



**Australian Government**  
**Australian Industrial Registry**

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Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7882  
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Email: [michelle.baldini@air.gov.au](mailto:michelle.baldini@air.gov.au)

Mr Dave Oliver  
National Secretary  
Automotive, Food, Metals, Engineering  
Printing and Kindred Industries Union  
Level 4  
33-137 Parramatta Road  
GRANVILLE NSW 2142

Attention Mr Warren Soos, National Finance Officer

Dear Mr Oliver,

**Re: Financial Reports for the Year Ended 30th September 2007 - Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

**National Council – FR2007/516**  
**Victorian Branch – FR2007/521**  
**Queensland Branch – FR2007/518**  
**Tasmanian Branch – FR2007/520**

**Western Australian Branch – FR2007/522**  
**South Australian Branch – FR2007/519**  
**New South Wales Branch – FR2007/517**

Thank you for the financial reports of the above named organisation and its branches for the year ended 30 September 2007. The documents were lodged in the Industrial Registry on 27 March 2008.

Before I can file several of the financial reports I require you to attend to the matters set out below.

**Auditor's Opinion – National General and Political Fund, New South Wales, South Australia and Western Australia**

In the above reports, the Auditor's opinion use the term "true and fair view". The term "true and fair view" was used in the superseded legislation. Subsection 257(5) of the RAO Schedule sets out the matters upon which an auditor is required to make an opinion on whether the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the RAO Schedule. The following wording in the auditor's opinion would satisfy the requirements:

*"In our 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 the RAO Schedule of the Workplace Relations Act 1996".*

You are requested to provide an Auditor's Report containing the correct Auditor's opinion for the above funds and branches.

**Auditor's Qualifications - National General and Political Fund, New South Wales, South Australia and Western Australia**

As you are required to secure another auditor's opinion I would be pleased if the amended report provides details of the Auditor's qualifications to confirm he or she is an 'approved auditor' under s256 of the RAO Schedule and Regulation 4 of the RAO Regulations.

Regulation 4 defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants and holds a current Public Practice Certificate. It is our view that the auditor's qualifications should be apparent on the face of the report.

### **Auditor's Opinion - Tasmania**

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 Australian Accounting Standards or the RAO Schedule.

You are therefore requested to provide an Auditor's Report 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.*

### **Auditor's Qualifications - Tasmania**

I reiterate my comments above.

On receipt of the abovementioned documents the relevant financial reports will be filed.

### **Preparation of future reports**

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of these comments for this financial year.

### **GPFR – Disclosure of Expenditure – National General Fund**

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));

We note that in your Notes to Financial Statements, Note 11 is headed "Delegation/Employee Expenses". We assume that these expenses are quite probably a combination of the above and should be disclosed separately. Alternatively, if they relate only to conference and meeting expenses then the amount should be disclosed under that, or a similar, heading in future financial years' statements.

### **Notes to Financial Statements – New South Wales**

We note that in your Notes to Financial Statements, Note 1 'Basis of Preparation' states that the "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."

Please be advised that under Schedule 1 of the *Workplace Relations Act 1996*, the financial reports only relate to the Branch of the registered organisation under the *Workplace Relations Act 1996* and not the state registered organisation.

### **References to Schedule 1B – South Australia**

The Committee of Management's Report and Note 3 of Notes to Financial Statements contains references to Schedule 1B of the *Workplace Relations Act 1996*. Such references should now be to Schedule 1 or the RAO Schedule.

### **Auditor's Qualifications - Victoria**

In future financial years the Auditor's Report should be amended so that it provides details of the Auditor's qualifications to confirm he or she is an 'approved auditor' under s256 of the RAO Schedule and Regulation 4 of the RAO Regulations.

Regulation 4 defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants and holds a current Public Practice Certificate.

### **Summary**

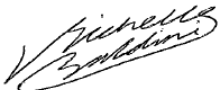
Accordingly, in order to secure compliance with your obligations under the RAO Schedule, I require you to re-file with the Registry Auditor's Reports, addressing the above concerns, for the following funds and branches:

- National General Fund;
- National Political Fund;
- New South Wales Branch;
- South Australian Branch;
- Tasmanian Branch;
- Western Australian Branch.

The financial reports of the Victorian Branch and the Queensland Branch have been filed.

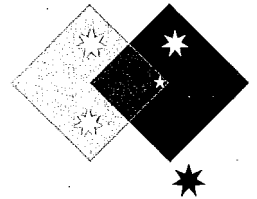
If you wish to discuss this matter I can be contacted on (03) 8661 7882 or by email at [michelle.baldini@air.gov.au](mailto:michelle.baldini@air.gov.au).

Yours sincerely



Michelle Baldini  
Statutory Services Branch

8 April 2008



**AMWU**

Receipt  
Acknowledged  
27/3/08



13 March, 2008

The Industrial Registrar  
Australian Industrial Registry  
GPO Box 1994  
Melbourne Vic 3001

Attention: Robert Pfeiffer

Dear Sir,

Re: **Lodgement of the Full Reports and Certificates of Secretaries  
for the financial year ended 30 September 2007 - Automotive, Food,  
Metals, Engineering, Printing and Kindred Industries Union**

Please find enclosed copies of the Full Report of the reporting units together with certificates of the prescribed designated officers of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union.

This lodgement is made in accordance with the Workplace Relations Act 1996, section 268 – Reports etc. to be lodged in the Industrial Registry.

Yours sincerely,

DAVE OLIVER  
NATIONAL SECRETARY

Australian Manufacturing  
Workers' Union  
Registered as AFMEPKIU  
National Office  
Level 4  
133 Parramatta Road  
Granville NSW 2142  
Telephone: 02 9897 9133  
Facsimile: 02 9897 9274  
amwu@amwu.asn.au

FR 2007/518  
Full. Cons

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

**QLD STATE COUNCIL**

**CERTIFICATE OF STATE SECRETARY**

I Andrew Dettmer, being the State Secretary of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Qld State Council certify:

- that the documents lodged herewith are copies of the Full Report, referred to in section 268 of the RAO Schedule; and
- that the Full Report was provided to members in the month of January 2008; 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 QLD State Council on 5<sup>th</sup> March, 2008 in accordance with section 266 of the RAO Schedule.

State Secretary  
Andrew Dettmer

Signature



Date

5/3/08





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

**QUEENSLAND BRANCH**

**FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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

## **QUEENSLAND 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, **Queensland** Branch for the financial year ended 30 September 2007.

#### **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 Queensland State Council's principal activities resulted in a loss of \$18,679.00

#### **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**

**QUEENSLAND 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 (State) 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>
Ian McComb	AUST(Q)	Director

**Other Relevant Information**

Nothing to report.



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

**QUEENSLAND 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 2007 was 17,381
- (b)
- (c) The number of persons who were employees of the reporting unit on 30 September 2007 was 30.4, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis.
  
- (d) 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
Kel Creedy	01/10/06 to 30/09/07
Anthony Head	01/10/06 to 30/09/07
Marcus Evans	01/10/06 to 30/09/07
Andrew K Dettmer	01/10/06 to 30/09/07
Peter H Lees	01/10/06 to 27/07/07
Warren Butler	01/10/06 to 30/09/07
Daniel Dougherty	01/10/06 to 30/09/07
Rohan Webb	01/10/06 to 30/09/07
Darren Trask	01/10/06 to 30/09/07
David Fyffe	01/10/06 to 24/05/07
Robert Allen	01/10/06 to 30/09/07
Patrick Elliott	01/10/06 to 30/09/07
Terry Chandler	01/10/06 to 30/09/07
Bernie Misztal	01/10/06 to 30/09/07
Gavin Janes	01/10/06 to 30/09/07
Christopher Harper	01/10/06 to 30/09/07
Michael Forman	01/10/06 to 30/09/07
Edward Couch	01/10/06 to 30/09/07
Tracey Edgar	01/10/06 to 30/09/07
Brad Geinitz	01/10/06 to 30/09/07
Darren Genrich	01/10/06 to 30/09/07
Frederick Hempseed	23/08/07 to 30/09/07
Brian Devlin	1/10/06 to 30/09/07


Signed in accordance with a resolution of State Council

  
.....

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

**QUEENSLAND BRANCH**

State President – Kel Creedy

.....  


State Secretary – Andrew Dettmer

*30<sup>th</sup> November, 2007*

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

**QUEENSLAND BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**

On the 30<sup>th</sup> November, 2007) the State Council of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union Queensland Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the State Council for the year ended 30 September 2007.

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 2007;
- (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;
- (e) during the financial year ended 30 September 2007 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 RAO Schedule and the RAO Regulations; 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 the RAO Schedule; and
  - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the RAO Schedule.
- (f) during the financial year ended 30 September 2007 the Branch did not participate in any recovery of wages activity.

For the Queensland State Council:

  
.....  
State Secretary – Andrew Dettmer

30<sup>th</sup> November, 2007

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

**QUEENSLAND BRANCH**

**INCOME STATEMENT FOR THE  
YEAR ENDED 30 SEPTEMBER 2007**

	Note	2007 \$	2006 \$
<b>INCOME</b>			
Remittances from National Council			
- General Fund		1,116,709	1,031,301
- Local Purpose Allocation		5,163	5,416
Interest Received		<u>766</u>	<u>907</u>
<b>TOTAL INCOME</b>		<u>1,122,638</u>	<u>1,037,624</u>
<b>EXPENDITURE</b>			
Affiliation Fees		76,185	66,649
Bank Charges		1,579	1,375
Computing		288	788
Delegation Expenses – Employees		84,881	66,783
Delegation Expenses - Members		121,227	139,158
Delegation Expenses – Officeholders		70,839	76,163
Donations		10,160	7,995
General Office Expenses		60,467	65,981
Insurance		10,933	12,975
Motor Vehicle Expenses		118,208	136,470
Newsletter Expenses		18,075	17,156
Payroll Tax		105,945	109,034
Photocopying		18,740	25,643
Postage		34,494	32,280
Printing		2,835	-
Publicity		148,931	103,471
Professional Services	4	149,360	41,307
Research		8,911	7,945
Stationery		19,751	20,378
Telephone		<u>79,508</u>	<u>83,591</u>
<b>TOTAL EXPENDITURE</b>		<u>1,141,317</u>	<u>1,015,142</u>
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<u>(18,679)</u>	<u>22,482</u>

(The attached Notes form part of the financial report)

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

**QUEENSLAND BRANCH**

**BALANCE SHEET  
AS AT 30 SEPTEMBER 2007**

	Note	2007 \$	2006 \$
<b>ACCUMULATED FUNDS</b>		<u>50,739</u>	<u>69,418</u>
Represented by Net Assets as Follows:			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5	8,803	10,571
Receivables	6	<u>49,605</u>	<u>61,491</u>
<b>Total Current Assets</b>		<u>58,408</u>	<u>72,062</u>
<b>TOTAL ASSETS</b>			
<b>LIABILITIES</b>			
Payables	7	<u>7,669</u>	<u>2,644</u>
<b>TOTAL LIABILITIES</b>		<u>7,669</u>	<u>2,644</u>
<b>NET ASSETS</b>		<u>50,739</u>	<u>69,418</u>

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

	Accumulated Funds \$
<b>Balance at 1 October 2005</b>	46,936
Net Surplus/(Deficit) for Year	<u>22,482</u>
<b>Balance at 30 September 2006</b>	69,418
Net Surplus/(Deficit) for the Year	<u>(18,679)</u>
<b>Balance at 30 September 2007</b>	<u>50,739</u>

(The attached Notes form part of the financial report)

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

**QUEENSLAND BRANCH**

**CASH FLOW STATEMENT FOR THE  
YEAR ENDED 30 SEPTEMBER 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Remittances from National Council		
- General Fund	1,116,709	1,031,301
- Local Purpose Allocation	5,163	5,416
Interest Received	766	907
Payments to Suppliers and Employees	<u>(1,124,406)</u>	<u>(1,035,176)</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	8(b) <u>(1,768)</u>	<u>2,448</u>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	(1,768)	2,448
Cash at Beginning of Year	<u>10,571</u>	<u>8,123</u>
<b>CASH AT END OF YEAR</b>	8(a) <u>8,803</u>	<u>10,571</u>

(The attached Notes form part of the financial report)

QUEENSLAND BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2007

**1. STATEMENT OF ACCOUNTING POLICIES**

This financial report is a general purpose report that has been prepared in accordance with the Australian Equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Workplace 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 Queensland Branch, and in accordance with the Workplace Relations Act, 1996 the Queensland Branch is a reporting unit. The Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union is an organisation registered under the Workplace Relations Act. 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. Receivables and Payables shown in the Balance Sheet are accumulations of payments and receipts awaiting clearance in future periods.

There were no adjustments required to assets, liabilities or accumulated funds as a result of the introduction of AIFRS in the financial report prepared for the year ended 30 September 2006.

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

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

## QUEENSLAND BRANCH

### NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2007 (Cont'd)

#### 1. STATEMENT OF ACCOUNTING POLICIES (Cont'd)

The Queensland Branch operates as a branch of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union.

##### **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.

##### **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.

##### **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.

##### **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.

##### **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.

##### **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.

##### **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.



QUEENSLAND BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2007 (Cont'd)

1. STATEMENT OF ACCOUNTING POLICIES (Cont'd)

**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 Queensland 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 assets and liabilities.

(b) **Critical Judgements in Applying the Queensland 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 1 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) An 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

QUEENSLAND BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2007 (Cont'd)

	2007	2006
	\$	\$
<b>4. PROFESSIONAL SERVICES</b>		
Auditors - Auditing the financial report	13,475	12,690
- Other Services	<u>-</u>	<u>-</u>
	13,475	12,690
Legal Expenses	<u>135,885</u>	<u>28,617</u>
	<u>149,360</u>	<u>41,307</u>
<b>5. CASH AND CASH EQUIVALENTS</b>		
Cash at Bank	<u>8,803</u>	<u>10,571</u>
<b>6. RECEIVABLES</b>		
Net amount receivable – National Council	49,605	46,491
Sundry Debtors	<u>-</u>	<u>15,000</u>
	<u>49,605</u>	<u>61,491</u>
<b>7. PAYABLES</b>		
Net amount payable - National Council	2,500	-
Other	<u>5,169</u>	<u>2,644</u>
	<u>7,669</u>	<u>2,644</u>
<b>8. CASH FLOW INFORMATION</b>		
(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>8,803</u>	<u>10,571</u>
(b) Reconciliation of Cash Flow from Operations with Net Surplus (Deficit)		
Net Surplus (Deficit)	(18,679)	22,482
<b>Changes in Assets and Liabilities</b>		
(Increase)/decrease in Receivables	11,886	(22,494)
Increase/(decrease) in Creditors	<u>5,025</u>	<u>2,460</u>
<b>CASH FLOWS FROM OPERATIONS</b>	<u>(1,768)</u>	<u>2,448</u>

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

**QUEENSLAND BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2007 (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 disclosed 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 or Payable to the National Office are as follows:

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
Net amounts receivable - National Office	49,605	61,491
Net amounts payable – National Office	2,500	-

During the 2006/07 financial year, the AMWU National Council remitted to the Queensland Branch GST debt outstanding of \$88,291 (2005/06 \$73,698).

**10. SUBSEQUENT EVENTS**

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

**11. CONTINGENT LIABILITIES**

There were no contingent liabilities at 30 September 2007.

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

QUEENSLAND BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2007 (Cont'd)

12. 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 2007	Floating interest rate	Non interest bearing	Total
	\$	\$	\$
<b>Financial Assets</b>			
Cash	8,803	-	8,803
Receivables	<u>-</u>	<u>49,605</u>	<u>49,605</u>
	<u>8,803</u>	<u>49,605</u>	<u>58,408</u>
Weighted Average Interest Rate	1.2%		
<b>Financial Liabilities</b>			
Payables	<u>-</u>	<u>7,669</u>	<u>7,669</u>
	<u>-</u>	<u>7,669</u>	<u>7,669</u>
<b>Net Financial Assets/(Liabilities)</b>	<u>8,803</u>	<u>41,936</u>	<u>50,739</u>
30 September 2006	Floating interest rate	Non interest bearing	Total
	\$	\$	\$
<b>Financial Assets</b>			
Cash	10,571	-	10,571
Receivables	<u>-</u>	<u>61,491</u>	<u>61,491</u>
	<u>10,571</u>	<u>61,491</u>	<u>72,062</u>
Weighted Average Interest Rate	1.20%		
<b>Financial Liabilities</b>			
Payables	<u>-</u>	<u>2,644</u>	<u>2,644</u>
	<u>-</u>	<u>2,644</u>	<u>2,644</u>
<b>Net Financial Assets/(Liabilities)</b>	<u>10,571</u>	<u>58,847</u>	<u>69,418</u>

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

**QUEENSLAND BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2007 (Cont'd)**

**12. 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.

**13. ADDITIONAL BRANCH INFORMATION**

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

Union House - Level 1, 366 Upper Roma Street  
Brisbane Qld 4000

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

**QUEENSLAND BRANCH**

**INDEPENDENT AUDIT REPORT**

To the members of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Queensland Branch.

**Scope**

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

The financial report comprises the balance sheet, income statement, statement of cash flows, accompanying notes to the financial statements and the state council's statement for the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Queensland Branch, for the year ended 30 September 2007.

The state council and branch secretary are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace 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 in order to express an opinion to the members of the Branch. Our Audit was 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 judgement, selective testing, the inherent limitations of internal control, 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, including compliance with Accounting Standards 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:

- (a) examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- (b) assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Branch and its 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**

**QUEENSLAND BRANCH**

**INDEPENDENT AUDIT REPORT**

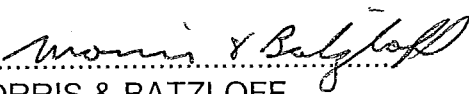
**Independence**

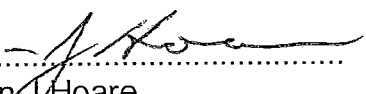
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

**Audit Opinion**

In our opinion the financial report of Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Queensland Branch is in accordance with:

- (a) The Workplace Relations Act 1996, including:
  - (i) presenting fairly the Branch's financial position as at 30 September 2007 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards; and
  - (iii) complying with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule 1 of the Act; and
- (b) Other mandatory professional reporting requirements in Australia.

  
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MORRIS & BATZLOFF  
Chartered Accountants

  
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Norman J Hoare  
Member of Institute of Chartered Accountants  
and Holder of Current Public Practice Certificate  
Registered Company Auditor  
96 Lytton Road, East Brisbane

*30th November, 2007*