



22 April 2014

Mr John Camillo  
SA State Secretary, "Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU)-South Australian Branch

By email: [john.camillo@amwu.asn.au](mailto:john.camillo@amwu.asn.au)

Cc Mr Warren Soos - AMWU National Operations Co-ordinator  
By email: [warren.soos@amwu.asn.au](mailto:warren.soos@amwu.asn.au)  
Mr Natale Rugari - NKM Accounting  
By email: [nat@rugari.com.au](mailto:nat@rugari.com.au)

Dear Mr Camillo,

**"Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU) - South Australian Branch  
Financial Report for the year ended 30 September 2013 - [FR2013/398]**

I acknowledge receipt of the financial report of the "Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU) - South Australian Branch. The documents were lodged with the Fair Work Commission on 4 March 2014.

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

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

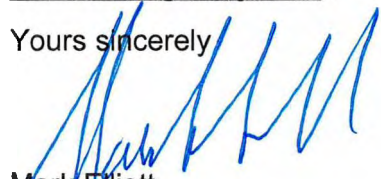
Notwithstanding the fact that the financial report has been filed, I draw the following matter to your attention and to that of your auditor.

Auditor's report: declaration regarding going concern

Paragraph 45 of the reporting guidelines requires an auditor to include in the auditor's statement a declaration that as part of the audit of the financial statement they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statements.

If you have any queries regarding this letter, please contact me on (03) 8661 7899 or via email at [mark.elliott@fwc.gov.au](mailto:mark.elliott@fwc.gov.au) .

Yours sincerely



Mark Elliott

Regulatory Compliance Branch



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

**SOUTH AUSTRALIAN STATE COUNCIL**

**CERTIFICATE OF STATE SECRETARY**

I John Camillo, being the State Secretary of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union South Australian 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 between the dates January 14 to 15 2014; 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 South Australian State Council on 25th February 2014 in accordance with section 266(3) of the Fair Work (Registered Organisations) Act 2009.

State Secretary  
*John Camillo*

Signature

Date 25<sup>th</sup> February 2014

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

**SOUTH AUSTRALIA BRANCH**

**FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2013**

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

SOUTH AUSTRALIA BRANCH

**CONTENTS**

	<b>Page</b>
Operating Report	1
Committee of Management Statement	6
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Accumulated Funds and Reserves	10
Statement of Cash Flows	11
Notes to and forming part of the Accounts	12
Independent Audit Report	23

# **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 2013

#### **Review of the State's Principal Activities**

The AFMEPKIU's principal industrial objectives are aimed at the improvement of wages and working conditions for members throughout industry. This has been done primarily by way of industrial awards and enterprise agreements. The AFMEPKIU has also been active in trying to influence governments at all levels in a wide range of political issues.

#### **Significant Changes in Principal Activities**

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

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

During the year to 30 September 2013 the AFMEPKIU negotiated and registered 808 enterprise bargaining agreements nationally, 35 of which were from South Australia.

The AFMEPKIU's National Office is responsible for applying to improve industrial awards covering our members. During the year ending 30 September 2013 the National Office improved award minimum rates for all workers, gained a significant increase for apprentices, and inserted new classifications, allowances and pay rates in some of the modern awards covering our members. The State Branch is responsible for advising members in their State of these gains and ensuring members receive the appropriate wage.

The AFMEPKIU South Australian State Branch's principal activities resulted in a (deficit) for the financial year of \$(7612.00).

#### **Significant Changes in Financial Affairs**

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

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**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**

**Statement of Salaries, Board Fees, Associated Entities and Key Relationships**

**Salaries**

The AFMEPKIU South Australian State Branch's top five salary rates, are as follows:

<b>Level</b>	<b>Position</b>	<b>Per Annum</b>
4	Organiser	\$74,880.00
5	Senior Organiser	\$78,618.80
6	Team Leader/Assistant State Secretary Level 1	\$82,581.20
7	Assistant State Secretary Level 2	\$88,337.60
8	State Secretary	\$93,511.60

**Board Fees**

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

<b>Organisation</b>	<b>Amount received</b>
Construction Industry Long Service Leave Board	\$1,947.00
Workers Rehabilitation Compensation and Advisory Committee	\$6,900.00

**Associated Entities**

The AFMEPKIU South Australian State Branch is not involved with any associated entity over which it has controlling or significant influence.

**Key Relationships**

The AFMEPKIU South Australian 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>Printing &amp; Publicity Services</b>
NKM Accounting	Staples Australia Pty Limited
Holdfast Insurance Brokers Pty Ltd	G & G Trade Publishing & Distribution
<b>IT &amp; Communications Services</b>	<b>Travel Services</b>
Telstra	American Express
Telelink Business Systems	Qantas
<b>Legal Services</b>	<b>Vehicle Services</b>
Anderson Solicitors	Custom Service Leasing Ltd
	Campbelltown Motor Body Repair



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

**SOUTH AUSTRALIA BRANCH**

**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 2013 was 8070.
- (b) The number of persons who were employees of the reporting unit on 30 September 2013 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>
Paul Brown	1 October 2012 to 30 September 2013
Margaret Atkinson	1 October 2012 to 30 September 2013
John Camillo	1 October 2012 to 30 September 2013
Cath McKechnie	1 October 2012 to 30 September 2013
Jon Gee	1 October 2012 to 30 September 2013
Leanne Orbanic	1 October 2012 to 30 September 2013
Heinz Joham	1 October 2012 to 30 September 2013
John Cichonski	1 October 2012 to 13 September 2013
Scott Batchelor	1 October 2012 to 30 September 2013
Megan Black	1 October 2012 to 30 September 2013
Paul Brown	1 October 2012 to 30 September 2013
Brenton Patchett	1 October 2012 to 30 September 2013
Michael Etherington	1 October 2012 to 20 August 2013
Colin Fenney	1 October 2012 to 30 September 2013
Stuart Gordon	1 October 2012 to 30 September 2013
Glen Dallimore	1 October 2012 to 30 September 2013
Rocky Labbozzetta	1 October 2012 to 30 September 2013
Derek Winter	1 October 2012 to 30 September 2013
Leonie Harris	14 February 2013 to 30 September 2013
Tracey Gilligan	1 October 2012 to 14 February 2013
Andrew Daniels	1 October 2012 to 30 September 2013
Derek Christie	1 October 2012 to 30 September 2013
Mark Plunkett	1 October 2013 to 28 May 2013
Steve McMillan	28 May 2013 to 30 September 2013
Peter Bauer	1 October 2012 to 30 September 2013
Peter Hunter	1 October 2012 to 30 September 2013
Margaret Atkinson	1 October 2012 to 30 September 2013
Craig Larnar	1 October 2012 to 30 September 2013
Darrel Albino	1 October 2012 to 30 September 2013
Gordon Wilson	1 October 2012 to 30 September 2013
Jenny Thomson	1 October 2012 to 30 September 2013
Nino Greco	1 October 2012 to 30 September 2013

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

**SOUTH AUSTRALIA BRANCH**

**State Officers or Members who are Trustees of a Superannuation Entity**

The details of each officer or member of the South Australian 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>
Stuart Gordon	Media Super	Member Representative Director

**Officers & Employees Who are Directors of a Company or a Member of a Board**

<b>Name of officer or member</b>	<b>Company or Board</b>	<b>Principal Activities</b>	<b>Holds Position as Employee, or Nominated by State Branch or Peak Council</b>
Colin Fenney	Construction Industry Long Service Leave Board	Management of Portable LSL Scheme for SA Construction Industry Workers	Nominated
John Camillo	Workers Rehabilitation & Compensation Advisory Committee (WRCAC)	Provide advice on the formulation and implementation of policies for workers rehabilitation and compensation	Nominated
Jonathon Gee	Automotive Skills Australia	The body responsible for the development and maintenance of nationally accredited automotive training qualifications in Australia	Nominated

Signed in accordance with a resolution of State Council



Margaret Atkinson  
Acting State President



John Camillo  
State Secretary

6 November 2013

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

**SOUTH AUSTRALIA BRANCH**

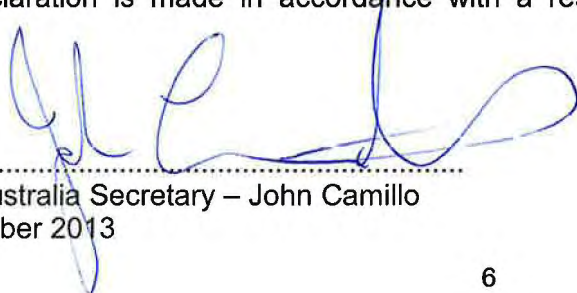
**COMMITTEE OF MANAGEMENT'S STATEMENT**

On 06 November 2013 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 2013.

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 2013;
- (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 2013 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 RO Act; 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 duly made under section 272 of the RO Act; and
  - (vi) no orders for inspection of financial records have been made by the Fair Work Commission under section 273 of the RO Act; and
- f) during the financial year ended 30 September 2013 the SA State Council did not participate in any recovery of wages activity.

This declaration is made in accordance with a resolution of the South Australian State Council.



.....  
South Australia Secretary – John Camillo  
6 November 2013

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

**SOUTH AUSTRALIA BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE  
YEAR ENDED 30 SEPTEMBER 2013**

	Note	2013 \$	2012 \$
<b>INCOME</b>			
Capitation Fees*	4(a)	-	-
Levies*	4(b)	-	-
Grants and/or Donations*	4(c)		
Membership Contributions*	1(a)(i)	-	-
Remittances from National Council		564415	532191
- General Fund			
Interest Received		<u>17</u>	<u>36</u>
<b>TOTAL INCOME</b>		<u>564432</u>	<u>532227</u>
<b>EXPENDITURE</b>			
Affiliation Fees*	5(b)	40810	48739
Bank Charges		309	548
Capitation Fees*	5(a)		
Consideration to employers for payroll deductions*		-	-
Compulsory Levies*	5(c)		
Computing		876	910
Conference & Meeting Expenses – External		1153	3265
Conference & Meeting Expenses – Internal		56076	45223
Delegation/Employee Expenses – Officer Holders		38716	46943
Delegation/Employee Expenses – Other Employees		7953	18567
Delegation Expenses – Members		36726	33794
Donations		1797	727
Employee Expenses	1(a)(iii)	-	-
Freight			
General Office Expenses		13623	20477
Grants or Donations	5(d)		
Insurance		33891	26880
Meeting Expenses			
Membership Cards			
Motor Vehicle Expenses		118021	108052
Newsletter Expenses		12960	15025
Payroll Tax		109972	71347
Penalties – via RO Act or RO Regulations			
Photocopying		1883	2827
Postage		19962	15315
Printing		7660	275
Publicity		8206	6533
Professional Services	6	5753	7633
Rent			
Research		5085	3793
Stationery		9536	8910
Telephone		<u>41076</u>	<u>35118</u>
<b>TOTAL EXPENDITURE</b>		<u>572044</u>	<u>520901</u>
<b>NET SURPLUS/ (DEFICIT) FOR THE YEAR</b>		<u>(7612)</u>	<u>11326</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(7612)</u>	<u>11326</u>

(The attached notes form part of the financial report)

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

**SOUTH AUSTRALIA BRANCH**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2013**

	Note	2013 \$	2012 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7	24336	31995
Receivables	8	<u>2776</u>	<u>2729</u>
<b>Total Current Assets</b>		<u>27112</u>	<u>34724</u>
<b>TOTAL ASSETS</b>		<u>27112</u>	<u>34724</u>
<b>TOTAL LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	9	17245	17245
Employee Provisions*	1(a)(iii)	<u>-</u>	<u>-</u>
<b>NET ASSETS/ (LIABILITIES)</b>		<u>9867</u>	<u>17479</u>
<b>ACCUMULATED FUNDS/ (LOSSES)</b>		<u>9867</u>	<u>17479</u>

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

**SOUTH AUSTRALIA BRANCH**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS (LOSSES)  
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

	<b>Accumulated Funds (Losses) \$</b>
<b>Balance at 30 September 2011</b>	6153
Net Surplus (Deficit) for the Year	11326
Total Comprehensive Income for the Year	<hr/>
<b>Balance at 30 September 2012</b>	<hr/> 17479
Net Surplus (Deficit) for the Year	(7612)
Total Comprehensive Income for the Year	<hr/> (7612)
<b>Balance at 30 September 2013</b>	<hr/> 9867

(The attached notes form part of the financial report)

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

**SOUTH AUSTRALIA BRANCH**

**STATEMENT OF CASH FLOWS FOR THE  
YEAR ENDED 30 SEPTEMBER 2013**

	Note	2013 \$	2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Remittances from National Council	10(c)	564415	532191
Interest Received		17	36
Payments to Suppliers and Employees	10(c)	<u>(572091)</u>	<u>(520845)</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	10(b)	<u>(7659)</u>	<u>11382</u>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>			
Cash at Beginning of Year		<u>31995</u>	<u>20613</u>
<b>CASH AT END OF YEAR</b>	10(a)	<u>24336</u>	<u>31995</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 2013**

#### **1. SIGNIFICANT ACCOUNTING POLICIES**

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.

The reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act) require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards. As such the state council have prepared a full set of financial statements with all disclosures requirements. In the prior year the state council had early adopted Australian Accounting Standards – Reduced Disclosure Requirements but this is no longer permissible. This has had no material impact on amounts recognised in the financial statements and related notes because it merely requires more detailed note disclosures on financial risk management than if these financial statements were prepared using Australian Accounting Standards – Reduced Disclosure Requirements.

#### **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.



**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013 (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 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.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013 (Cont'd)**

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

**b) Going Concern Basis of Accounting**

The financial report has been prepared on the basis that the Branch is a going concern, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

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

**2. ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and 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 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.

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

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013 (Cont'd)**

	2013 \$	2012 \$
<b>4a. Capitation Fees*</b>		
	0	0
	<u>0</u>	<u>0</u>
<b>4b. Levies*</b>		
	0	0
	<u>0</u>	<u>0</u>
<b>4c. Grants and/or Donations*</b>		
Grants	0	0
Donations	0	0
	<u>0</u>	<u>0</u>
<b>5a. Capitation Fees*</b>		
	0	0
	<u>0</u>	<u>0</u>
<b>5b. Affiliation Fees*</b>		
Asbestos Victims Association	0	10
Federation Vehicle Industry Union	300	0
Graham F Smith Peace Trust	100	100
Federation Vehicle Industry Union	300	0
SA May Day Committee	350	0
SA Unions	40060	48509
UTLC Whyalla	0	119
	<u>40810</u>	<u>48738</u>
<b>5c. Compulsory Levies*</b>		
	0	0
	<u>0</u>	<u>0</u>

<b>5d. Grants or Donations*</b>		
Grants		
Donations	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>6. PROFESSIONAL SERVICES</b>		
Auditors - Auditing the financial report	5682	5682
- Other Services	<u>          </u>	<u>          </u>
<b>Legal Costs*</b>		
Litigation		
Other Legal Matters	<u>71</u>	<u>1951</u>
	<u>5753</u>	<u>7633</u>
<b>7. CASH AND CASH EQUIVALENTS</b>		
Cash at Bank	<u>24336</u>	<u>31995</u>
<b>8. RECEIVABLES</b>		
<b>Receivable from other reporting units*</b>		
Net amount receivable - National Council	2776	2729
Less Provision for Doubtful Debts	<u>2776</u>	<u>2729</u>
<b>Other Receivables</b>		
Sundry Debtors	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>
<b>9. TRADE AND OTHER PAYABLES</b>		
Trade and other payables	17245	17245
Other payables – Legal Costs*		
Other payables – Consideration to employers for payroll deductions*		
Payables to other reporting units*		
Sundry Creditors	<u>17245</u>	<u>17245</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013 (Cont'd)**

	2013 \$	2012 \$
<b>10. CASH FLOW</b>		
(a) For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks and other financial institutions.		
Cash at Bank	<u>24336</u>	<u>31995</u>
(b) Reconciliation of Cash Flow from Operations with Net Surplus (Deficit)		
<b>Net Surplus (Deficit)</b>	(7612)	11326
<b>Changes in Assets and Liabilities</b>		
(Increase) Decrease in Receivables	(47)	56
Increase/(Decrease) in Payables		
<b>CASH FLOWS FROM OPERATIONS</b>	<u>(7659)</u>	<u>11382</u>
(c) <b>CASH FLOW INFORMATION – Reporting Units</b>		
Cash inflows*		
Remittances from National Council	<u>564415</u>	<u>532191</u>
Cash outflows*	<u>-572091</u>	<u>-520845</u>

**11. 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 statement of comprehensive income.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013 (Cont'd)**

**11. RELATED PARTIES (Cont'd)**

- (ii) Net Amounts Receivable from the National Office are as follows:

	2013	2012
	\$	\$
Net amount receivable - National Office	0	0

**12. 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. 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:

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013 (Cont'd)**

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

*(b) Credit Risk (Cont'd)*

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	<u>24336</u>	<u>31995</u>
The cash and cash equivalents are held in a high quality Australian financial institution		
Net amount receivable - National Council		
Sundry Debtors	<u>2776</u>	<u>2729</u>
Total receivables	<u>2776</u>	<u>2729</u>

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

*(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 2013 it had \$24,336.00 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 September 2013 totalled \$17,245.00

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:

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013 (Cont'd)**

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

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

30 September 2013	Floating interest rate	Non interest Bearing	Total
	\$	\$	\$
<b>Financial Assets</b>			
Cash and cash equivalents	24336	0	24336
Receivables	0	2776	2776
	<u>24336</u>	<u>2776</u>	<u>27112</u>
Weighted average Interest rate 1.5%			
<b>Financial Liabilities</b>			
Payables	0	17245	17245
<b>Net Financial Assets (Liabilities)</b>	<u>24336</u>	<u>(14469)</u>	<u>9867</u>
30 September 2012	Floating interest rate	Non interest bearing	Total
<b>Financial Assets</b>			
	\$	\$	\$
Cash and cash equivalents	31995	0	31995

Receivables	<u>0</u>	<u>2729</u>	<u>2729</u>
	<u>31995</u>	<u>2729</u>	<u>34724</u>
Weighted average Interest rate 1.5%			
<b>Financial Liabilities</b>			
Payables	<u>0</u>	<u>17245</u>	<u>17245</u>
<b>Net Financial Assets</b>	<u>31995</u>	<u>(14516)</u>	<u>17479</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013 (Cont'd)**

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

**Sensitivity Analysis**

<b>2013</b>	<b>Carrying Amount</b>	<b>+0% (0 basis points) Profit</b>	<b>-0% (0 basis points) Loss</b>
	\$	\$	\$
Cash Assets	<u>24336</u>	<u>0</u>	<u>0</u>
 <b>2012</b>			
Cash Assets	<u>31995</u>	<u>0</u>	<u>0</u>

*(ii) Other Price Risks*

The Branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

*(iii) Foreign Exchange Risk*

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

**13. SUBSEQUENT EVENTS**

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

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

There were no contingent liabilities, assets or commitments at 30 September 2013.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2013 (Cont'd)**

**15. KEY MANAGEMENT PERSONNEL COMPENSATION**

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

**16. 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

## **INDEPENDENT AUDITOR'S REPORT**

To the members of Australian Manufacturing Workers Union South Australia Branch

We have audited the accompanying financial report of Australian Manufacturing Workers Union South Australia Branch, which comprises the statement of financial position as at 30 September 2013, the statement of comprehensive income, the statement of changes in equity and the 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's 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 and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the Committee of Management and the Branch Secretary determine is necessary to enable the preparation of the financial report that 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 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 Committee of Management and the 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 Australian professional accounting bodies and the Fair Work Act (Registered Organisation) 2009.

**INDEPENDENT AUDITOR'S REPORT (Cont'd)**

**Opinion**

In our opinion, the financial report presents fairly, in all material respects, the financial position of Australian Manufacturing Workers Union South Australia Branch as at 30 September 2013, and its financial performance and cash flows for the year then ended in accordance with 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

Partner

Member of CPA Australia

And Holder of Current Public Practice Certificate

Registered Company Auditor

Suite 17, 116 Melbourne Street

NORTH ADELAIDE SA 5006

6 November 2013



8 October 2013

Mr John Camillo  
South Australian State Secretary  
"Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU) - South Australian Branch  
Sent by email: [john.camillo@amwu.asn.au](mailto:john.camillo@amwu.asn.au)

Dear Mr Camillo,

**Re: Lodgement of Financial Report - [FR2013/398]  
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the South Australian Branch of the "Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU) (the reporting unit) ended on 30 September 2013.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 April 2014 (that is the period within 6 months and 14 days of the end of the financial year) under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Additionally, the General Manager's updated reporting guidelines, that applies to all financial reports that end on or after 30 June 2013, is also on the website together with slides relating to our recently held financial reporting guidelines Webinar.

Fair Work Commission has also developed a model set of financial statements for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the reporting guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website at [Compliance & litigation](#).

The financial report and any statement of loans, grants or donations made during the financial year [statement must be lodged within 90 days of end of financial year] can be emailed to [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au). A sample statement of loans, grants or donations is at [sample document no.5](#)

**It should be noted that s.268 is a civil penalty provision.** Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$33,000 for a body corporate and \$6,600 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at [robert.pfeiffer@fwc.gov.au](mailto:robert.pfeiffer@fwc.gov.au).

Yours sincerely,

Robert Pfeiffer  
Senior Adviser  
Regulatory Compliance Branch

## TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /	As soon as practicable after end of financial year
(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).		
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	Within a reasonable time of having received the GPFR (NB: Auditor's report must be dated on or after date of Committee of Management Statement)
Provide full report free of charge to members – s265 The full report includes: <ul style="list-style-type: none"> <li>the General Purpose Financial Report (which includes the Committee of Management Statement);</li> <li>the Auditor's Report; and</li> <li>the Operating Report.</li> </ul>	/ /	(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,  or  (b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

\* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

# The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.