

8 March 2017



FAIR WORK
COMMISSION

Mr John Short

The Branch Secretary,
Tasmanian Branch

“Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU)

By email: warren.soos@amwu.asn.au

Dear Sir

Re: Lodgement of Financial Statements and Accounts – “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU), Tasmanian Branch - for year ended 30 September 2016 (FR2016/324)

I refer to the financial report for the Tasmanian Branch of the “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU). The report was lodged with the Fair Work Commission on 28 February 2017.

The financial report has been filed based on a primary review. This involved confirming whether 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.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you require further information on the financial reporting requirements of the Act, I may be contacted by email at stephen.kellett@fwc.gov.au

Yours sincerely

Stephen Kellett
Senior Adviser
Regulatory Compliance Branch



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

TASMANIA STATE COUNCIL

CERTIFICATE OF STATE SECRETARY

I, John Short, being the State Secretary of the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union Tasmania State Council certify:

- that the documents lodged herewith are copies of the Full Report, referred to in section 268 of the Fair Work (Registered Organisations) Act 2009; and
- that the Full Report was provided to members on the AMWU website on 21 December 2016, and an article in the AMWU News advising the membership of the Full Report's availability was sent to members 10 January 2017.; 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 Tasmania State Council on 22 February 2017 in accordance with section 266(3) of the Fair Work (Registered Organisations) Act 2009.

State Secretary,
John Short

Signature

22 February, 2017

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

TASMANIA BRANCH

FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016

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

TASMANIA BRANCH

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**AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES
UNION
TASMANIA 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, Tasmania Branch for the financial year ended 30 September 2016.

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

Review of the State's Principal Activities

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

Significant Changes in Principal Activities

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

Results of Principal Activities

During the year to 30 September 2016 the AFMEPKIU negotiated and registered 250 enterprise bargaining agreements nationally.

The AFMEPKIU's National Office is responsible for applying to improve industrial awards covering our members. During the year ending 30 September 2016 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 Tasmania State Branch's principal activities resulted in a surplus/(deficit) for the financial year of \$5,014.

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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UNION
TASMANIA 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
TASMANIA BRANCH
Statement of Salaries, Board Fees, Associated Entities, Key Relationships & Disclosure Statements

Salaries

The Tasmania Branch's top four salary rates are as follows:

Level	Position	Per Annum
1	Organiser - Trainee	\$57,712.20
3	State Organiser	\$73,743.80
4	State Organiser	\$83,441.80
8	State Secretary	\$104,205.40

Note: AFMEPKIU base superannuation is paid at a range of between 10.5% and 12.5%, and annual leave loading is calculated at 17.5%. A maximum service increment of \$4,000 is payable to Officers with over 16 years of service.

The identity of the highest paid officer in terms of relevant remuneration for the year ended 30 September 2016, is as follows:

Position	Name	Salary, Super & Service Increment	Travel & Other Allowances	Non-Cash Benefits
State Secretary	John Short	\$119,305	\$2,681	Provision of a Motor Vehicle

S148A(5)(a) requires the identity of each officer of the branch who, when all officers of the branch are ranked by relevant remuneration for the disclosure period (from highest to lowest), is ranked no lower than second. The branch only has one officer that satisfies the definition of officer as defined by the Fair Work (Registered Organisations) Act 2009.

Board Fees

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

Organisation	Amount received
Tasbuild	\$12,162

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UNION
TASMANIA BRANCH**

Associated Entities

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

Key Relationships

The AFMEPKIU Tasmania 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:

Supplier	
Financial Services	Travel Services
BDO Audit (Tas)	FCM Travel
Legal Services	Vehicle Services
Slater & Gordon	Summit
Printing & Publicity Services	
Monotone/Geon	Communication Services
G&G Trade Publishing & Distribution	Telstra
ID Clothing	

Officers' Material Personal Interests

For the year ended 30 September 2016, the Officers of the AFMEPKIU Tasmania State Branch have declared no material personal interests.

Payments to related parties or declared persons

For the year ended 30 September 2016, the AFMEPKIU Tasmania State Branch has made no reportable payments to any related party or declared person or body of the Union.

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TASMANIA BRANCH**

OPERATING REPORT (cont'd)

State Officers or Members who are Trustees of a Superannuation Entity

The details of each officer or member of the Tasmania 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:

Name of officer or member	Superannuation Fund	Position Held
Nil		

Other Relevant Information

The Tasmania 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 2016 was 1,753.
- (b) The number of persons who were employees of the reporting unit on 30 September 2016 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:

Name	Period Position Held
Scott Aitchison	1.10.15 – 30.9.16
Geoff Bailey	1.10.15 – 30.9.16
Edward Baird	1.10.15 – 30.9.16
Neil Berne	1.10.15 – 30.9.16
Mitchel Best	1.10.15 – 30.9.16
Susan Creed	1.10.15 – 30.9.16
Ian Drake	1.10.15 – 30.9.16
Rodney Graham	1.10.15 – 30.9.16
Rodney Leek	1.10.15 – 30.9.16
Darren Mitchell	1.10.15 – 30.9.16
Leigh Monson	1.10.15 – 30.9.16
David Pauly	1.10.15 – 30.9.16
John Short	1.10.15 – 30.9.16
Nigel Warren	1.10.15 – 30.9.16
Shane Williams	18.5.16 – 30.9.16

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UNION
TASMANIA BRANCH**

OPERATING REPORT (cont'd)

Signed in accordance with a resolution of State Council



.....

IAN DRAKE

State President



.....

JOHN SHORT

State Secretary

16th November 2016

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

COMMITTEE OF MANAGEMENT'S STATEMENT

On 16th November 2016 the State Council of the Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union Tasmania Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the State Council for the year ended 30 September 2016.

The State Council declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting Standards.
- (b) the financial report and notes comply with the reporting guidelines of the General Manager;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 30 September 2016;
- (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 2016 and since the end of the financial year:
 - (i) meetings of the Branch committee of management were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
 - (iv) as the organisation consists of two or more reporting units, the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) no information has been sought in any request by a member of the Branch or General Manager duly made under Section 272 of the RO Act; and
 - (vi) no orders for inspection of financial records have been made by Fair Work Commission under section 273 of the RO Act.
- (f) no revenue has been derived from undertaking recovery of wages activity during the financial year ended 30 September 2016.

This declaration is made in accordance with a resolution of the Tasmania State Council:


.....
Tasmania Secretary – JOHN SHORT

16th November 2016

**AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES
UNION
TASMANIA BRANCH
STATEMENT OF COMPREHENSIVE INCOME FOR THE
YEAR ENDED 30 SEPTEMBER 2016**

	Note	2016 \$	2015 \$
INCOME			
Capitation Fees		-	-
Levies		-	-
Grants and/or Donations			
Membership Contributions	1(a)(i)	-	-
Remittances from National Council General Fund		243,278	241,527
Board Fees		12,162	8,268
Interest Received		1	1
TOTAL INCOME		<u>255,441</u>	<u>249,796</u>
EXPENDITURE			
Affiliation fees	4(a)	(10,891)	(13,212)
Bank charges		(408)	(354)
Capitation fees		-	-
Consideration to employers for payroll deductions		-	-
Compulsory levies		-	-
Computing			
Conference & meeting expenses		(24,705)	(23,787)
Delegation/employee expenses – office holders		(12,896)	(29,430)
Delegation/employee expenses – other employees		(11,219)	(5,442)
Delegation expenses – members		(84,677)	(92,160)
Employee expenses	1(a)(ii)(iii)	-	-
Fees/allowances – meeting and conferences		-	-
Freight			
General office expenses		(2,687)	(2,964)
Grants or donations	4(b)	(1,417)	(273)
Insurance		(8,733)	(7,496)
Motor vehicle expenses		(27,423)	(25,366)
Newsletter expenses		-	-
Payroll tax		(37,206)	(31,493)
Penalties – via RO Act or RO Regulations		-	-
Photocopying		(177)	
Postage		(3,984)	(2,177)
Printing		(3,477)	(1,955)
Publicity			
Professional services	5	(10,359)	(4,601)
Research			
Stationery		(2,400)	(2,166)
Telephone		(7,768)	(13,321)
TOTAL EXPENDITURE		<u>(250,427)</u>	<u>(256,199)</u>
NET SURPLUS/ (DEFICIT) FOR THE YEAR		<u>5,014</u>	<u>(6,403)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>5,014</u>	<u>(6,403)</u>

The above statement should be read in conjunction with the notes

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016**

	Note	2016 \$	2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6	11,723	6,776
Receivables	7	<u>-</u>	<u>-</u>
Total Current Assets		<u>11,723</u>	<u>6,776</u>
TOTAL ASSETS		<u>11,723</u>	<u>6,776</u>
TOTAL LIABILITIES			
Current Liabilities			
Trade and other payables	8	-	67
Employee provisions*	1(a)(iii)	<u>-</u>	<u>-</u>
NET ASSETS (LIABILITIES)		<u>11,723</u>	<u>6,709</u>
ACCUMULATED FUNDS (LOSSES)		<u>11,723</u>	<u>6,709</u>

The above statement should be read in conjunction with the notes

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

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS (LOSSES)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Accumulated Funds (Losses) \$
Balance at 30 September 2014	13,112
Net Surplus (Deficit) for the year	(6,403)
Total comprehensive income for the year	<u>(6,403)</u>
Balance at 30 September 2015	<u>6,709</u>
Net Surplus (Deficit) for the year	5,014
Total comprehensive income for the year	<u>5,014</u>
Balance at 30 September 2016	<u>11,723</u>

The above statement should be read in conjunction with the notes

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

**STATEMENT OF CASH FLOWS FOR THE
YEAR ENDED 30 SEPTEMBER 2016**

	Note	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Remittances from National Council	9(c)	243,278	241,527
Interest received		1	1
Payments to suppliers and employees	9(c)	<u>(238,332)</u>	<u>(247,864)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	9(b)	<u>4,947</u>	<u>(6,336)</u>
NET INCREASE (DECREASE) IN CASH HELD		4,947	(6,336)
Cash at the beginning of the year		<u>6,776</u>	<u>13,112</u>
CASH AT THE END OF THE YEAR	9(a)	<u>11,723</u>	<u>6,776</u>

The above statement should be read in conjunction with the notes

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

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016

1. SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

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

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

The financial report has been prepared on an accrual basis and in accordance with historical cost. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

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UNION**

TASMANIAN BRANCH

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016
(Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

a) (i) Revenue

All members' contributions are paid direct to National Council. Remittances from National Council are the amounts reimbursed by the National Council to cover Branch expenses and are recognised when received by the Branch.

(ii) Expenditure

Expenses represent amounts paid directly by the Branch for operational costs. Other operational expenses eg. salaries which relate to the Branch are paid for by the National Council and are included in the financial report of the National Council only.

(iii) Employee Entitlements

Provision for employee benefits in the form of Long Service Leave and Accrued Annual Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment in the financial report of the National Council.

(iv) Property, Plant and Equipment

All fixed assets are recorded in the financial reports of the National Council and the depreciation regarding those assets is charged in the National Council accounts.

(v) Income Tax

No provision for income tax is necessary, as Trade Unions are exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997.

(vi) Goods and Services Tax (GST)

Revenues and expenses are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or part of an item of the expense. Receivables and payables on the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to the taxation authority is included as part of receivables or payables as appropriate.

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

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TASMANIAN BRANCH

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016
(Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

b) Going concern basis of accounting

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

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

The State Council does not provide any financial support to any other Branch of the AFMEPKIU.

c) Adoption of New Australian Accounting Standard requirements

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

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

d) Future Australian Accounting Standard requirements

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted for the annual reporting period ending 30 June 2016. These are outlined in the table below.

Reference	Title	Summary	Application date of standard	Impact on financial report	Application date for the company
AASB 15	Revenue from contracts with customers	This standard provides a single comprehensive framework for determining whether, how much and when revenue is recognised. The core principle of the standard is that an entity will recognise revenue when control of goods or services is transferred rather than on transfer of risks and rewards as is currently the case under AASB118: Revenue.	For financial years commencing after 1 January 2018	The company is yet to assess its full impact.	1 July 2017

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TASMANIAN BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016 (Cont'd)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

d) Future Australian Accounting Standard requirements (continued)

AASB 16 (issued February 2016)	Leases	This standard eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It requires the entity to bring most leases onto its balance sheet in a similar way to how existing leases are treated under AASB117. An entity will be required to recognise a lease liability and a right of use of the asset in its balance sheet. There are some exemptions such as leases with a period of 12 months or less and low value leases are exempted .	For financial years commencing on or after 1 January 2019.	The company is yet to assess its full impact.	1 July 2018
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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 Tasmania 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 Tasmania 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.

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

TASMANIAN BRANCH

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016
(Cont'd)**

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

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

- 1) A member of a reporting unit, or the General Manager of Fair Work Commission, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- 2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- 3) A reporting unit must comply with an application made under subsection (1)

	2016	2015
	\$	\$
4a. Affiliation Fees*		
Unions Tasmania	10,891	13,212
	<u>10,891</u>	<u>13,212</u>
4b. Grants or Donations \$1,000 or less*		
Grants	-	-
Donations	1,417	273
	<u>1,417</u>	<u>273</u>
Grants or Donations over \$1,000		
Grants		
Donations	-	-
Total grants or donations	<u>-</u>	<u>-</u>

5. PROFESSIONAL SERVICES

Auditors - Auditing the financial report	2,829	3,700
- Other Services	900	900

Legal Costs*

Litigation		
Other Legal Matters	<u>6,630</u>	<u>1</u>
	<u>10,359</u>	<u>4,601</u>

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UNION**

TASMANIAN BRANCH

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016
(Cont'd)**

	2016 \$	2015 \$
6. CASH AND CASH EQUIVALENTS		
Cash at Bank	<u>11,723</u>	<u>6,776</u>
7. RECEIVABLES		
Receivable from other reporting units*		
Net amount receivable - National Council	-	-
Less provision for doubtful debts*	<u>-</u>	<u>-</u>
Other Receivables		
Sundry debtors	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
8. TRADE AND OTHER PAYABLES		
Trade and other payables	-	67
Other payables – legal costs*	-	-
Consideration to employers for payroll deductions*	-	-
Payables to other reporting units*	<u>-</u>	<u>-</u>
	<u>-</u>	<u>67</u>
9. CASH FLOW		
(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>11,723</u>	<u>6,776</u>
(b) Reconciliation of cash flow from operations with Net Surplus (Deficit)		
Net Surplus (Deficit)	5,014	(6,403)
Changes in Assets and Liabilities:		
(Increase) decrease in receivables	-	-
Increase (decrease) in payables	(67)	67
CASH FLOW FROM OPERATIONS	<u>4,947</u>	<u>(6,336)</u>

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016
(Cont'd)**

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

TASMANIAN BRANCH

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016
(Cont'd)**

11. FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

The Branch is exposed to risks that arise from its use of financial instruments. This note describes the Branch's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the Branch's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Branch's financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The State Council has overall responsibility for the determination of the Branch's risk management objectives and policies.

(b) Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Branch incurring a financial loss. 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 recognise financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2016	2015
	\$	\$
Cash and cash equivalents	11,723	6,776
The cash and cash equivalents are held in a high quality Australian financial institution		
Net amount receivable - National Council	-	-
Sundry Debtors	-	-
Total receivables	-	-

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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TASMANIAN BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016 (Cont'd)

11. FINANCIAL RISK MANAGEMENT (Cont'd)

(c) *Liquidity risk*

Liquidity risk is the risk that the Branch may encounter difficulties raising funds to meet commitments associated with financial instruments.

The Branch is not significantly exposed to this risk; as at 30 September 2016 it had \$11,723 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 September 2016 totaled \$nil

The Branch manages liquidity risk by monitoring cash flows. Further the National Council has made an undertaking to provide financial support to the Branch.

(d) *Market risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) *Interest rate risk*

The Branch's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

30 September 2016	Floating interest rate	Non interest Bearing	Total
	\$	\$	\$
Financial Assets			
Cash and cash equivalents	11,723	-	11,723
Receivables	-	-	-
	<u>11,723</u>	<u>-</u>	<u>11,723</u>
Weighted average Interest rate	1%		
Financial Liabilities			
Payables	-	-	-
Net Financial Assets (Liabilities)	<u>-</u>	<u>-</u>	<u>-</u>

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

TASMANIAN BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016 (Cont'd)

11. FINANCIAL RISK MANAGEMENT (Cont'd)

(e) Interest rate risk (Cont'd)

30 September 2015	Floating interest rate	Non interest bearing	Total
Financial Assets			
	\$	\$	\$
Cash and cash equivalents	6,776	-	6,776
Receivables	-	-	-
	<u>6,776</u>	<u>-</u>	<u>6776</u>
Weighted average Interest rate			
Financial Liabilities			
Payables	-	67	67
Net Financial Assets	<u>6,776</u>	<u>67</u>	<u>6,843</u>

Sensitivity Analysis

2016	Carrying Amount	+ 10% (0 basis points) Profit	- 10% (0 basis points) Loss
	\$	\$	\$
Cash Assets	<u>11,723</u>	<u>-</u>	<u>-</u>
2015			
Cash Assets	<u>6,776</u>	<u>-</u>	<u>-</u>

(f) Other Price Risks

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

(g) Foreign Exchange Risk

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

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

TASMANIAN BRANCH

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016
(Cont'd)**

12. SUBSEQUENT EVENTS

There were no events that occurred after 30 September 2016, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

13. CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

There were no contingent liabilities, assets or commitments at 30 September 2016.

14. KEY MANAGEMENT PERSONNEL COMPENSATION

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

15. ADDITIONAL BRANCH INFORMATION

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

Registered Office
28 Station Street
MOONAH TAS 7009
TEL: (03) 6228 7099

Principal Place of Business
28 Station Street
MOONAH TAS 7009
EL: (03) 6228 7099



Tel: +61 3 6234 2499
Fax: +61 3 6234 2392
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Hobart TAS 7000
GPO Box 1681 Hobart TAS 7001
AUSTRALIA

INDEPENDENT AUDITOR'S REPORT

To the members of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union
Tasmanian Branch

Report on the Financial Report

We have audited the accompanying financial report of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union Tasmanian Branch, which comprises the statement of financial position as at 30 September 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and committee of management'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 of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Fair Work (Registered Organisation) Act 2009* and is appropriate to meet the needs of the members.

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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 *Fair Work (Registered Organisation) Act 2009*. We confirm that the independence declaration required, which has been given to the Committee of Management of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union Tasmanian Branch, would be in the same terms if given to the Committee of Management as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the general purpose financial report of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union Tasmanian Branch is in accordance with the *Fair Work (Registered Organisation) Act 2009*, including:
 - (i) present fairly the entity's financial position as at 30 September 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards to the extent described in Note 1, and the *Fair Work (Registered Organisation) Act 2009*.
- (b) management's use of the going concern basis of accounting in the preparation of the financial report of Automotive, Food, Metals, Engineering, Printing & Kindred Industries Union Tasmanian Branch is appropriate.

Report on the recovery of wages activity

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

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

Auditor's qualification

We confirm that David E Palmer:

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


BDO Audit (TAS)

BDO Audit (TAS)



DAVID E PALMER
Partner

Hobart 16th November 2016