Services</b>	Summit Leasing Pty Ltd
Staples Australia Pty Ltd	
G & G Trade Publishing & Distribution	

#### Officers' Material Personal Interests

For the year ended 30 September 2015, the Officers of the AFMEPKIU New South Wales State Branch have declared no material personal interests.

#### Payments to related parties or declared persons

For the year ended 30 September 2015, the AFMEPKIU New South Wales State Branch has made no reportable payments to any related party or declared person or body of the Union.

#### State Officers or Members who are 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:

<b>Name of officer or member</b>	<b>Superannuation Fund</b>	<b>Position Held</b>
Nil	Nil	Nil

#### 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 Fair Work (Registered Organisations) Regulations 2009**

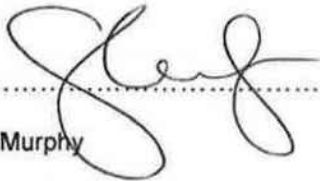
- (a) The number of persons who were recorded in the register of members on 30 September 2015 was 19,884.
- (b) The number of persons who were employees of the reporting unit on 30 September 2015 was 0.
- (c) The name of each person who has been a member of State Council, at any time during the reporting period, and the period for which he or she held such a position is as follows:

<b>Name</b>	<b>Period Position Held</b>
Tim Ayres	01.10.2014 to 30.09.2015
Steve Murphy	01.10.2014 to 30.09.2015
Peter Tully	01.10.2014 to 30.09.2015
Mark Pearce	01.10.2014 to 30.09.2015
Heidi Kaushal	01.10.2014 to 30.09.2015
Robyn Fortescue	01.10.2014 to 30.09.2015
Vanessa Seagrove	01.10.2014 to 30.09.2015
Andrew Currie	01.10.2014 to 31.12.2014
Sean Morgan	01.10.2014 to 30.09.2015
George Simon	01.10.2014 to 30.09.2015
Bradley Hattenfels	01.10.2014 to 30.09.2015
Gavin Bubb	01.10.2014 to 30.09.2015
William Simmons	01.10.2014 to 30.09.2015
Greg Duncan	01.10.2014 to 30.09.2015
Marian Dzurik	01.10.2014 to 30.09.2015
Jennifer Tynan	01.10.2014 to 30.09.2015
Frank Sundinuhi	01.10.2014 to 30.09.2015
Nellie Holtz	01.10.2014 to 14.02.2015
Wayne Sweetman	01.10.2014 to 30.09.2015
Peter Oliveira	01.10.2014 to 30.09.2015
Geoff Wallace	01.10.2014 to 30.09.2015
Neil Walsham	01.10.2014 to 30.09.2015
Cory Wright	01.10.2014 to 30.09.2015
Glenn Wilcox	01.10.2014 to 30.09.2015
Margaret Hay	01.10.2014 to 30.09.2015
Rod MacLennan	01.10.2014 to 30.09.2015
Chris Mooney	01.10.2014 to 30.09.2015
George Glyntzos	01.10.2014 to 30.09.2015
David Lonsdale	01.10.2014 to 30.09.2015
Peter Perras	01.10.2014 to 15.05.2015
Kelly O'Driscoll	01.10.2014 to 30.09.2015
Ben Sass	01.10.2014 to 23.01.2015
William Motto	01.10.2014 to 30.09.2015
Mark Aubrey	01.10.2014 to 30.09.2015
Alan Rawlinson	01.10.2014 to 30.09.2015
Graeme Robinson	01.10.2014 to 30.09.2015
Frank Kenny	01.10.2014 to 14.02.2015
Tom Shiner	01.10.2014 to 30.09.2015

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UNION**

**NEW SOUTH WALES BRANCH**

Signed in accordance with a resolution of State Council



.....  
Steve Murphy

Assistant State Secretary



.....  
Tim Ayres

State Secretary

11 December 2015

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

**NEW SOUTH WALES BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**

On 11 December 2015 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 2015.

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;
- (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 2015;
- (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 2015 and since the end of the financial year:
  - (i) meetings of the Branch committee of management were held in accordance with the rules of the organisation; and
  - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation; and
  - (iii) the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
  - (iv) as the organisation consists of two or more reporting units, the financial records of the Branch 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 Branch or General Manager duly made under Section 272 of the RO Act has been provided to the member or General Manager; and
  - (vi) no orders for inspection of financial records have been made by Fair Work Commission under section 273 of the RO Act.
- (f) during the financial year ended 30 September 2015 the Branch did not participate in any recovery of wages activity

This declaration is made in accordance with a resolution of the New South Wales State Council:



New South Wales Secretary – Tim Ayres

11 December 2015

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

**NEW SOUTH WALES BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	Note	2015 \$	2014 \$
<b>INCOME</b>			
Membership Contributions	1(a)(i)	-	-
Remittances from National Council General Fund		1,119,086	1,243,891
Board Fees		11,942	11,302
Interest Received		4	7
<b>TOTAL INCOME</b>		<u>1,131,032</u>	<u>1,255,200</u>
<b>EXPENDITURE</b>			
Affiliation fees	4(a)	97,051	89,856
Bank charges		363	338
Capitation fees		-	-
Consideration to employers for payroll deductions		-	-
Compulsory levies		-	-
Conference & meeting expenses – external		-	2,261
Conference & meeting expenses – internal		29,633	12,951
Delegation/employee expenses – office holders		83,831	64,196
Delegation/employee expenses – other employees		51,280	77,579
Delegation expenses – members		83,757	92,535
Fees/allowances – meeting and conferences		-	-
Freight		184	-
General office expenses		130,511	155,663
Grants or donations	4(b)	1,691	3,272
Insurance		27,831	52,453
Motor vehicle expenses		161,587	222,546
Newsletter expenses		37,840	32,373
Payroll tax		247,749	255,856
Penalties – via RO Act or RO Regulations		-	-
Photocopying		4,431	3,485
Postage		27,221	25,310
Printing		622	-
Publicity		17,395	94,052
Professional services	5	86,012	68,902
Research		1,038	1,616
Stationery		12,085	16,052
Telephone		3,855	2,776
<b>TOTAL EXPENDITURE</b>		<u>1,105,967</u>	<u>1,274,072</u>
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR</b>		<u>25,065</u>	<u>(18,872)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>25,065</u>	<u>(18,872)</u>

The above statement should be read in conjunction with the notes

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

**NEW SOUTH WALES BRANCH**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2015**

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	14,493	9,758
Receivables	7	-	19,311
		<u>14,493</u>	<u>29,069</u>
<b>Total Current Assets</b>		<u>14,493</u>	<u>29,069</u>
<b>TOTAL ASSETS</b>		<u>14,493</u>	<u>29,069</u>
<b>TOTAL LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	8	32,285	71,926
Employee provisions	1(a)(iii)	-	-
		<u>(17,792)</u>	<u>(42,857)</u>
<b>NET LIABILITIES</b>		<u>(17,792)</u>	<u>(42,857)</u>
<b>ACCUMULATED LOSSES</b>		<u>(17,792)</u>	<u>(42,857)</u>

The above statement should be read in conjunction with the notes

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UNION**

**NEW SOUTH WALES BRANCH**

**STATEMENT OF CHANGES IN ACCUMULATED LOSSES  
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	<b>Accumulated Losses \$</b>
<b>Balance at 30 September 2013</b>	(23,985)
Net deficit for the year	(18,872)
Total comprehensive income for the year	<u>(18,872)</u>
<b>Balance at 30 September 2014</b>	<u>(42,857)</u>
Net surplus for the year	25,065
Total comprehensive income for the year	<u>25,065</u>
<b>Balance at 30 September 2015</b>	<u>(17,792)</u>

The above statement should be read in conjunction with the notes

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

**NEW SOUTH WALES BRANCH**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	Note	2015 \$	2014 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Remittances from National Council	9(c)	1,119,086	1,243,891
Board fees received		11,942	-
Interest received		4	7
Payments to suppliers and employees		<u>(1,126,297)</u>	<u>(1,236,497)</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	9(b)	<u>4,735</u>	<u>7,401</u>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		4,735	7,401
Cash at the beginning of the year		<u>9,758</u>	<u>2,357</u>
<b>CASH AT THE END OF THE YEAR</b>	9(a)	<u>14,493</u>	<u>9,758</u>

The above statement should be read in conjunction with the notes



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**NEW SOUTH WALES BRANCH**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PREPARATION**

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union New South Wales Branch is a not-for-profit entity.

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 RO Act. The Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union New South Wales Branch is a Branch of the registered organisation. In accordance with the RO Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Branch are not subject to the Corporations Act 2001.

The financial report has been prepared on an accrual basis and in accordance with historical cost. 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.

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**NEW SOUTH WALES BRANCH**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015 (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 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) 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.

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**NEW SOUTH WALES BRANCH**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015 (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. The State Council does not provide any financial support to any other Branch of the AFMEPKIU.

**c) Adoption of New Australian Accounting Standard requirements**

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year and have not been impacted by any new standards adopted in the current financial year.

**d) Future Australian Accounting Standard requirements**

There have been no accounting standards issued prior to the sign off date, but not yet effective, which will have a material impact on the financial report in future periods.

**2. ACCOUNTING ESTIMATES AND JUDGEMENTS**

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 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 judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

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**NEW SOUTH WALES BRANCH**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015 (Cont'd)**

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

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 Fair Work (Registered Organisations) Act 2009 which read as follows:

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

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>4a. Affiliation Fees</b>		
Australia Labor Party ALP	1,656	1,599
Combined Pensioners & Super Association NSW	-	96
Combined Retired Union Members Association of NSW	50	50
Hiroshima Day Committee	109	-
Newcastle Trades Hall	6,983	6,523
NSW Left	-	430
Philippines Australia Union Link	-	50
South Coast Labor Council	4,519	4,476
Sydney May Day Committee	455	-
Tranby Aboriginal Committee	4	-
Unions ACT	4,715	-
Unions NSW	76,996	75,124
Workers Educational Association Sydney	68	68
Workers Health Centre	1,498	1,440
	<u>97,051</u>	<u>89,856</u>
<b>4b. Grants or Donations \$1,000 or less</b>		
Grants	-	-
Donations	1,691	3,272
	<u>1,691</u>	<u>3,272</u>
<b>Grants or Donations over \$1,000</b>		
Grants	-	-
Donations	-	-
	<u>-</u>	<u>-</u>

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**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015 (Cont'd)**

	2015	2014
	\$	\$
<b>5. PROFESSIONAL SERVICES</b>		
Auditors - Auditing the financial report	4,000	17,000
- Other Services	-	-
<b>Legal Costs</b>		
Litigation	44,300	51,902
Other Legal Matters	<u>37,712</u>	<u>-</u>
	<u>86,012</u>	<u>68,902</u>
<b>6. CASH AND CASH EQUIVALENTS</b>		
Cash at Bank	<u>14,493</u>	<u>9,758</u>
<b>7. RECEIVABLES</b>		
<b>Receivable from other reporting units</b>		
Net amount receivable - National Council	-	-
Less provision for doubtful debts	<u>-</u>	<u>-</u>
<b>Other Receivables</b>		
Prepayments	<u>-</u>	<u>19,311</u>
	<u>-</u>	<u>19,311</u>
<b>8. TRADE AND OTHER PAYABLES</b>		
Trade and other payables	32,285	71,926
Other payables – legal costs	-	-
Consideration to employers for payroll deductions	-	-
Payables to other reporting units	<u>-</u>	<u>-</u>
	<u>32,285</u>	<u>71,926</u>

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	2015 \$	2014 \$
<b>9. CASH FLOW</b>		
(a) For the purposes of the statement of cash flows, cash includes the following:		
Cash at bank	<u>14,493</u>	<u>9,758</u>
(b) Reconciliation of cash flow from operations with Net Surplus/(Deficit)		
Net Surplus/(Deficit)	25,065	(18,871)
Changes in Assets and Liabilities:		
Decrease/(increase) in receivables	19,311	(2,990)
(Decrease)/increase in payables	<u>(39,641)</u>	<u>29,262</u>
<b>CASH FLOW FROM OPERATIONS</b>	<u>4,735</u>	<u>7,401</u>
(c) <b>CASH FLOW INFORMATION – Reporting Units</b>		
Cash inflows		
Remittances from National Council	<u>1,119,086</u>	<u>1,243,891</u>
Cash outflows	<u>-</u>	<u>-</u>
<b>10. RELATED PARTIES</b>		
(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 statement of comprehensive income.		
(ii) There were no amounts receivable from the National Office as at 30 September 2015 (2014: nil).		

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**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015 (Cont'd)**

**11. 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 (e) below), liquidity risk and credit risk.

The State Council has 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.

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:

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	<u>14,493</u>	<u>9,758</u>
Receivable - National Council	-	-
Sundry Debtors	<u>-</u>	<u>-</u>
Total receivables	<u>-</u>	<u>-</u>

There has been no history of default, no amounts are past due and all

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receivables are likely to be repaid within the expected terms.

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015 (Cont'd)**

**11. 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 2015 it had \$14,493 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 September 2015 total \$32,285

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).

(e) *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 2015	Floating interest rate	Non interest Bearing	Total
	\$	\$	\$
<b>Financial Assets</b>			
Cash and cash equivalents	14,493	-	14,493
Receivables	-	-	-
	14,493	-	14,493
Weighted average Interest rate	0.01%		
<b>Financial Liabilities</b>			
Payables	-	(32,285)	(32,285)
<b>Net Financial</b>	14,493	(32,285)	(17,792)



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**Assets/(Liabilities)**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015 (Cont'd)**

**11. FINANCIAL RISK MANAGEMENT (Cont'd)**

*(e) Interest rate risk (Cont'd)*

<b>30 September 2014</b>	<b>Floating interest rate</b>	<b>Non interest bearing</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>			
Cash and cash equivalents	9,758	-	9,758
Receivables	-	-	-
	<u>9,758</u>	<u>-</u>	<u>9,758</u>
Weighted average Interest rate	0.01%		
<b>Financial Liabilities</b>			
Payables	-	(71,926)	(71,926)
<b>Net Financial Assets</b>	<u>9,758</u>	<u>(71,926)</u>	<u>(62,168)</u>

**Sensitivity Analysis**

<b>2015</b>	<b>Carrying Amount</b>	<b>+0.5% (50 basis points) Profit</b>	<b>-0.5% (50 basis points) Loss</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash Assets	<u>14,493</u>	<u>72</u>	<u>(72)</u>
<b>2014</b>			
Cash Assets	<u>9,758</u>	<u>49</u>	<u>(49)</u>

*(f) 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.

*(g) Foreign Exchange Risk*

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

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2015 (Cont'd)**

**12. SUBSEQUENT EVENTS**

There were no events that occurred after 30 September 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

**13. CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS**

There are no contingent liabilities, assets or commitments as at 30 September 2015.

**14. KEY MANAGEMENT PERSONNEL COMPENSATION**

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

**15. ADDITIONAL BRANCH INFORMATION**

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

133 Parramatta Road  
Granville NSW 2142

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Report

We have audited the accompanying 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 2015, the statement of comprehensive income, statement of changes in accumulated losses and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and committee of management statement.

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

The Committee of Management and the Branch Secretary are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of *the Fair Work (Registered Organisations) Act 2009* and is appropriate to meet the needs of the members.

The Committee of Management and the Branch Secretary's responsibility also includes such internal control as they determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management and Branch 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.



### **Independence**

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board as well as the *Fair Work (Registered Organisations) Act 2009*.

### **Opinion**

In our opinion:

- (a) the general purpose financial report of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch is in accordance with the *Fair Work (Registered Organisations) Act 2009*, including:
  - (i) presenting fairly the entity's financial position as at 30 September 2015 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards to the extent described in Note 1, and the *Fair Work (Registered Organisations) Act 2009*.
- (b) management's use of the going concern basis of accounting in the preparation of the financial report of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, New South Wales Branch is appropriate.

### **Report on the recovery of wages activity**

The Committee of management and the Branch Secretary are responsible for the preparation and presentation of the recovery of wages activity in accordance with section 253(2)(c) of the *Fair Work (Registered Organisations) Act 2009*. Our responsibility is to express an opinion on the recovery of wages activity within the financial report, based on our audit conducted in accordance with Australian Accounting Standards.

We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management and Branch Secretary to include within the scope of the audit any recovery of wages activity.

### **Auditor's qualification**

We confirm that Grant Saxon:

- (a) is an approved auditor;
- (b) is a person who is a member of The Institute of Chartered Accountants in Australia; and
- (c) holds a current Public Practice Certificate.

### **BDO East Coast Partnership**

**Grant Saxon**  
**Partner**

Sydney, 11 December 2015