



**Australian Government**

**Australian Industrial Registry**

Level 36, 80 Collins Street  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7777  
Fax: (03) 9655 0401  
Email: melbourne@air.gov.au

Mr Doug Cameron  
National Secretary  
Automotive, Food, Metals, Engineering,  
Printing and Kindred Industries Union  
PO Box 160  
GRANVILLE NSW 2142

Dear Mr Cameron,

**Re: Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union  
Financial Reports for year ended 30 September 2005  
Schedule 1B of the Workplace Relations Act 1996 (RAO Schedule)**

<b>National Council</b>	<b>FR2005/542</b>	<b>New South Wales</b>	<b>FR2005/543</b>
<b>Queensland</b>	<b>FR2005/544</b>	<b>South Australia</b>	<b>FR2005/545</b>
<b>Tasmania</b>	<b>FR2005/546</b>	<b>Victoria</b>	<b>FR2005/547</b>
<b>Western Australia</b>	<b>FR2005/548</b>		

Thank you for the financial reports of the above named organisation and its branches for the year ended 30 September 2005. The documents were lodged in the Industrial Registry on 24 March 2006. Please excuse the delay in responding to you, our attention in recent months has been diverted to the new Workchoices legislation.

The documents have been filed.

Having examined the lodged financial reports I make the following comments to assist you in preparing financial documents in the future. You do not need to take any further action in respect of the documents which have been lodged.

### **New South Wales Branch**

I would like to make the following comments regarding this financial report:

- A 'Committee of Management's Certificate' has been included with the other financial documents. Reference is made in the certificate to the New South Wales *Industrial Relations Act 1996*, suggesting that it has been prepared for lodgement with the State Commission. This certificate is not required under the RAO Schedule;
- The document which sets out all of the information required by the Committee of Management Statement is entitled 'Branch's Statement' (see section 253(2)(c) of the RAO Schedule and Reporting Guidelines 23 and 24). Would you please ensure in future years that this document is properly entitled 'Committee of Management Statement'.
- The lodged documents include an Accounting Officer's Certificate. The Accounting Officer's Certificate was a document required under the former financial reporting requirements of the *Workplace Relations Act 1996*. This certificate is not required under the RAO Schedule as it has, in effect, been replaced by the Operating Report.
- While a comparison of signatures suggests that it was executed by the State Secretary, Mr Paul Bastian, the Operating Report does not identify the signatory either by name or position. In order to verify that the Report has been prepared by a member of the Committee of Management or a 'designated officer' (as required by RAO s.254 and s.243), it is necessary for the Report to identify its signatory. Would you please ensure that this occurs in the future.

## **South Australian Branch**

### Auditor's Report

The Auditor's Report is undated. The Australian Accounting Standards require the Auditor's Report to be dated. In particular, AUS 702 *'The Audit Report on a General Purpose Financial Report'* states that the date is one of the essential elements of the Audit Report (see AUS 702.13(i)). Similarly, section 257(9) of the RAO Schedule requires the Auditor's Report to be *'...dated as at the date that the auditor signs the report...'* You are requested to bring this matter to the Auditor's attention.

### Committee of Management Statement

Item 17(e)(iv) of the Reporting Guidelines which have been issued by the Industrial Registrar requires a declaration by the Committee of Management that:

*where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation.*

Paragraph (e)(iv) of the Committee of Management Statement of the South Australian Branch states *'as the organisation does not consists of 2 or more reporting units...'*. This statement is incorrect. The organisation consists of a Federal Office and a number of branches, each being a reporting unit.

Section 242 of the RAO Schedule determines what constitutes a 'reporting unit' for the purposes of the Act:

#### *Organisations not divided into branches*

(2) Where an organisation is not divided into branches, the *reporting unit* is the whole of the organisation.

#### *Organisations divided into branches*

(3) Where an organisation is divided into branches, each branch will be a *reporting unit* unless a certificate issued by the Industrial Registrar stating that the organisation is, for the purpose of compliance with this Part, divided into reporting units on an alternative basis (see section 245) is in force.

## **Queensland Branch**

The Operating Report is required to state whether any officer or member of the Branch is a trustee of a superannuation entity (or a director of a company that is a trustee of a superannuation entity) – see section 254(2)(d) of the RAO Schedule.

In the event that no officer or member of the Branch is a trustee or director of a superannuation entity, the Operating Report should include a comment to this effect.

## **Employee-Related Expenses – Victorian and Tasmanian Branches**

The Victorian Branch's Statement of Financial Performance includes an item for 'Salaries' of \$47,027 and the Tasmanian Branch includes an item for 'Employee Expense' of \$94,870. Both of these Branches, however, include in Note 1 the following statements:

*(iv) 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.*

*(v) 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.*

You are requested to rectify these apparent discrepancies in future financial reports.

### **Consistency of Accounting Policies Between Branches**

Section 252(2) of the RAO Schedule and Item 17(e)(iv) of the Reporting Guidelines require the financial records of each reporting unit of an organisation to be kept, as far as practicable, on a consistent basis.

All of the reporting units other than the Tasmanian Branch have a very similarly worded statement in Note 1 that the financial report has been prepared on a cash basis rather than an accrual basis as required by applicable Accounting Standards. Each Note 1 (other than for Tasmania) goes on to state that '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' (emphasis added).

The one exception is the Tasmanian Branch, which contains no statement in Note 1 that the financial reports have been prepared on a cash basis. Further, Note 18 of the Tasmanian accounts states 'Previously, AMWU reported on a cash basis. On transition to accrual accounting for the year ended 30 September 2004...' There is, however, a statement in paragraph (e)(iv) of the Committee of Management Statement for the Tasmanian Branch that the financial records of the reporting unit have been kept in a 'consistent manner to each of the other reporting units'.

It would appear that the Tasmanian Branch has adopted accounting policies which are not consistent with National Council or the other reporting units of the Union. You are requested to examine this issue in order to meet the requirements of section 252(2) of the RAO Schedule and Item 17(e)(iv) of the Reporting Guidelines in future years.

Please do not hesitate to contact me by email at [robert.pfeiffer@air.gov.au](mailto:robert.pfeiffer@air.gov.au) or on (03) 8661 7817 if you wish to discuss this letter.

Copies of the financial reports have been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/188V>.

Yours sincerely,



Robert Pfeiffer  
Statutory Services Branch

31 August 2006

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

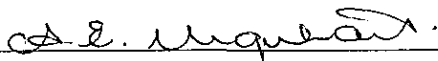
**TASMANIAN STATE COUNCIL**


**CERTIFICATE OF STATE SECRETARY**

I Anne Urquhart being the State Secretary of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Tasmanian State Council certify:

- that the documents lodged herewith are copies of the Full Report, referred to in section 268 of the ROA Schedule; and
- that the Full Report was provided to members in the month of January 2006; 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 Tasmanian State Council on the 1<sup>st</sup> March 2006 in accordance with section 266 of the ROA Schedule.

**STATE SECRETARY  
ANNE URQUHART**

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
1<sup>ST</sup> March, 2006

# **Automotive, Foods, Metals, Engineering, Printing and Kindred Industries Union**

**Tasmanian Branch**

**Financial Statements for the year ended  
30 September 2005**

Operating Report

Statement of Financial Performance

Statement of Financial Position

Statement of Cashflows

Notes to the Financial Statements

Independent Audit Report to the Members

**Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union  
Tasmanian Branch  
Operating Report  
For The Year Ended 30 September 2005**

---

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

The Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, Tasmanian State Council's principal industrial objectives are aimed at the improvement of wages and working conditions for members throughout the industry. This has been done primarily by way of industrial awards and enterprise agreements. The Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, Tasmanian State Council 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 State Council's principal activities during the financial year.

#### *Results of Principal Activities*

The Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, Tasmanian State Council's principal activities resulted in a profit for the financial year of \$7,399 (2004: loss (\$46,629)).

#### *Significant Changes in the Unions Financial Affairs*

No matters or circumstances arose during the reporting year, which significantly affected the financial affairs of the Union.

### **The Rights of Members to Resign**

Rule 43(8) of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union 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.

**Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union  
Tasmanian Branch  
Operating Report  
For The Year Ended 30 September 2005**

---

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 of 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 Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Rules interferes with a member's right to resign from the union as set out under section 174 of the Workplace Relations Act 1996.

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

There is one Officer who is a Director/Member with FIST – Anne Urquhart. There are not, to the AMWU's knowledge any other members of the State who are trustees of a Superannuation entity.

#### *Prescribed Information Required under the Workplace Relations (RAO) Regulations 1996*

- a) the number of persons that were recorded in the register of members on 30 September 2005 was 3,499;
- b) the number of persons who were employees of the reporting unit on 30 September 2005 was 7, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis;
- c) the names of each person who has been a member of the committee of management of the State 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>Title of Officer</b>
Darren Hanisch	State President Commenced duties August 22 <sup>nd</sup> 2004 Elected February 10 <sup>th</sup> 2005 Honorary Regional Secretary – - TSA Division - Metal & Engineering Division
Philip Baker	State Secretary Resigned October 1 <sup>st</sup> 2004
Anne Urquhart	State Secretary Commenced Duties on October 1 <sup>st</sup> 2004 Resigned from State President August 22 <sup>nd</sup> 2004 Honorary Regional Secretary – - Food and Confectionery Division
Rodney Graham	State Vice President

**Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union  
Tasmanian Branch  
Operating Report  
For The Year Ended 30 September 2005**

---

<b>Name</b>	<b>Title of Officer</b>
Donna Sargent	Hon. Regional Secretary - - Print Division State Councillor
Jannette Williams	State Councillor
Ian Drake	State Councillor
Craig Hanson	State Councillor
Julie Tyne	State Councillor
Sue Creed	State Councillor
Nigel Warren	State Councillor
Darryl Bessell	State Councillor
Mark Green	State Councillor
Shane Rogers	State Councillor
Ken Norton	State Councillor
Mark Fagan	Regional President – TSA Division State Councillor Resigned January 4 <sup>th</sup> 2005

All members of the committee of management have been in office since the start of the financial year to the date of this report unless otherwise stated.

**ANNE URQUHART**  
**STATE SECRETARY**

Signature : 

**DARREN HANISCH**  
**STATE PRESIDENT**

Signature : 

Date : 23 November 2005



**Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union**  
**Tasmanian Branch**  
**Committee of Management Statement**  
**For The Year Ended 30 September 2005**

---

On 23 November 2005 the Committee of Management of the Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 September 2005:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned;
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
  - (iv) as the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
  - (v) no information has been sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule during the period;
  - (vi) no orders have been made by the Commission for inspection of financial records under section 273 of the RAO Schedule during the period.

Signed on behalf of the Committee of Management



**ANNE URQUHART**  
**STATE SECRETARY**

**Dated: 23<sup>RD</sup> NOVEMBER 2005**

**Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union  
Tasmanian Branch  
Statement of Financial Performance  
For The Year Ended 30 September 2005**

---

	Note	2005 \$	2004 \$
Revenue from ordinary activities	2	185,342	202,606
Employees Expense		(94,870)	(132,556)
Insurance		(7,621)	(7,860)
Affiliation Fees		(14,909)	(28,577)
Motor Vehicle Expenses		(21,163)	(18,053)
Advertising Expenses		(10,952)	(8,379)
Administration Expenses		(34,357)	(49,937)
Legal Expenses		(545)	(3,069)
Other Expenses		(587)	(804)
Error - Prepayment	18	7,061	-
 Net profit/(loss)		7,399	(46,629)
 Total changes in equity other than those resulting from transactions with owners as owners		7,399	(46,629)

The accompanying notes form part of the financial statements.

**Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union  
Tasmanian Branch  
Statement of Financial Position  
As At 30 September 2005**

---

		2005	2004
		\$	\$
<b>Current Assets</b>	<b>Note</b>		
Cash Assets	13(a)	12,144	3,494
Receivables	4	7,600	10,834
Other Assets	5	4,433	-
<b>Total Current Assets</b>		<u>24,177</u>	<u>14,328</u>
<b>Current Liabilities</b>			
Payables	6	24,540	22,090
<b>Total Current Liabilities</b>		<u>24,540</u>	<u>22,090</u>
<b>Net Assets</b>		<u>(363)</u>	<u>(7,762)</u>
<b>Equity</b>			
Retained Profits/(Accumulated Losses)	7	(363)	(7,762)
<b>Total Equity</b>		<u>(363)</u>	<u>(7,762)</u>

The accompanying notes form part of the financial statements.

**Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union  
Tasmanian Branch  
Statement of Cash Flows  
For The Year Ended 30 September 2005**

---

		2005 \$ Inflows/ (Outflows)	2004 \$ Inflows/ (Outflows)
<b>Cash Flows From Operating Activities</b>			
	Note		
Remittances from National Council		175,502	235,334
Interest Received		277	198
Rent Received		-	1,041
Legal Expenses Reimbursed		9,563	2,900
Payments to Suppliers		(176,692)	(254,112)
<b>Net (outflows)/inflows of cash from operating activities</b>	13(b)	8,650	(14,639)
Net Increase/(Decrease) in Cash Held		8,650	(14,639)
Cash at the beginning of the year		3,494	18,133
<b>Cash at the end of the year</b>	13(a)	12,144	3,494

The accompanying notes form part of the financial statements.

**Automotive, Food, Metals, Engineering, Printing and Kindred  
Industries Union  
Tasmanian Branch  
Notes To The Financial Statements  
For The Year Ended 30 September 2005**

---

**1. Statement of Accounting Policies**

***Financial Reporting Framework***

The financial report is a general purpose financial report which has been prepared in accordance with the Workplace Relations Act 1996, Accounting Standards and Urgent Issues Group Consensus Views, and complies with other requirements of the law.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into accounting changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

***Significant Accounting Policies***

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

**(a) Expenses**

Expenses are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of an item of expense.

**(b) Accounts Payable**

Trade payables and other accounts payable are recognised when the Branch becomes obliged to make future payments resulting from the purchase of goods and services.

**(c) Income Tax**

No provision for Income Tax is necessary as the Union is exempt from income tax under Section 50 - 15 of the Income Tax Assessment Act.

**(d) Goods and Services Tax**

Revenues and expenses are recognised net of the amount of goods and services tax (GST), except:

- (i) Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of an item of expense; or
- (ii) 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.

Cash flows are included in the statement of cash flows on a gross basis.

**Automotive, Food, Metals, Engineering, Printing and Kindred  
Industries Union  
Tasmanian Branch  
Notes To The Financial Statements  
For The Year Ended 30 September 2005**

---

**1. Statement of Accounting Policies (continued)**

*(e) Receivables*

Trade receivables and other receivables are recorded at amounts due less any allowance for doubtful debts.

***Role of National Council***

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

- (i) All members' contributions are paid direct to National Council.
- (ii) Apart from miscellaneous interest, income represents the amount reimbursed by the National Council to cover Branch based expenses. Reimbursements are made on an as required basis and are recognised when received by the Branch.
- (iii) Expenses represent amounts paid directly by the Branch for operational costs.
- (iv) 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.
- (v) 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.
- (vi) 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.

***Going Concern Basis of Accounting***

The financial statements have 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 committee of management believes it is appropriate to adopt the going concern basis for preparing the financial statements on the grounds that the National Council has made an undertaking to provide financial support to the branch.

**Automotive, Food, Metals, Engineering, Printing and Kindred  
Industries Union  
Tasmanian Branch  
Notes To The Financial Statements  
For The Year Ended 30 September 2005**

---

**2. Revenue from Ordinary Activities**

	2005	2004
	\$	\$
Remittances from National Council		
- General	174,192	198,133
- Local Purpose Fund	1,310	1,375
Interest	277	198
Reimbursement of Legal Expenses	9,563	2,900
Total Income	<u>185,342</u>	<u>202,606</u>

**3. Remuneration of Auditors**

Auditing the financial report	3,610	3,100
Other services	1,000	1,000
	<u>4,610</u>	<u>4,100</u>

**4. Current Receivables**

GST input credits owed from National Council	7,600	10,834
	<u>7,600</u>	<u>10,834</u>

**5. Other Current Assets**

Prepayments	4,433	-
	<u>4,433</u>	<u>-</u>

**6. Current Payables**

Delegate group tax owed to National Council	19,591	15,042
Trade payables	4,949	7,048
	<u>24,540</u>	<u>22,090</u>

**Automotive, Food, Metals, Engineering, Printing and Kindred  
Industries Union  
Tasmanian Branch  
Notes To The Financial Statements  
For The Year Ended 30 September 2005**

---

**7. Retained Profits**

	2005	2004
	\$	\$
Balance at Beginning of year	(7,762)	38,867
Net Profit/(loss)	7,399	(46,629)
Balance at end of year	<u>(363)</u>	<u>(7,762)</u>

**8. 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 1B which read as follows:-

- (i) A member of a reporting unit, or a 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.
- (ii) 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.
- (iii) A reporting unit must comply with an application made under subsection (1).

**9. Economic Dependency**

The continued operations of the Tasmanian Branch is dependent upon remittances from National Council.

**10. Commitments for Expenditure**

The branch has no commitments for expenditure.

**11. Subsequent Events**

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



**Automotive, Food, Metals, Engineering, Printing and Kindred  
Industries Union  
Tasmanian Branch  
Notes To The Financial Statements  
For The Year Ended 30 September 2005**

---

**12. Related Party**

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The ultimate controlling entity of the Branch is the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union, National Council.

***Transactions with Ultimate Controlling Entity***

(a) Remittances from National Council are disclosed in Note 2.

	2005	2004
	\$	\$
	<u>175,502</u>	<u>199,508</u>

(b) At 30 September 2005, the following balances were owed and receivable from the National Council.

GST input credits owed from National Council	7,600	10,834
Delegate group tax owed to National Council	(19,591)	(15,042)
	<u>(11,991)</u>	<u>(4,208)</u>

**13. Notes to the Statement of Cash Flows**

**(a) Reconciliation of cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash	<u>12,144</u>	<u>3,494</u>
------	---------------	--------------

**Automotive, Food, Metals, Engineering, Printing and Kindred  
Industries Union  
Tasmanian Branch  
Notes To The Financial Statements  
For The Year Ended 30 September 2005**

---

**13. Notes to the Statement of Cash Flows (continued)**

**(b) Reconciliation of profit from ordinary activities to net cash flows from operating activities**

	<b>2005</b>	<b>2004</b>
	\$	\$
Profit/(loss) from ordinary activities	7,399	(46,629)
(Increase)/decrease in current receivables	(1,199)	18,845
Increase/(decrease) in current payables	2,450	13,145
	<u>8,650</u>	<u>(14,639)</u>

**14. Segment Reporting**

The Tasmanian State Council operates within the Industrial Relations sector within the State of Tasmania, providing industrial advice and representation for members.

**15. Australian Equivalents to International Financial Reporting Standards**

The State Council is preparing and managing transition to Australian equivalents to International Financial Reporting Standards (AIFRSs) effective for financial reporting periods commencing from 1 January 2005. The adoption of AIFRSs will be reflected in the Branch's financial statements for the year ending 30 September 2006. On first time adoption of AIFRSs, comparatives for the financial year ended 30 September 2005 are required to be restated. The majority of the AIFRSs transitional adjustments will be made retrospective against retained earnings at 1 October 2004.

The State Council is of the opinion that there are no material differences in the Branch's accounting policies on conversion to AIFRSs. Users of the financial statements should, however, note that the amounts disclosed could change if there are any amendments to current AIFRSs by standard-setters, or interpretation of the AIFRSs requirements changes due to the continuing transition work of the State Council.

**16. Financial Instruments**

**(a) Significant Accounting Policies**

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

**Automotive, Food, Metals, Engineering, Printing and Kindred  
Industries Union  
Tasmanian Branch  
Notes To The Financial Statements  
For The Year Ended 30 September 2005**

**16. Financial Instruments (continued)**

**(b) Interest Rate Risk**

2005	Average Interest Rate %	Variable Interest Rate \$	Fixed Interest Rate Maturity			Non-Interest Bearing \$	Total \$
			Less than 1 Year \$	1 to 5 Years \$	More than 5 Years \$		
<b>Financial Assets</b>	1.55						
Cash		12,144	-	-	-	-	12,144
Receivables		-	-	-	-	-	7,600
		12,144	-	-	-	7,600	19,744
<b>Financial Liabilities</b>							
Current payables	-	-	-	-	-	24,540	24,540
		-	-	-	-	24,540	24,540

2004	Average Interest Rate %	Variable Interest Rate \$	Fixed Interest Rate Maturity			Non-Interest Bearing \$	Total \$
			Less than 1 Year \$	1 to 5 Years \$	More than 5 Years \$		
<b>Financial Assets</b>	1.55						
Cash		3,494	-	-	-	-	3,494
Receivables		-	-	-	-	-	10,834
		3,494	-	-	-	10,834	14,328
<b>Financial Liabilities</b>							
Current payables	-	-	-	-	-	22,090	22,090
		-	-	-	-	22,090	22,090

**17. Additional Branch Information**

The Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Tasmanian Branch is a branch of the National Union which is a registered trade union. The union operates in Australia.

**Registered Office**  
28 Station Street  
Moonah TAS 7009  
Tel: (03) 6228 7099

**Principal place of business**  
28 Station Street  
Moonah TAS 7009  
Tel: (03) 6228 7099

**Automotive, Food, Metals, Engineering, Printing and Kindred  
Industries Union  
Tasmanian Branch  
Notes To The Financial Statements  
For The Year Ended 30 September 2005**

**18. Error - Prepayments**

Previously, AMWU reported on a cash basis. On transition to accrual accounting for the year ended 30 September 2004, an adjustment to the Insurance expense of \$7,061 and a corresponding amount for prepaid expenses should have been recognised.

Had the prepayment been correctly recorded as at 30 September 2004, it would have had the following affect on the financial statements:

	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
	<b>restated</b>	<b>restated</b>
<b>Statement of Financial Performance:</b>		
Revenue from ordinary activities	185,342	202,606
Employees Expense	(94,870)	(132,556)
Insurance	(7,621)	(157)
Affiliation Fees	(14,909)	(28,577)
Motor Vehicle Expenses	(21,163)	(18,053)
Advertising Expenses	(10,952)	(8,379)
Administration Expenses	(34,357)	(49,937)
Legal Expenses	(545)	(3,069)
Other Expenses	(587)	(804)
Net profit/(loss)	<u>338</u>	<u>(38,926)</u>
Total changes in equity other than those resulting from transactions with owners as owners	<u>338</u>	<u>(38,926)</u>
<b>Statement of Financial Position:</b>		
<b>Current Assets</b>		
Cash Assets	12,144	3,494
Receivables	7,600	10,834
Prepayments	4,433	7,061
<b>Total Current Assets</b>	<u>24,177</u>	<u>21,389</u>
<b>Current Liabilities</b>		
Payables	24,540	22,090
<b>Total Current Liabilities</b>	<u>24,540</u>	<u>22,090</u>
<b>Net Assets</b>	<u>(363)</u>	<u>(701)</u>
<b>Equity</b>		
Retained Profits/(Accumulated Losses)	<u>(363)</u>	<u>(701)</u>
<b>Total Equity</b>	<u>(363)</u>	<u>(701)</u>

## Independent audit report to the Members of Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Tasmanian Branch

### Scope

We have audited the financial report of Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Tasmanian Branch for the financial year ended 30 September 2005 as set out on pages 4 to 15. The committee of management is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and Workplace Relations Act 1996 so as to present a view which is consistent with our understanding of the branch's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

### Audit Opinion

In our opinion, the financial report presents fairly in accordance with applicable Accounting Standards, any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996 and other mandatory professional reporting requirements in Australia the financial position of Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Tasmanian Branch as at 30 September 2005 and the results of its operations and its cash flows for the year then ended.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU



LT Cox  
Partner  
Chartered Accountants  
Hobart, 23 November 2005