



FAIR WORK
AUSTRALIA

31 January 2012

Mr Brian Crawford
Secretary
Australasian Meat Industry Employees Union
Level 1, 39 Lytton Road
EAST BRISBANE QLD 4169



Dear Mr Crawford

**Lodgment of Financial Accounts and Statements -
Australasian Meat Industry Employees Union (FR2011/2713)**

I refer to the abovementioned financial statements and accounts which were lodged with Fair Work Australia on 23 January 2012.

The documents have been filed.

Yours sincerely,

Stephen Kellett

Organisations, Research and Advice Branch

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION
FEDERAL COUNCIL**

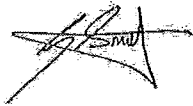
**CERTIFICATE PURSUANT TO
S. 268 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009**

I, Graham Smith, Federal Secretary of the Australasian Meat Industry Employees' Union, certify:

- (a) that the documents lodged herewith are copies of the full report, referred to in Section 268 of the *Fair Work (Registered Organisations) Act*; and
- (b) that the full report was provided to the members on 4 October 2011; and
- (c) that the full report was presented to the committee of management of the reporting unit on 6 December 2011; in accordance with section 266 of the *Fair Work (Registered Organisations) Act*.

Dated at Adelaide this 16th day of December 2011.

Signature:



Graham Smith
Federal Secretary
AMIEU Federal Council



**AUSTRALASIAN MEAT INDUSTRY
EMPLOYEES UNION - FEDERAL COUNCIL**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

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AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

COMMITTEE OF MANAGEMENT'S OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2011

Operating Report

In accordance with section 254 of the *Fair Work (Registered Organisations) Act 2009* ("Act") the Committee of Management ("the Committee") presents its Operating Report on the Australasian Meat Industry Employees Union – Federal Council ("Council"), for the year ended 30 June 2011.

Principal Activities

The principal activity of the Council is to act to uphold the rights of organisational labour and to improve, protect and foster the best interests of its members, and to subscribe to and / or operate with a policy of improving the cultural and living standards of its members.

Operating Results

The profit for the financial year amounted to \$7,847 (2010: \$448)

Review of Operations

A review of the operations of the Council during the financial year found that there was no significant change in the nature or the results of the operations during the year.

After Balance Date Events

No matters of circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Council, the results of those operations or the state of affairs of the Council in future financial years.

Future Developments

Likely developments in the operations of the Council or the expected result of those operations in future financial years have not been included in this report as such information is likely to result in unreasonable prejudice to the Council.

Environmental Issues

The Council's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Members Right to Resign

A member may resign from the Council by written notice addressed and delivered to the Secretary of the Branch in which membership is held.

Membership of Superannuation Scheme

The Council does not have a person who holds a position of trustee or director of an entity, scheme or company as described in s.254 (2) (d) of Schedule 1B, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation.

Membership of the Council

Number of members as at 30 June 2011: 18,702 (2010: 17,525)

Employees of the Council

Number of employees as at 30 June 2011: 2 (2010: 2)

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**COMMITTEE OF MANAGEMENT'S OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2011**

Members of the Committee of Management

The name of each person who has been a member of the Committee of Management of the 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 of appointment
Bird, Graham Eric	Whole Period
Courtney, Grant	Whole Period
Crawford, Brian	Whole Period
Da Silva, John	Whole Period
Donzow, Charles	Whole Period
Evans, Kath	Whole Period
Smith, Graham	Whole Period
Fernandez, Patricia	Whole Period

Indemnifying Officers or Auditors

The Council has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against liability for the costs or expenses to defend legal proceedings.

Proceedings on Behalf of Council

No person has applied for leave of Court to bring proceedings on behalf of the Council or intervene in any proceedings to which the Council is a part for the purpose of taking responsibility on behalf of the Council for all or any part of those proceedings. The Council was not a party to any such proceedings during the year.

Wages Recovery Activity

The Council has not undertaken any recovery of wages activity for the financial years ended 30 June 2011 and 30 June 2010.

Other Information

There is no other information that the Council considers relevant.

Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on page 5.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

COMMITTEE OF MANAGEMENT'S OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2011

This report is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee of Management by:



Brian Crawford
Federal Secretary

14 September 2011

AUSTRALIAN MEAT INDUSTRY UNION OF EMPLOYEES - FEDERAL COUNCIL

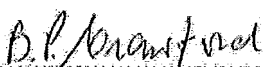
COMMITTEE OF MANAGEMENT CERTIFICATE

On 14th September 2011 the Committee of Management of the Council passed the following resolution to the General Purpose financial statements of the Council for the financial year ended 30 June 2011.

"This 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 and when they become due and payable;
- (e) during the 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; and
 - (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; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the *Fair Work (Registered Organisations) Act* and *Fair Work (Registered Organisations) Regulations*; and
 - (iv) the financial records of the reporting units have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the *Fair Work (Registered Organisations) Act* has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the *Fair Work (Registered Organisations) Act*."

For Committee of Management (Federal Council):


.....
Brian Crawford
Federal Secretary

Dated at Brisbane this 14th day of September 2011.



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**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF
AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL**

As lead auditor for the audit of Australasian Meat Industry Employees Union – Federal Council for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

1. no contraventions of any applicable code of professional conduct in relation to the audit.

MGI Assurance (South Qld) Pty Ltd

A D Fraser
Director

Brisbane

14 September 2011

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	Notes	2011 \$	2010 \$
Revenue	2	329,667	321,453
Affiliation expenses		(65,009)	(61,052)
Employee benefit expense		(116,669)	(97,600)
Meatworker publication and postage		-	(32,315)
Other expenses	3	<u>(140,142)</u>	<u>(130,038)</u>
Profit before income tax expense		7,847	448
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Profit attributable to members of the Council		<u>7,847</u>	<u>448</u>
Other Comprehensive Income			
Other comprehensive income (net of income tax)		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>7,847</u>	<u>448</u>
Profit attributable to:			
Members of the Council		<u>7,847</u>	<u>448</u>
Total comprehensive income attributable to:			
Members of the Council		<u>7,847</u>	<u>448</u>

The accompanying notes form part of these financial statements

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011**

	Notes	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	4	452,560	432,157
Prepayments		<u>1,010</u>	<u>-</u>
TOTAL CURRENT ASSETS		<u>453,570</u>	<u>432,157</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	<u>1,773</u>	<u>2,402</u>
TOTAL NON-CURRENT ASSETS		<u>1,773</u>	<u>2,402</u>
TOTAL ASSETS		<u>455,343</u>	<u>434,559</u>
CURRENT LIABILITIES			
Trade and other payables	6	<u>57,333</u>	<u>53,614</u>
TOTAL CURRENT LIABILITIES		<u>57,333</u>	<u>53,614</u>
NON-CURRENT LIABILITIES			
Long-term provisions	7	<u>14,147</u>	<u>4,929</u>
TOTAL NON-CURRENT LIABILITIES		<u>14,147</u>	<u>4,929</u>
TOTAL LIABILITIES		<u>71,480</u>	<u>58,543</u>
NET ASSETS		<u>383,863</u>	<u>376,016</u>
MEMBERS EQUITY			
Retained earnings		<u>383,863</u>	<u>376,016</u>

The accompanying notes form part of these financial statements

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011**

	Retained earnings	Total
	\$	\$
Balance at 1 July 2009	375,568	375,568
Profit for the year	448	448
Total other comprehensive income	-	-
Balance at 30 June 2010	376,016	376,016
Balance at 1 July 2010	376,016	376,016
Profit for the year	7,847	7,847
Total other comprehensive income	-	-
Balance at 30 June 2011	383,863	383,863

The accompanying notes form part of these financial statements

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION -- FEDERAL COUNCIL

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	Notes	2011 \$	2010 \$
Cash Flows from Operating Activities			
Receipts from members		339,174	340,457
Payments to suppliers and employees		(340,098)	(337,695)
Interest received		21,827	14,774
Net cash provided by operating activities	8(b)	<u>20,403</u>	<u>17,536</u>
Cash Flows from Investing Activities			
Payments for property, plant and equipment		-	-
Net cash provided by investing activities		<u>-</u>	<u>-</u>
Cash Flows Financing Activities			
Net cash used in financing activities		<u>-</u>	<u>-</u>
Net increase in cash held		20,403	17,536
Cash at beginning of financial year		<u>432,157</u>	<u>414,621</u>
Cash at end of financial year	8(a)	<u>452,560</u>	<u>432,157</u>

The accompanying notes form part of these financial statements

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act 2009* (the 'Act'). In accordance with generally accepted accounting principles for organisations having members, membership contributions are brought into account on a cash receipts basis.

The financial statements cover the Australasian Meat Industry Employees Union - Federal Council ("Council") as an individual entity. The financial statements do not include any transactions relating to the various State Branches. Each of the State Branches is a separate reporting unit as defined by the Act. The Council is a trade union which is incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in the financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards.

The following is a summary of the material accounting policies adopted by the Council in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

The financial statements were authorised for issue on 14 September 2011 by the Committee of Management of the Council.

Basis of Preparation

Reporting Basis and Conventions

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. As allowable by the *Fair Work (Registered Organisations) Act 2009*, membership income is recognised on a cash basis.

(a) Income Tax

The Council is exempt from income tax by virtue of s50-45 of the *Income Tax Assessment Act 1997*.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown with short-term borrowings in current liabilities on the statement of financial position.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs relating to instruments classified as at fair value through the statement of comprehensive income are expensed to the statement of comprehensive income immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of such cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit making, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in the statement of comprehensive income in the period in which they arise.

(ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(iii) Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments and it is the Council's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iv) Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment

At each reporting date, the Council assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

(d) Employee Benefits

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(e) Provisions

Provisions are recognised when the Council has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(f) Revenue

Revenue from members is recognised on a cash basis.

Interest revenue is recognised on an accrual basis proportional to taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax ("GST").

(g) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Union during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of the recognition of the liability.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount 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 as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Comparative Figures

When required by Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(j) Critical Accounting Estimates and Judgement

The Council's Committee of Management evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best-available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Council.

Key Estimates – Impairment

The Council assesses impairment at each reporting date by evaluating conditions specific to the Council that may lead to the impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised in respect of the current year.

(k) Adoption of New and Revised Accounting Standards

During the current year, the Council has adopted all new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

There have been no new and revised Australian Accounting Standards and Interpretations that have come into effect during the current year which have impacted the financial statements of the Council.

(i) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Council has decided not to early adopt. A discussion of those future requirements and their impact on the Council is as follows

AASB 9: Financial Instruments (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Council has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) New Accounting Standards for Application In Future Periods (continued)

- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a "related party" to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the Council.

AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

The following entities are required to apply Tier 1 reporting requirements (ie full IFRS):

- for-profit private sector entities that have public accountability; and
- the Australian Government and state, territory and local governments.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) New Accounting Standards for Application in Future Periods (continued)

Subject to AASB 1049, general government sectors of the Australian Government and state and territory governments would also apply Tier 1 reporting requirements.

The following entities can elect to apply Tier 2 of the framework when preparing general purpose financial statements:

- for-profit private sector entities that do not have public accountability;
- not-for-profit private sector entities; and
- public sector entities, whether for-profit or not-for-profit, other than the Australian Government and state, territory and local governments.

AASB 2010-2 makes amendments to Australian Accounting Standards and Interpretations to give effect to the reduced disclosure requirements for Tier 2 entities. It achieves this by specifying the disclosure paragraphs that a Tier 2 entity need not comply with as well as adding specific "RDR" disclosures.

AASB 2009-12: Amendments to Australian Accounting Standards (AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052) (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the Council.

AASB 2009-14: Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan. This Standard is not expected to impact the Council.

AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard details numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;
- adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) New Accounting Standards for Application In Future Periods (continued)

- amending AASB 101 to the effect that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and
- making sundry editorial amendments to various Standards and Interpretations.

This Standard is not expected to impact the Council.

AASB 2010-5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the Council.

AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9.

As noted above, the Council has not yet determined any potential impact on the financial statements from adopting AASB 9.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
NOTE 2 – REVENUE		
Capitation Fees	293,017	295,021
Interest revenue	21,327	14,774
Other revenue	15,323	11,658
	<u>329,667</u>	<u>321,453</u>
NOTE 3 – PROFIT BEFORE INCOME TAX		
Expenses		
- Airfares & Travel	37,325	30,142
- Audit & Accountancy	7,490	7,100
- Depreciation	630	630
- Other ordinary activities	94,697	41,930
	<u>140,142</u>	<u>79,802</u>
(a) Employee Benefits Expense		
<i>Officeholders</i>		
Salaries and Wages	12,000	12,000
Annual Leave		-
Long Service Leave		-
Superannuation		-
Total Officeholders	<u>12,000</u>	<u>12,000</u>
<i>Non-Officeholders</i>		
Salaries and Wages	89,275	82,202
Annual Leave	(1,941)	-
Long Service Leave	9,218	-
Superannuation	8,036	7,398
Total Non-Officeholders	<u>104,587</u>	<u>89,600</u>
NOTE 4 – CASH AND CASH EQUIVALENTS		
Cash at Bank	60,228	61,143
Short-term bank deposits	392,332	371,014
	<u>452,560</u>	<u>432,157</u>
The effective interest rate on short-term bank deposits is 5.6% (2010: 5.6%); these deposits are held at call.		
NOTE 5 – PROPERTY, PLANT AND EQUIPMENT		
Furniture and fittings:		
At cost	908	908
Accumulated Depreciation	(394)	(212)
Total furniture and fittings	<u>514</u>	<u>696</u>
Office equipment:		
At cost	2,243	2,243
Accumulated Depreciation	(984)	(537)
Total office equipment	<u>1,259</u>	<u>1,706</u>
Total Property, Plant and Equipment	<u>1,773</u>	<u>2,402</u>

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) MOVEMENTS IN CARRYING AMOUNTS

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Furniture & Fittings	Office Equipment	Total
Balance at beginning of year	696	1,706	2,402
Additions	-	-	-
Disposals	-	-	-
Depreciation expense	(182)	(447)	(629)
Carrying amount at end of year	<u>514</u>	<u>1,259</u>	<u>1,773</u>

	2011 \$	2010 \$
NOTE 6 – TRADE AND OTHER PAYABLES		
Trade payables and accrued expenses	10,250	12,305
GST Collected	1,614	(101)
Employee benefits	39,469	41,410
	<u>57,333</u>	<u>53,614</u>

(a) Financial Liabilities at amortisation cost

Classified as trade payables

Trade and other payables

Less employee leave entitlements

Financial liabilities as trade and other payables

57,333	53,614
(39,469)	(41,410)
<u>17,864</u>	<u>12,204</u>

NOTE 7 – LONG TERM PROVISIONS

Provision for Long Service Leave

14,147	4,929
<u>14,147</u>	<u>4,929</u>

Provision for Long-term Employee Benefits

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1(d)

All leave entitlements relate to non-officeholders of the Council.

NOTE 8 – CASH FLOW INFORMATION

(a) Reconciliation of Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, at banks and on deposit or any other cash held that can be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value. 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 at bank	60,228	61,143
Short-term bank deposits	392,332	371,014
	<u>452,560</u>	<u>432,157</u>

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
NOTE 8 – CASH FLOW INFORMATION (CONTINUED)		
(b) Reconciliation of Net Cash Provided by Operating Activities to Net Profit after Income Tax		
Profit	<u>7,847</u>	<u>448</u>
Non cash flows included in profit		
- Depreciation and amortisation	<u>630</u>	<u>630</u>
	<u>630</u>	<u>630</u>
Changes in assets and liabilities		
- Increase/ (decrease) in trade payables and accruals	2,708	14,799
- Increase/ (decrease) in provisions	<u>9,218</u>	<u>1,659</u>
	<u>11,926</u>	<u>16,458</u>
Net Cash provided by Operating Activities	<u><u>20,403</u></u>	<u><u>17,536</u></u>

(c) Credit standby arrangements and Loan facilities

The Council has a credit card facility amounting to \$10,000 (2010: \$10,000). This may be terminated at any time at the option of the bank. The balance of this facility is cleared monthly.

(d) Non-Cash Transactions

There have been no non-cash financing or investing activities during the year (2010: Nil)

NOTE 9 – CONTINGENT LIABILITIES

The Committee of Management is not aware of any contingent liabilities that are likely to have a material effect on the results of the Council.

NOTE 10 – RELATED PARTY TRANSACTIONS

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

Transactions with related parties:

(a) The Council receives capitation fees from various State Branches:

- Queensland	108,491	105,873
- Newcastle	44,010	42,480
- Victoria	51,013	51,169
- New South Wales	53,372	59,556
- Western Australia	-	7,102
- South Australia	32,081	20,340
- Tasmania	4,050	8,501
	<u>293,017</u>	<u>295,021</u>

As at 30 June 2011, no amounts owing were outstanding from any related parties.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 11 – KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Council. During the year, the key management personnel of the Council were remunerated as follows:

	Short-Term Benefits	Post-Employment Benefits	Total
2011			
Total compensation	101,275	8,036	109,310
2010			
Total compensation	94,202	19,398	97,175

NOTE 12 – AUDITORS' REMUNERATION

	2011 \$	2010 \$
Remuneration of the auditor of the Council for:		
(a) auditing or reviewing the financial statements	7,800	7,100
(b) other services	-	-
	<u>7,800</u>	<u>7,100</u>

NOTE 13 – EVENTS AFTER THE REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Council, the results of those operations, or the state of affairs of the Council in future financial years.

NOTE 14 – OPERATING SEGMENTS

The Council operates solely in one operating segment being the provision of trade union services.

The Council operates from one geographical segment being Australia.

NOTE 15 – FINANCIAL RISK MANAGEMENT

The Council's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2011 \$	2010 \$
Financial assets			
Cash and cash equivalents	4	452,560	432,157
		<u>452,560</u>	<u>432,157</u>
Financial liabilities			
Trade and other payables	6	17,864	12,204
		<u>17,864</u>	<u>12,204</u>

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 15 – FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial Risk Management Policies

The Committee of Management monitors the Council's financial risk management policies and exposures and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, financing risk and interest rate risk. The Committee of Management meets monthly to review the financial exposure of the Council.

The Council's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and accounts payable.

The main purpose of non-derivative financial instruments is to raise finance for the Council's operations. The Council does not have any derivative instruments at 30 June 2011.

(i) Financial risk exposures and management

The main risks the Council is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed through utilising floating interest bearing instruments, with reputable banking institutions. The Council had no debt as at 30 June 2011.

Foreign currency risk

The Council is not exposed to fluctuations in foreign currencies.

Liquidity risk

The Council manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

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, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

There are no material amounts of collateral held as security at 30 June 2011.

Credit risk is managed and reviewed regularly by the Committee of Management. It arises from exposures to members as well as through certain derivative financial instruments and deposits with financial institutions.

The Committee of Management monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- Only banks and financial institutions with a strong rating are utilised;
- All potential members are rated for credit worthiness taking into account their size, market position and financial standing; and
- Members that do not meet the Council's credit policies may only make payments in cash or using recognised credit cards.

The Council does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Council.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION -- FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 15 – FINANCIAL RISK MANAGEMENT (CONTINUED)

Members are assessed for credit worthiness using the criteria detailed above.

Price Risk

The Council is not exposed to any material commodity price risk.

(b) Financial Instrument Composition and Maturity Analysis

	Floating Interest Rate		Fixed Interest Rate Maturing				Non-Interest Bearing		Total	
	2011	2010	Within 1 Year		1 to 5 Years		2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets										
Cash and cash equivalents	60,228	61,143	392,332	371,014	-	-	-	-	452,560	432,157
Total Financial Assets	60,228	61,143	392,332	371,014	-	-	-	-	452,560	432,157
Financial Liabilities										
Trade and Other Payables	-	-	-	-	-	-	17,864	12,204	17,864	12,204
Total Financial Liabilities	-	-	-	-	-	-	17,864	10,137	17,864	10,137
	2011	2010								
Trade and Other Payables are expected to be paid as follows:	\$	\$								
Less than 6 months	17,864	12,204								
	17,864	12,204								

(c) Net Fair Values

The Council's financial assets and liabilities included in the statement of financial position are carried at amounts that approximate net fair value. There are no material variations between fair value and carrying value in the Council's financial instruments.

(d) Sensitivity Analysis

Market risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Council is also exposed to earnings volatility on floating rate instruments.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE 15 – FINANCIAL RISK MANAGEMENT (CONTINUED)

Interest rate risk is managed using a mixed of fixed and floating rate financial instruments. The effective interest rate exposure to interest rate financial instruments are as follows:

	Note	Weighted Average Effective Interest Rate		2011 \$	2010 \$
		2011 %	2010 %		
		Floating rate Instruments			
Cash and cash equivalents	4	5.16	5.16	452,560	432,157

(e) Sensitivity Analysis

Interest Rate Risk

The Council has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

Interest Rate Sensitivity Analysis:

At 30 June 2011, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2011 \$	2010 \$
Change in profit		
- Increase in interest rate by 1%	4,523	4,322
- Decrease in interest rate by 1%	(4,523)	(4,322)
Change in Members Equity		
- Increase in interest rate by 1%	4,523	4,322
- Decrease in interest rate by 1%	(4,523)	(4,322)

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remained unchanged.

No sensitivity analysis has been performed on foreign exchange risk, as the Council is not exposed to foreign currency fluctuations.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 16 – COUNCIL DETAILS

The principal place of business of the Council is:

Level 1
39 Lytton Road
East Brisbane
Queensland 4169

NOTE 17 - NOTICE REQUIRED UNDER THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the following provision of subsections (1), (2), and (3) of Section 272, which reads as follows:

- (1) A member of a reporting unit, or a Register, 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).

**INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF
AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL**

Report on the Financial Statements

We have audited the accompanying financial statements of the Australasian Meat Industry Employees Union – Federal Council ("Council"), which comprises the statement of financial position as at 30 June 2011 and the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Committee of Management's operating report and statement.

Committee's Responsibility for the Financial Statements

The Committee of Management is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009* ("Act"). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 1, the Committee Members also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial statements, comprising the financial statements and notes, comply with IFRS.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

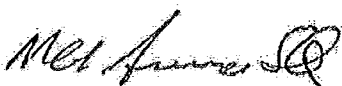
Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements. We confirm that the independence declaration provided to the Committee of Management would be in the same terms if provided to the Committee of Management as at the date of this auditor's report.

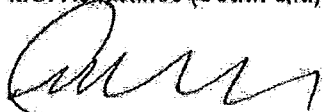
Auditor's Opinion

In our opinion:

- (1) the financial statements of the Australasian Meat Industry Employees Union – Federal Council is in accordance with:
 - a. the *Fair Work (Registered Organisations) Act 2009*, including:
 - (i) giving a true and fair view of the Council's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations); and
 - b. the financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.
- (2) the Council has kept satisfactory accounting records for the financial year including records of:
 - (i) the sources and nature of the Council's income, including membership subscriptions and other income from members; and
 - (ii) the nature of and reasons for the Council's expenditure.
- (3) All the information and explanations that officers or employees of the Council were required to provide have been provided; and
- (4) There was no deficiency, failure or shortcoming in any matters referred to in (1) to (3) above.



MGI Assurance (South Qld) Pty Ltd



A D Fraser
Director

Brisbane

26 September 2011