



FAIR WORK  
AUSTRALIA

15 July 2010

Mr David Oliver  
National Secretary  
“Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the  
Australian Manufacturing Workers’ Union (AMWU)  
PO Box 160  
GRANVILLE NSW 2142  
By email: [amwu2@amwu.asn.au](mailto:amwu2@amwu.asn.au)

Attention: Ms Anne Urquhart, Tasmanian Branch Secretary  
[amwu@amwutas.asn.au](mailto:amwu@amwutas.asn.au)

Dear Mr Oliver,

**Part 3 of Chapter 8 of Fair Work (Registered Organisations) Act 2009 (RO Act)  
Financial reports for year ended 30 September 2009 for:**

<b>National Council</b>	<b>FR2009/10197</b>	<b>Western Australian Branch</b>	<b>FR2009/10193</b>
<b>Victorian Branch</b>	<b>FR2009/10194</b>	<b>South Australian Branch</b>	<b>FR2009/10199</b>
<b>Queensland Branch</b>	<b>FR2009/10198</b>	<b>New South Wales Branch</b>	<b>FR2009/10196</b>
<b>Tasmanian Branch</b>	<b>FR2009/10195</b>		

I refer to the above financial reports for the AMWU for the year ended 30 September 2009 which were lodged with Fair Work Australia on 30 March 2010. I apologise for the delay in responding to this matter.

All the above financial reports, with the exception of the Tasmanian Branch, have now been filed.

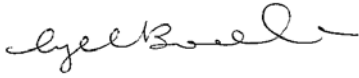
In regards to the financial report of the Tasmanian Branch of the AMWU, the lodged documents provided an unsigned copy of the auditor’s report. As you are aware, the full report that is presented to the committee of management in accordance to s266 of the RO Act and provided to the members in accordance to s265(5) must contain a signed and dated auditor’s report. I have followed up this matter with the Tasmanian Branch and their financial report will be filed in due course once this issue is resolved.

Comments to assist future financial reports

Subsection 254(2)(a) of the RO Act requires the operating report to contain 1) a review of the principal activities of the reporting unit; 2) the results of the principal activities; and 3) any significant changes in the nature of the principal activities. In addition to these requirements, subsection 243(2)(b) requires the operating report to give details of any significant changes in the reporting unit’s financial affairs during the year. I note that the operating reports addressed the requirements of subsection 254(2)(a) but not subsection 254(2)(b). Please ensure all the required information is provided in future operating reports.

If you have any queries regarding this letter I may be contacted on (03) 8661 7989 (Wednesdays - Fridays) or via email at [Cynthia.lobooth@fwa.gov.au](mailto:Cynthia.lobooth@fwa.gov.au).

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Cynthia Lo-Booth', with a stylized flourish at the end.

Cynthia Lo-Booth  
Tribunal Services and Organisations



23 March, 2010

The General Manager  
Fair Work Australia  
GPO Box 1994  
MELBOURNE VIC 3001

Attention: Robert Pfeiffer

Dear Sir,

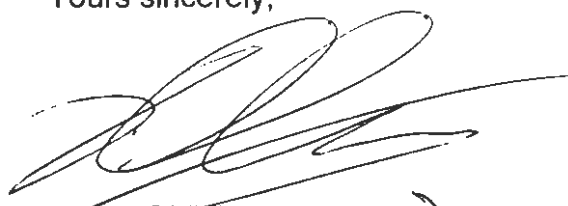
**Re: Lodgement of the Full Reports and Certificates of Secretaries  
for the financial year ended 30 September 2009**

**Automotive, Food, Metals, Engineering, Printing and Kindred Industries  
Union known as the Australian Manufacturing Workers' 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 known as the Australian Manufacturing Workers' Union.

This lodgement is made in accordance with the Fair Work (Registered Organisations) Act 2009, section 268 – Reports etc. to be lodged with FWA.

Yours sincerely,



DAVE OLIVER  
NATIONAL SECRETARY

Australian Manufacturing  
Workers' Union  
Registered as AFMEPKIU  
National Finance & Records  
Department  
Level 4 133 Parramatta Rd  
GRANVILLE NSW 2142  
PO Box 160 Granville 2142  
Telephone 02 9897 9133  
Facsimile 02 9897 9274  
amwu2@amwu.asn.au  
amwu@amwu.asn.au



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

**SA STATE COUNCIL**

**CERTIFICATE OF STATE SECRETARY**

I John Camillo, being the State Secretary of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union SA 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 2010; 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 SA State Council on *3rd February 2010* in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

State Secretary  
*John Camillo*

Signature

Date *3rd February 2010*

JOHN CAMILLO  
State Secretary  
Australian Manufacturing  
Workers' Union  
Registered as AFMEPKIU  
SA State Office  
1/229 Greenhill Road Dulwich  
SA 5065  
PO Box 1051  
GPO Adelaide SA 5001  
Telephone 08 8366 5800  
Facsimilies  
Metal, T&S, Food Divisions  
08 8364 2219  
Vehicle & Printing Divisions  
08 8364 0563  
amwusa@amwu.asn.au

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

**SOUTH AUSTRALIA BRANCH**

**FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2009**

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

## **SOUTH AUSTRALIA 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, South Australia Branch for the financial year ended 30 September 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 in a wide range of political issues.

#### **Significant Changes**

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

#### **Results of Principal Activities**

The AFMEPKIU South Australia State Branch's principal activities resulted in a surplus/(deficit) for the financial year of (\$26,237.00). During the year the Australian Industrial Registrar withdrew its exemption for the National Council to adopt a cash basis for preparing its financial report and mandated that it now adopt an accruals basis for preparing the report. The National Council has therefore prepared its financial report on an accruals basis for the year ended 30 September 2009. Consequently the Branch has also prepared its financial report on an accruals basis.

This is a change in accounting policy in that in previous years the Branch prepared its financial reports on a cash basis as they related to the income and expenditure of the Branch. The change in the accounting policy has not significantly affected the financial performance of the Branch for the year or its financial position as at year end.

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

**SOUTH AUSTRALIA 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**

**SOUTH AUSTRALIA BRANCH**

**OPERATING REPORT (cont'd)**

**Other Relevant Information**

The South Australia 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 who were recorded in the register of members on 30 September 2009 was 9,342.
- (b) The number of persons who were employees of the reporting unit on 30 September 2009 was 22.6, 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 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>
Alan Sibbons	1 October 2008 to 10 February 2009
Allan Matthews	1 October 2008 to 10 February 2009
Andrew Hermitte	1 October 2008 to 10 February 2009
Cathy Perry	1 October 2008 to 10 February 2009
Chris Matthews	1 October 2008 to 30 July 2009
Christopher Clark	1 October 2008 to 30 September 2009
Colin Fenney	1 October 2008 to 30 September 2009
Connie La Pietra	1 October 2008 to 31 December 2008
Craig Bald	1 October 2008 to 30 September 2009
Craig Larnar	1 October 2008 to 30 September 2009
Darrel Albino	1 October 2008 to 30 September 2009
Darren Thorpe	1 October 2008 to 10 February 2009
Derek Thomas	1 October 2008 to 30 September 2009
Fred Semmler	1 October 2008 to 30 September 2009
Heinz Joham	1 October 2008 to 30 September 2009
Ian Mortimer	1 October 2008 to 30 September 2009
John Camillo	1 October 2008 to 30 September 2009
Jon Gee	1 October 2008 to 30 September 2009
Joy Thiele	1 October 2008 to 30 September 2009
Leon Clark	1 October 2008 to 30 September 2009
Eamonn McGarry	1 October 2008 to 10 February 2009
Margaret Atkinson	1 October 2008 to 30 September 2009
Mark Emmerson	1 October 2008 to 31 December 2008
Mark Plunkett	1 October 2008 to 30 September 2009
Mick Hughes	1 October 2008 to 10 February 2009



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

**SOUTH AUSTRALIA BRANCH**

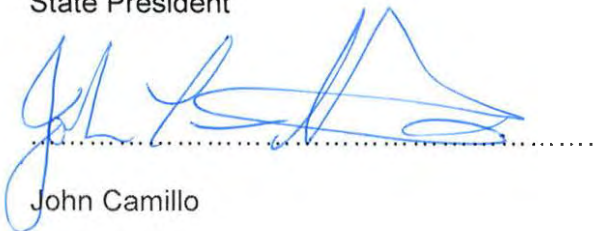
Mick Mango	1 October 2008 to 30 September 2009
Neville Rudloff	1 October 2008 to 10 February 2009
Nigel Alford	1 October 2008 to 30 September 2009
Noel O'Brien	1 October 2008 to 30 September 2009
Paul Brown	1 October 2008 to 30 September 2009
Paul Hudson	1 October 2008 to 30 September 2009
Paul Waldron	1 October 2008 to 30 September 2009
Peter Bauer	1 October 2008 to 30 September 2009
Ray Sara	1 October 2008 to 30 September 2009
Richard Wormald	1 October 2008 to 30 September 2009
Rocky Labbozzetta	1 October 2008 to 30 September 2009
Rod Parham	1 October 2008 to 30 September 2009
Ron Cook	1 October 2008 to 10 February 2009
Scott Batchelor	1 October 2008 to 30 September 2009
Steve McMillan	1 October 2008 to 30 September 2009
Susie Clayton	1 October 2008 to 30 September 2009
Wayne Barton	1 October 2008 to 30 September 2009
Wayne Bevan	1 October 2008 to 10 February 2009
William (John) Monaghan	1 October 2008 to 30 September 2009
Brendon Patchett	10 February 2009 to 30 September 2009
Scott Gates	10 February 2009 to 22 September 2009
Michael Etherington	22 September 2009 to 30 September 2009
John Short	4 February 2009 to 30 September 2009
Reno Forte	1 October 2008 to 4 February 2009

Signed in accordance with a resolution of State Council



Richard Wormald

State President



John Camillo

State Secretary

17<sup>th</sup> November 2009

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

**SOUTH AUSTRALIA BRANCH**

**OPERATING REPORT (cont'd)**

**COMMITTEE OF MANAGEMENT'S STATEMENT**

On 17th November 2009 the State Council of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union South Australia Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the State Council for the year ended 30 September 2009.

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 2009;
- (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 2009 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 2009 the South Australia State Council did not participate in any recovery of wages activity

For the South Australia State Council:

  
John Camillo  
State Secretary  
17<sup>th</sup> November 2009

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

**SOUTH AUSTRALIA BRANCH**

**INCOME STATEMENT FOR THE  
YEAR ENDED 30 SEPTEMBER 2009**

	Note	2009 \$	2008 \$
<b>INCOME</b>			
Remittances from National Council			
- General Fund		552764	643553
- Local Purpose Allocation		3646	4034
Interest Received		46	517
<b>TOTAL INCOME</b>		<u>556456</u>	<u>648104</u>
<b>EXPENDITURE</b>			
Affiliation Fees		52425	54094
Bank Charges		687	814
Computing		3191	1344
Conference & Meeting Expenses		27164	42739
Conference & Meeting Fees & Allowances		-	5475
Delegation/Employee Expenses – Officer Holders		44243	49278
Delegation/Employee Expenses – Other Employees		18069	16675
Delegation Expenses - Members		74415	99603
Donations		2927	3280
Freight		-	-
General Office Expenses		24520	16032
Insurance		30638	28598
Meeting Expenses		-	-
Membership Cards		-	-
Motor Vehicle Expenses		89659	105435
Newsletter Expenses		12690	17620
Payroll Tax		70983	80854
Photocopying		15804	18450
Postage		18711	16685
Printing		340	600
Publicity		12605	19839
Professional Services	5	15772	10650
Rent		-	-
Research		7888	12622
Stationery		16383	13422
Telephone		43579	45565
<b>TOTAL EXPENDITURE</b>		<u>582693</u>	<u>659674</u>
<b>NET SURPLUS/ (DEFICIT) FOR THE YEAR</b>		<u>(26237)</u>	<u>(11570)</u>

(The attached notes form part of the financial report)

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

**SOUTH AUSTRALIA BRANCH**

**BALANCE SHEET  
AS AT 30 SEPTEMBER 2009**

	Note	2009 \$	2008 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	4526	9526
Receivables	7	<u>2381</u>	<u>23618</u>
<b>Total Current Assets</b>		<u>6907</u>	<u>33144</u>
<b>TOTAL ASSETS</b>		<u>6907</u>	<u>33144</u>
<b>TOTAL LIABILITIES</b>			
<i>Advances</i>		<u>12245</u>	<u>12245</u>
<b>NET ASSETS</b>		<u>(5338)</u>	<u>20899</u>
<b>ACCUMULATED FUNDS</b>		<u>(5338)</u>	<u>20899</u>

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
FOR THE YEAR ENDED 30 SEPTEMBER 2009**

	Accumulated Funds \$
<b>Balance at 30 September 2007</b>	32469
Net Surplus (Deficit) for the Year	<u>(11570)</u>
<b>Balance at 30 September 2008</b>	20899
Net Surplus (Deficit) for the Year	<u>(26237)</u>
<b>Balance at 30 September 2009</b>	<u>(5338)</u>

(The attached notes form part of the financial report)

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

**SOUTH AUSTRALIA BRANCH**

**CASH FLOW STATEMENT FOR THE  
YEAR ENDED 30 SEPTEMBER 2009**

	<b>Note</b>	<b>2009</b> \$	<b>2008</b> \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Remittances from National Council			
-General Fund		552764	643135
-Local Purpose Allocation		3646	4452
Interest Received		46	517
Payments to Suppliers and Employees		<u>(561456)</u>	<u>(656414)</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	8(b)	<u>(5000)</u>	<u>(8310)</u>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>			
Cash at Beginning of Year		<u>9526</u>	<u>17836</u>
<b>CASH AT END OF YEAR</b>	8(a)	<u>4526</u>	<u>9526</u>

(The attached notes form part of the financial report)

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

## **SOUTH AUSTRALIA BRANCH**

### **NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2009**

#### **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 South Australia 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 South Australia 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**

## **SOUTH AUSTRALIA BRANCH**

### **NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2009 (Cont'd)**

#### **1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

The following is a summary of the significant accounting policies adopted by the South Australia 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) 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 balance sheet 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 cash flow statement on a gross basis.

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

**SOUTH AUSTRALIA BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2009 (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. CHANGE IN ACCOUNTING POLICY**

During the year the Australian Industrial Registrar withdrew its exemption for the National Council to adopt a cash basis for preparing its financial report and mandated that it now adopt an accruals basis for preparing the report. The National Council has therefore prepared its financial reports on an accruals basis for the year ended 30 September 2009. Consequently the Branch has also prepared its financial report on an accruals basis.

This is a change in accounting policy in that in previous years the Branch had prepared its financial reports on a cash basis as they related to the income and expenditure of the Branch. The change in accounting policy has not significantly affected the financial performance of the Branch for the year or its financial position as at year end.

*The effect of the change in accounting policy has been to increase net (deficit) for the year from (\$11,570) to (\$26,237) and decrease trade debtors by (\$21,237).*

**3. 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 South Australia 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.



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

**SOUTH AUSTRALIA BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2009 (Cont'd)**

**3. ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)**

**(b) Critical judgments in applying the South Australia 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.

**4. 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 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)

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>5. PROFESSIONAL SERVICES</b>		
Auditors - Auditing the financial report	8500	8500
- Other Services	<u>0</u>	<u>0</u>
Legal Expenses	<u>7272</u>	<u>2150</u>
	<u>15772</u>	<u>10650</u>
<b>6. CASH AND CASH EQUIVALENTS</b>		
Cash at Bank	<u>4526</u>	<u>9526</u>

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

**SOUTH AUSTRALIA BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2009 (Cont'd)**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>7. RECEIVABLES</b>		
Net amount receivable - National Council Sundry Debtors	<u>2381</u>	<u>2381</u>
	<u>2381</u>	<u>2381</u>
 <b>8. CASH FLOW INFORMATION</b>		
<b>(a)</b> 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>4526</u>	<u>9526</u>
<b>(b)</b> Reconciliation of Cash Flow from Operations with Net Surplus (Deficit)		
<b>Net Surplus (Deficit)</b>	(26237)	(11570)
<b>Changes in Assets and Liabilities</b>		
(Increase) Decrease in Receivables	21237	3260
Increase/(Decrease) in Payables	-	-
<b>CASH FLOWS FROM OPERATIONS</b>	<u>(5000)</u>	<u>(8310)</u>

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**SOUTH AUSTRALIA BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2009 (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:

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Net amount receivable - National Office	<u>552764</u>	<u>643553</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2009 (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 (e) 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:

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	4526	9526
Net amount receivable - National Council	2111	23348
Sundry Debtors	270	270
Total receivables	2381	23618

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

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2009 (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 2009 it had \$4,526 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 September 2009 totalled \$12,245

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:

<b>30 September 2009</b>	<b>Floating interest rate</b>	<b>Non interest bearing</b>	<b>Total</b>
	\$	\$	\$
<b>Financial Assets</b>			
Cash and cash equivalents	4526	-	4526
Receivables	-	2381	2381
	<hr/>	<hr/>	<hr/>
			6907
Weighted average Interest rate 1.25%			
<b>Financial Liabilities</b>			
Payables	0	12245	12245
	<hr/>	<hr/>	<hr/>
<b>Net Financial Assets (Liabilities)</b>	<hr/>	<hr/>	<hr/>
	4526	12245	(5338)

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2009 (Cont'd)**

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

*(i) Interest Rate Risk (Cont'd)*

<b>30 September 2008</b>	<b>Floating interest rate</b>	<b>Non interest bearing</b>	<b>Total</b>
<b>Financial Assets</b>			
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	9526	0	9526
Receivables	0	23618	23618
	<u>9526</u>	<u>23618</u>	<u>33144</u>
Weighted average Interest rate 1.25%			
<b>Financial Liabilities</b>			
Payables	-	12245	12245
	<u>9526</u>	<u>11373</u>	<u>20899</u>

**Sensitivity Analysis**

<b>2009</b>	<b>Carrying Amount</b>	<b>+0.50% (50 basis points) Profit</b>	<b>-0.50% (50 basis points) Loss</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash Assets	4526	-	-
<b>2008</b>			
Cash Assets	9526	-	-

*(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.

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2009 (Cont'd)**

**11. SUBSEQUENT EVENTS**

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

**12. CONTINGENT LIABILITIES**

*None to report*

**13. ADDITIONAL BRANCH INFORMATION**

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

1<sup>st</sup> Floor  
229 Greenhill Road  
DULWICH SA 5065

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

## **SOUTH AUSTRALIA BRANCH**

### **INDEPENDENT AUDIT REPORT**

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

We have audited the general purpose financial report of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union, South Australia Branch, which comprises the balance sheet as at 30 September 2009, and the income statement, statement of changes in accumulated funds and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and branch committee of management's statement for the year then ended.

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

The branch committee of management and the branch 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 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.



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**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, South Australia 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.

**NKM Accounting**  
CPA



**Natale Rugari**  
Director/Partner  
Member of CPA, AUSTRALIA  
And Holder of Current Public Practice Certificate  
Registered Company Auditor  
17/116 Melbourne Street  
NORTH ADELAIDE SA 5006

17<sup>th</sup> November 2009