



20 October 2017

Mr Graham Smith
Federal Secretary
Australasian Meat Industry Employees Union

Sent via email

Dear Mr Smith

Re: – Australasian Meat Industry Employees Union, Federal Council - financial report for year ending 30 June 2017 (FR2017/98)

I refer to the financial report of the Federal Council of the Australasian Meat Industry Employees Union. The documents were lodged with the Registered Organisations Commission ('the ROC') on 9 October 2017.

The financial report has now been filed. The financial report was 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.

You are not required to take any further action in respect of the report lodged. Please note that the financial report for the year ending 30 June 2018 may be subject to an advanced compliance review.

Reporting Requirements

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

Please note that new Reporting Guidelines will apply to organisations and branches with financial years *commencing* on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Financial Reporting
Registered Organisations Commission

THE AUSTRALASIAN MEAT INDUSTRY EMPLOYEES' UNION

(Federal Council)



Federal Secretary
GRAHAM SMITH

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Federal President
PATRICIA FERNANDEZ

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Registered Organisations Commission
Level 4, 414 La Trobe Street,
Melbourne Vic 3001

9/10/2017

Via email: regorgs@roc.gov.au

CERTIFICATE OF DESIGNATED OFFICER – s.268(c)

Re: Financial Returns for the AMIEU Federal Council for the year ended 30th June 2017

The financial statements were first presented to the AMIEU Federal Council on 7/9/2017 and posted to the AMIEU website thereafter.

No special meeting was called for by the membership and so the statements were presented to a meeting of the AMIEU Federal Executive and endorsed on 4/10/2017.

Queries may be directed to the writer on [REDACTED].

Yours faithfully

Graham Smith
Federal Secretary

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

ABN 12 206 758 691

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

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AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
COMMITTEE OF MANAGEMENT'S OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2017

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 ("the Union"), for the year ended 30 June 2017.

Principal Activities

The principal activity of the Australasian Meat Industry Employees Union – Federal Council is to act on behalf of members in pursuit of the objects of the Union's rules.

Operating Results

The deficit for the financial year amounted to \$46,483 (2016 surplus: \$8,359).

Significant Changes in Financial Affairs

A review of the operations of the Union during the financial year found that there was no significant change in the financial affairs of the Union's operations during the year.

After Balance Date Events

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

Future Developments

Likely developments in the operations of the Union 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 Union.

Environmental Issues

The Union'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 Union by written notice addressed and delivered to the Secretary of the Union in which membership is held.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
COMMITTEE OF MANAGEMENT’S OPERATING REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Membership of the Union

Total number of members as at 30 June 2017: 21,207.

Employees of the Union

The number of persons who were, at the end of the period to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees measured on a full-time equivalent basis is 2.0 (2016: 2.0).

Members of the Committee of Management

The name of each person who has been a member of the Committee of Management of the Union 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	Position
<i>Federal Officers</i>		
Patricia Fernandez	1/7/16 – 30/6/17	Federal President
Paul Conway	1/7/16 – 15/9/16 12/12/16 – 30/6/17	Federal Vice President
Graham Smith	1/7/16 – 30/6/17	Federal Secretary
<i>Queensland Branch Representatives</i>		
Matthew Journeaux	1/7/16 – 30/6/17	Executive Member/ QLD Branch Secretary
Brian Crawford	1/7/16 – 4/7/16	Executive Member/ QLD Branch Secretary
Warren Earle	1/7/16 – 30/6/17	Committee Member
<i>Newcastle and Northern Branch Representatives</i>		
Grant Courtney	1/7/16 – 30/6/17	Executive Member/ Newcastle and Northern Branch Secretary
Mark Cooke	1/7/16 – 30/6/17	Committee Member
Justin Smith	1/7/16 – 30/6/17	Committee Member
<i>New South Wales Branch Representatives</i>		
Patricia Fernandez	1/7/16 – 30/6/17	Executive Member / NSW Branch Secretary
Charlie Donzow	1/7/16 – 31/12/16	Executive Member / NSW Branch Secretary
Peter Usher	1/7/16 – 30/6/17	Committee Member
<i>Victoria Branch Representatives</i>		
Paul Conway	1/7/16 – 30/6/17	Executive Member / VIC Branch Secretary
Barrie Chalkey	1/7/16 – 30/6/17	Committee Member
Gynnyth Evans	1/7/16 – 30/6/17	Committee Member

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

Members of the Committee of Management (continued)

Name	Period of Appointment	Position
Tasmania Branch Representatives Troy Baker	1/7/16 – 30/6/17	Executive Member/ TAS Branch Secretary
Howard Donovan	1/7/16 – 30/6/17	Committee Member
Darren Goodier	1/7/16 – 30/6/17	Committee Member
<i>South and Western Australia Representatives</i>		
Sharra Anderson	1/7/16 – 30/6/17	Executive Member/ SAWA Branch Secretary
John Da Silva	1/7/16 – 30/6/17	Committee Member
Scott Challengier	1/7/16 – 30/6/17	Committee Member
Kaine Sich	1/7/16 – 30/6/17	Committee Member
Melanie Richter	1/7/16 – 30/5/17	Committee Member

Indemnifying Officers or Auditors

The Union 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.

Wages Recovery Activity

The Union has not undertaken any recovery of wages activity for the financial years ended 30 June 2017 and 30 June 2016.

Officers or Members who are Superannuation Fund Trustees/ Directors of a Company that is a Superannuation Fund Trustee

Those who hold a position of trustee or director of an entity, scheme or company as described in s.254 (2) (d) of the *Fair Work (Registered Organisations) Act 2009*, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation are as follows:


Paul Conway	- Member and Committee of Management Member of the Union
	- Director of the Trustee of the Meat Industry Employee's Superannuation Fund
Matt Journeaux	- Member and Committee of Management Member of the Union
	- Director of the Trustee of the Meat Industry Employee's Superannuation Fund
Patricia Fernandez	- Member and Committee of Management Member of the Union
	- Director of the Trustee of the Meat Industry Employee's Superannuation Fund

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
COMMITTEE OF MANAGEMENT’S OPERATING REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017**

Auditor’s Independence Declaration

A copy of the auditor’s independence declaration is set out on page 7.

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:



.....
Graham Smith
Federal Secretary

7 September 2017

Melbourne

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

As lead auditor for the audit of the Australasian Meat Industry Employees Union – Federal Council for the year ended 30 June 2017; I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

M.S.I

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Melbourne

7 September 2017

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/2

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

On 7 September 2017, the Committee of Management of the Union passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the financial year ended 30 June 2017.

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

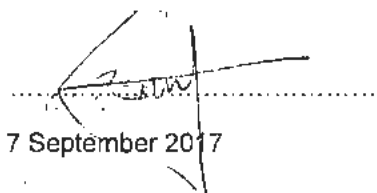
- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Commissioner;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - i. meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the union concerned; and
 - ii. the financial affairs of the Union have been managed in accordance with the rules of the organisation;
 - iii. the financial records of the Union have been kept and maintained in accordance with the *RO Act*;
 - iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
 - v. where information has been sought in any request of a member of the reporting unit or Commissioner duly made under section 272 of the *RO Act*, that information has been provided to the member or Commissioner; and
 - vi. there have been no orders for inspection of financial records made by the Registered Organisations Commission under section 273 of the *RO Act* during the year.
- (f) No revenue has been derived from undertaking recovery of wages activity during the reporting year.

This declaration is made in accordance with a resolution of the Committee of Management.

Name of Designated Officer: Graham Smith

Title of Designated Officer: Federal Secretary

Signature:



7 September 2017

Date:

In Independent Audit Report to the Members of the Australasian Meat Industry Employees Union – Federal Council

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Australasian Meat Industry Employees Union – Federal Council (the Union), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Australasian Meat Industry Employees Union – Federal Council as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Union is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Union in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Union is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Union to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Union's audit. We remain solely responsible for our audit opinion.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Declaration

I declare that I am an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

Opinion on the recovery of wages activity financial report

The scope of my work extended to the recovery of wages activity and we have audited the recovery of wages activity financial report for the year ended 30 June 2017

In our opinion, the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Commissioner, including:

- a) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b) any donations or other contributions deducted from recovered money.

Responsibilities

The Committee of Management is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the Commission. Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards.

M.C. I

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Melbourne

7 September 2017

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/2

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 \$	2016 \$
Revenue			
Membership subscription		-	-
Capitation fees	3A	412,500	391,402
Levies	3B	20,000	85,160
Interest	3C	2,288	4,319
Grants or donations	3D	-	-
Other revenue		18,848	20,227
Total revenue		453,636	501,108
Expenses			
Employee expenses	4A	(249,585)	(215,452)
Capitation fees	4B	-	-
Affiliation fees	4C	(103,309)	(106,188)
Administration and other operating expenses	4D	(124,786)	(131,965)
Grants or donations	4E	(2,000)	-
Depreciation and amortisation	4F	(7,881)	(6,879)
Legal costs	4G	(2,658)	-
Audit fees	12	(9,900)	(9,900)
Meatworkers publication costs		-	(22,365)
Other expenses	4H	-	-
Total expenses		(500,119)	(492,749)
(Deficit)/ surplus for the year		(46,483)	8,359
Other comprehensive income			
Other Comprehensive income (net of income tax)		-	-
Total comprehensive income for the year		(46,483)	8,359

The above statement should be read in conjunction with the notes.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Notes	2017 \$	2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	143,097	174,818
Trade and other receivables	5B	10,500	2,943
Other current assets		1,959	1,945
Total current assets		155,556	179,706
Non-Current Assets			
Furniture and fittings	6A	-	-
Office equipment	6B	4,717	3,635
Motor vehicles	6C	2,734	8,785
Total non-current assets		7,451	12,420
Total assets		163,007	192,126
LIABILITIES			
Current Liabilities			
Trade payables	7A	7,798	21,196
Other payables	7B	12,393	10,135
Employee provisions	8A	126,920	98,416
Total current liabilities		147,111	129,747
Non-Current Liabilities			
Employee provisions	8A	-	-
Total non-current liabilities		-	-
Total liabilities		147,111	129,747
Net assets		15,896	62,379
EQUITY			
Retained earnings		15,896	62,379
Total equity		15,896	62,379

The above statement should be read in conjunction with the notes.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017**

	Notes	Retained earnings \$	Total equity \$
Balance as at 1 July 2015		54,020	54,020
Surplus for the year		8,359	8,359
Other comprehensive income		-	-
Closing balance as at 30 June 2016		<u>62,379</u>	<u>62,379</u>
Deficit for the year		(46,483)	(46,483)
Other comprehensive income		-	-
Closing balance as at 30 June 2017		<u>15,896</u>	<u>15,896</u>

The above statement should be read in conjunction with the notes.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 \$	2016 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	9B	480,779	550,960
Receipts from members and other customers		5,001	-
Interest		2,288	4,319
		<u>488,068</u>	<u>555,279</u>
Cash used			
Employees and suppliers		(494,321)	(527,666)
Payment to other reporting units	9B	(22,556)	(19,822)
		<u>(516,877)</u>	<u>(547,488)</u>
Net cash (used in)/ provided by operating activities		<u>(28,809)</u>	<u>7,791</u>
INVESTING ACTIVITIES			
Payments for plant and equipment		(2,912)	(2,629)
Proceeds from sale of plant and equipment		-	-
Net cash used in investing activities		<u>(2,912)</u>	<u>(2,629)</u>
FINANCING ACTIVITIES			
		-	-
Net increase/ (decrease) in cash held		<u>(31,721)</u>	<u>5,162</u>
Cash & cash equivalents at the beginning of the reporting period		174,818	169,656
Cash & cash equivalents at the end of the reporting period	5A	<u>143,097</u>	<u>174,818</u>

The above statement should be read in conjunction with the notes.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages	-	-

The above statement should be read in conjunction with the notes.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

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AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Meat Industry Employees Union – Federal Council (the Union) is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. 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.

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Key Estimates

Impairment – general

The Union assesses impairment at each reporting period by evaluation of conditions and events specific to the Union that may be indicative of impairment triggers. Recoverable amounts of relevant assets are assessed using value-in-use calculations which incorporate various key assumptions.

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

Key Judgements

Useful lives of plant and equipment

Plant and equipment are depreciated over the useful life of the asset and the depreciation rates are assessed when the asset are acquired or when there is a significant change that affects the remaining useful life of the asset.

Provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

On-cost for employee entitlement provision

The Union revised its estimate for on-costs for employee provision during the year to include superannuation, workers compensation and payroll tax.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies (Continued)

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the Union include:

- AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

The key changes that may affect the Union on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of this Standard, the application of such accounting would be largely prospective.

The Committee of Management does not believe the effects of AASB 9 will significant affect the Union.

- AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2015-8: Amendments to Australian Accounting Standards – Effective Date of AASB 15).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The Committee of Management do not believe the effects of AASB 15 will significant affect the Union.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies (Continued)

1.4 New Australian Accounting Standards (Continued)

Future Australian Accounting Standards Requirements (continued)

- AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019)

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the Committee of Management anticipate that the adoption of AASB 16 will impact the Union's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies (Continued)

1.6 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.7 Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

1.8 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The reporting unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.9 Leases

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

1.10 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial instruments

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.12 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies (Continued)

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies (Continued)

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies (Continued)

Derecognition of financial assets

The Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.13 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies (Continued)

Derecognition of financial liabilities

The Union derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.14 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.15 Plant and Equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Depreciation

Depreciable plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2017	2016
Motor Vehicles	5 years	5 years

Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies (Continued)

1.16 Impairment of non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.17 Taxation

The Union is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

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

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.18 Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 14.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 1 Summary of significant accounting policies (Continued)

The principal or the most advantageous market must be accessible by the Union. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Union uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Union determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Union has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.19 Going concern

The Union is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Union has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2017, and /or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

2017	2016
\$	\$

Note 3 Income

Note 3A: Capitation fees

Australasian Meat Industry Employees Union – Queensland Branch (AMIEU – Queensland Branch)	132,535	127,310
Australasian Meat Industry Employees Union – New South Wales Branch (AMIEU – NSW Branch)	84,997	71,709
Australasian Meat Industry Employees Union – Newcastle & Northern Branch (AMIEU – Newcastle & Northern Branch)	64,555	64,986
Australasian Meat Industry Employees Union – Victoria Branch (AMIEU – Victoria Branch)	75,901	75,329
Australasian Meat Industry Employees Union – Tasmania Branch (AMIEU – Tasmania Branch)	9,597	9,468
Australasian Meat Industry Employees Union – South Australia/ Western Australia Branch (AMIEU – SA/ WA Branch)	44,915	42,600
Total capitation fees	412,500	391,402

Note 3B: Levies

AMIEU – Queensland Branch	6,400	27,064
AMIEU – NSW Branch	4,200	14,498
AMIEU – Newcastle & Northern Branch	3,200	14,245
AMIEU – Victoria Branch	3,600	17,351
AMIEU – Tasmania Branch	400	1,978
AMIEU – SA/ WA Branch	2,200	10,024
Total levies	20,000	85,160

Note 3C: Interest

Deposits	2,288	4,319
Total interest	2,288	4,319

Note 3D: Grants or donations

Grants	-	-
Donations	-	-
Total grants or donations	-	-

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	99,275	106,222
Superannuation	17,295	16,295
Leave and other entitlements	22,151	6,404
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	138,721	129,101
Employees other than office holders:		
Wages and salaries	85,547	72,973
Superannuation	8,800	7,162
Leave and other entitlements	16,517	6,396
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	110,864	86,351
Total employee expenses	249,585	215,452

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 4B: Capitation fees	-	-
Total capitation fees	-	-
Note 4C: Affiliation fees		
Australian Council of Trade Unions	97,959	79,582
International Union of Food Workers	4,000	25,515
APHEDA – Union Aid Abroad	1,236	1,091
Australian Labour and Employment Relations Association	114	-
Total affiliation fees	103,309	106,188
Note 4D: Administration and other operating expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies		
Australian Council of Trade Unions – IR Levy	-	33,832
Fees/ allowances – meeting and conferences	-	-
Administration expenses	13,000	11,095
Conference and meeting expenses	12,897	596
Airfares and travel	39,982	45,576
Legal and industrial books	8,622	10,019
Journal costs	13,328	22,365
Other	36,957	8,482
Total administration and other operating expense	124,786	131,965
Note 4E: Grants or donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	2,000	-
Total grants or donations	2,000	-
Note 4F: Depreciation and amortisation		
Depreciation		
Office Equipment	1,830	828
Motor Vehicles	6,051	6,051
Total depreciation	7,881	6,879

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 4G: Legal costs		
Litigation	2,658	-
Other legal matters	-	-
Total legal costs	<u>2,658</u>	<u>-</u>
Note 4H: Other expenses		
Penalties - via RO Act or RO Regulations	-	-
Total other expenses	<u>-</u>	<u>-</u>
Note 5 Current Assets		
Note 5A: Cash and Cash Equivalents		
Cash at bank	60,517	8,521
Cash on hand	-	-
Short term deposits	82,580	166,297
Total cash and cash equivalents	<u>143,097</u>	<u>174,818</u>
Note 5B: Trade and Other Receivables		
Receivables from other reporting units		
AMIEU – NSW Branch	4,200	-
AMIEU – Victoria Branch	3,600	-
AMIEU – SA/ WA Branch	2,200	-
Total receivables from other reporting units	<u>10,000</u>	<u>-</u>
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Receivable from other reporting units (net)	<u>-</u>	<u>-</u>
Other receivables:		
GST receivable	-	2,943
Other trade receivables	500	-
Total other receivables	<u>500</u>	<u>2,943</u>
Total trade and other receivables (net)	<u>10,500</u>	<u>2,943</u>

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 30 JUNE 2017

Note 6	Non-current Assets	2017	2016
		\$	\$
Note 6A: Furniture and fittings			
Furniture and fittings:			
at cost		908	908
accumulated depreciation		(908)	(908)
Total furniture and fittings		<u>-</u>	<u>-</u>

Reconciliation of Opening and Closing Balances of Furniture and Fittings

As at 1 July			
Gross book value		908	908
Accumulated depreciation and impairment		(908)	(908)
Net book value 1 July		<u>-</u>	<u>-</u>
Additions:			
By purchase		-	-
Depreciation expense		-	-
Disposals:			
By sale		-	-
Net book value 30 June		<u>-</u>	<u>-</u>
Net book value as of 30 June represented by:			
Gross book value		908	908
Accumulated depreciation and impairment		(908)	(908)
Net book value 30 June		<u>-</u>	<u>-</u>

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 6B: Office equipment		
Office Equipment:		
at cost	10,290	7,378
accumulated depreciation	(5,573)	(3,743)
Total plant and equipment	<u>4,717</u>	<u>3,635</u>

Reconciliation of Opening and Closing Balances of Office Equipment

As at 1 July		
Gross book value	7,378	4,749
Accumulated depreciation and impairment	(3,743)	(2,915)
Net book value 1 July	<u>3,635</u>	1,834
Additions:		
By purchase	2,912	2,629
Depreciation expense	(1,830)	(828)
Disposals:		
By sale	-	-
Net book value 30 June	<u>4,717</u>	3,635
Net book value as of 30 June represented by:		
Gross book value	10,290	7,378
Accumulated depreciation and impairment	(5,573)	(3,743)
Net book value 30 June	<u>4,717</u>	3,635

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 6C: Motor Vehicles		
Motor Vehicles:		
at cost	30,254	30,254
accumulated depreciation	(27,520)	(21,469)
Total plant and equipment	<u>2,734</u>	<u>8,785</u>

Reconciliation of Opening and Closing Balances of Motor Vehicles

As at 1 July		
Gross book value	30,254	30,254
Accumulated depreciation and impairment	(21,469)	(15,418)
Net book value 1 July	<u>8,785</u>	<u>14,836</u>
Additions:		
By purchase	-	-
Depreciation expense	(6,051)	(6,051)
Disposals:		
By sale	-	-
Net book value 30 June	<u>2,734</u>	<u>8,785</u>
Net book value as of 30 June represented by:		
Gross book value	30,254	30,254
Accumulated depreciation and impairment	(27,520)	(21,469)
Net book value 30 June	<u>2,734</u>	<u>8,785</u>

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 7 Current Liabilities		
Note 7A: Trade payables		
Trade creditors and accruals	7,798	15,942
Operating lease rentals	-	-
Subtotal trade creditors	<u>7,798</u>	<u>15,942</u>
Payables to other reporting units		
Australasian Meat Industry Employees Union – Newcastle & Northern Branch	-	1,831
Australasian Meat Industry Employees Union – Victoria Branch	-	3,423
Subtotal payables to other reporting units	<u>-</u>	<u>5,254</u>
Total trade payables	<u><u>7,798</u></u>	<u><u>21,196</u></u>
Settlement is usually made within 30 days.		
Note 7B: Other payables		
Superannuation	4,582	5,809
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	-	-
GST payable	2,808	-
Other	5,003	4,326
Total other payables	<u>12,393</u>	<u>10,135</u>
Total other payables are expected to be settled in:		
No more than 12 months	12,393	10,135
More than 12 months	-	-
Total other payables	<u><u>12,393</u></u>	<u><u>10,135</u></u>

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 8		
Provisions		
Note 8A: Employee Provisions		
Office Holders:		
Annual leave	13,017	9,909
Vesting personal leave	20,420	15,128
Long service leave	81,405	72,214
Separations and redundancies	-	-
Other	-	-
<i>Subtotal employee provisions—office holders</i>	114,842	97,251
Employees other than office holders:		
Annual leave	5,014	813
Vesting personal leave	4,283	352
Long service leave	2,781	-
Separations and redundancies	-	-
Other	-	-
<i>Subtotal employee provisions—employees other than office holders</i>	12,078	1,165
Total employee provisions	126,920	98,416
Current	126,920	98,416
Non-Current	-	-
<i>Total employee provisions</i>	126,920	98,416

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Note 9 Cash Flow		
Note 9A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	143,097	174,818
Statement of financial position	143,097	174,818
<i>Difference</i>	<u>-</u>	<u>-</u>
Reconciliation of profit/(deficit) to net cash from operating activities:		
(Deficit)/ surplus for the year	(46,483)	8,359
Adjustments for non-cash items		
Depreciation/ amortisation	7,881	6,879
Gain on disposal of assets	-	-
Changes in assets/liabilities		
(Increase)/ decrease in net receivables	(10,500)	(135)
(Increase)/ decrease in other current assets	(14)	(379)
Increase/ (decrease) in creditors and other payables	(8,197)	(19,732)
Increase/ (decrease) in employee provisions	28,504	12,799
Net cash (used in)/ provided by operating activities	<u>(28,809)</u>	<u>7,791</u>
Note 9B: Cash flow information		
Cash inflows from other reporting unit		
AMIEU – Queensland Branch	159,981	177,912
AMIEU – NSW Branch	95,290	95,697
AMIEU – Newcastle & Northern Branch	77,683	97,687
AMIEU – Victoria Branch	84,536	107,047
AMIEU – Tasmania Branch	11,611	13,301
AMIEU – SA/ WA Branch	51,678	59,317
Total cash inflows	<u>480,779</u>	<u>550,960</u>
Cash outflows		
AMIEU – NSW Branch	(1,107)	-
AMIEU – Newcastle & Northern Branch	(6,419)	(6,749)
AMIEU – Victoria Branch	(730)	-
AMIEU – SA/ WA Branch	(14,300)	(13,073)
Total cash outflows	<u>(22,556)</u>	<u>(19,822)</u>

Note: Cash flow information to/ from other reporting units disclosed include 10% GST on applicable transactions.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

Note 9C: Credit standby arrangements and loan facilities

The Union has a credit card facility amounting to \$10,000 (2016: \$10,000). This may be terminated at any time at the option of the bank. The balance of this facility is cleared monthly and interest rates are variable.

Note 9D: Non-cash transactions

There have been no non-cash financing or investing activities during the year (2016: Nil).

Note 10 Contingent Liabilities, Assets and Commitments

Note 10A: Commitments and Contingencies

Capital commitments

At 30 June 2017 the Union did not have any capital commitments (2016: Nil).

Other contingent assets or liabilities (i.e. legal claims)

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

Note 11 Related Party Disclosures

**Note 11A: Related Party Transactions for the Reporting Period
Holders of office and related reporting units**

The names of those persons who held office for all or part of the year are deemed to be a related party for financial reporting purposes as set out in the accompanying Committee of Management Operating Report.

For financial reporting purposes, under the *Fair Work (Registered Organisations) Act 2009*, the Australasian Meat Industry Employees Union is divided into the following separate reporting units (and deemed related parties):

AMIEU – Queensland Branch
AMIEU – NSW Branch
AMIEU – Newcastle & Northern Branch
AMIEU – Victoria Branch
AMIEU – Tasmania Branch
AMIEU – SA/ WA Branch

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

Note 11 Related Party Disclosures (Continued)

**Note 11A: Related Party Transactions for the Reporting Period
Holders of office and related reporting units (Continued)**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	2017	2016
	\$	\$
Revenue received from AMIEU – Queensland Branch includes the following:		
Capitation fees	132,535	127,310
Levies	6,400	27,064
Reimbursement of meatworker journal costs recovered	6,525	7,364
Purchase of Equal Pay Postcards	227	-
Purchase of AMIEU medallions	332	-
Revenue received from AMIEU – NSW Branch includes the following:		
Capitation fees	84,997	71,709
Levies	4,200	14,498
Reimbursement of meatworker journal costs recovered	1,162	1,307
Reimbursement of Equal Pay Postcards	137	-
Purchase of AMIEU medallions	332	-
Expenses paid to AMIEU – NSW Branch includes the following:		
Reimbursement of travel costs	1,006	-
Amounts owed by AMIEU – NSW Branch include the following:		
Levies	4,200	-
Revenue received from AMIEU – Newcastle & Northern Branch includes the following:		
Capitation fees	64,555	64,986
Levies	3,200	14,245
Reimbursement of meatworker journal costs recovered	1,279	2,086
Non-executive director fees received	1,696	7,521
Purchase of Equal Pay Postcards	182	-
Expenses paid to AMIEU – Newcastle & Northern Branch includes the following:		
Reimbursement of administration costs	-	813
Reimbursement of postage and printing costs	5,835	5,263
Amounts owed to AMIEU – Newcastle & Northern Branch include the following:		
Capitation fees received in advance	-	1,831

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017**

Note 11 Related Party Disclosures (Continued)

**Note 11A: Related Party Transactions for the Reporting Period
Holders of office and related reporting units (Continued)**

	2017	2016
	\$	\$
Revenue received from AMIEU – Victoria Branch includes the following:		
Capitation fees	75,901	75,329
Levies	3,600	17,351
Reimbursement of meatworker journal costs recovered	814	1,206
Purchase of Equal Pay Postcards	137	-
Expenses paid to AMIEU -- Victoria Branch includes the following:		
Purchase of AMIEU medallions	664	-
Amounts owed to AMIEU – Victoria Branch include the following:		
Capitation fees received in advance	-	3,423
Amounts owed by AMIEU – Victoria Branch include the following:		
Levies	3,600	-
Revenue received from AMIEU – Tasmania Branch includes the following:		
Capitation fees	9,597	9,468
Levies	400	1,978
Reimbursement of meatworker journal costs recovered	504	646
Purchase of Equal Pay Postcards	91	-
Revenue received from AMIEU – SA/ WA Branch includes the following:		
Capitation fees	44,915	42,600
Levies	2,200	10,024
Reimbursement of meatworker journal costs recovered	1,261	1,306
Purchase of Equal Pay Postcards	68	-
Reimbursement of legal fees	736	-
Expenses paid to AMIEU – SA/ WA Branch includes the following:		
Union fees paid to SA/ WA Branch	-	400
Reimbursement of postage costs	-	70
Reimbursement of computer expenses	-	497
Office administration fees	13,000	11,000
Amounts owed by AMIEU – SA/ WA Branch include the following:		
Levies	2,200	-

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 11 Related Party Disclosures (Continued)

Note 11A: Related Party Transactions for the Reporting Period
Holders of office and related reporting units (Continued)

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2017, the Union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2016: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 11 Related Party Disclosures (Continued)

	2017	2016
	\$	\$
Note 11B: Key Management Personnel Remuneration for the Reporting Period		
Short-term employee benefits		
Salary (including annual leave taken)	99,275	106,402
Annual and personal leave accrued	17,511	4,487
Other	-	-
Total short-term employee benefits	<u>116,783</u>	<u>110,889</u>
Post-employment benefits:		
Superannuation	17,295	16,295
Total post-employment benefits	<u>17,295</u>	<u>16,295</u>
Other long-term benefits:		
Long-service leave	4,640	1,917
Total other long-term benefits	<u>4,640</u>	<u>1,917</u>
Termination benefits	-	-
Total	<u>138,721</u>	<u>129,101</u>

No other transactions occurred during the year with elected officers, close family members or other related parties than those related to their membership or employment and on terms no more favourable than those applicable to any other member of employee.

Note 12 Remuneration of Auditors

Value of the services provided

Financial statement audit services	9,900	9,900
Other services	-	-
Total remuneration of auditors	<u>9,900</u>	<u>9,900</u>

No other services were provided by the auditors of the financial statements.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 13 Financial Instruments

Financial Risk Management Policy

The Union Committee of Management monitors the Union's financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The Union Committee of Management meets on a regular basis to review the financial exposure of the Union.

(a) Credit Risk

Exposure to credit risk relating to financial assets arise from the potential non-performance by counterparties of contract obligations that could lead to a financial loss of the Union. The Union does not have any material credit risk exposures as its major source of revenue is the receipt of membership fees.

The maximum exposures to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of provisions) as presented in the statement of financial position.

The Union has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Union.

On a geographical basis, the Union's trade and other receivables are all based in Australia.

The following table details the Union's trade and other receivables exposed to credit risk. Amounts are considered 'past due' when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 13 Financial Instruments (Continued)

Ageing of financial assets that were past due but not impaired for 2017

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	500	-	-	-	500
Receivables from other reporting units	10,000	-	-	-	10,000
Total	10,500	-	-	-	10,500

Ageing of financial assets that were past due but not impaired for 2016

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	2,943	-	-	-	2,943
Receivables from other reporting units	-	-	-	-	-
Total	2,943	-	-	-	2,943

The Union has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 30 June 2017, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

Collateral held as security

The Union does not hold collateral with respect to its receivables at 30 June 2017 (2016: Nil).

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 13 Financial Instruments (Continued)

(b) Liquidity Risk

Liquidity risk arises from the possibility that the Union might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Union manages this risk through the following mechanisms:

- preparing forward looking cash flow estimates;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Union does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade payables	7,798	21,196	-	-	-	-	7,798	21,196
Other payables	12,393	10,135	-	-	-	-	12,393	10,135
Total expected outflows	20,191	31,331	-	-	-	-	20,191	31,331
Financial assets – cash flow receivable								
Cash and cash equivalents	143,097	174,818	-	-	-	-	143,097	174,818
Trade and other receivables	10,500	2,943	-	-	-	-	10,500	2,943
Total anticipated inflows	153,597	177,761	-	-	-	-	153,597	177,761
Net (outflow) / inflow on financial instruments	133,406	146,430	-	-	-	-	133,406	146,430

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 13 Financial Instruments (Continued)

(c) Market Risk

i. Interest rate 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 Union is also exposed to earnings volatility on floating rate instruments.

The financial instruments which expose the Union to interest rate risk are limited to its cash reserves.

ii. Foreign exchange risk

The Union is not exposed to fluctuations in foreign currencies.

iii. Price risk

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

iv. Interest rate risk

The Union 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.

v. Sensitivity Analysis

The following table illustrates sensitivities to the Union's exposures to changes in interest rates. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	2017	2016
	\$	\$
Change in profit		
- Increase in interest rate by 2%	1,652	3,487
- Decrease in interest rate by 2%	(1,652)	(3,327)
Change in members equity		
- Increase in interest rate by 2%	1,652	3,487
- Decrease in interest rate by 2%	(1,652)	(3,327)

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

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017**

Note 14 Fair Value Measurement

Fair Values

Fair value estimation

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties at an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair values is extracted from the market, with more reliable information available from markets that are actively traded.

In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Union. Most of these instruments, which are carried at amortised cost (i.e. accounts receivable), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the Union.

The following table contains the carrying amounts and related fair values for the Union's financial assets and liabilities:

		2017		2016	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	143,097	143,097	174,818	174,818
Accounts receivable and other debtors	(i)	10,500	10,500	2,943	2,943
Total financial assets		153,597	153,597	177,761	177,761
Financial liabilities					
Accounts payable and other payables	(i)	20,191	20,191	31,331	31,331
Total financial liabilities		20,191	20,191	31,331	31,331

Note 14 Fair Value Measurement (Continued)

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, accounts receivable and other debtors and accounts payable and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurement into one of the three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Union did not have any assets or liabilities that were recorded using the above fair value hierarchy at 30 June 2017 (2016: Nil).

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – FEDERAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2017

Note 15 Section 272 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 provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commission:

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

Note 16 Union Details

The registered office of the Union is:

227 Henley Beach Road
TORRENSVILLE SA 5031

Note 17 Segment Information

The Union operates solely in one reporting segment, being the provision of industrial services in Australia.

Note 18 Other Acquisitions of Assets or Liabilities

During the financial year the Union has not acquired an asset or liability as a result of:

- (a) An amalgamation under Part 2 of Chapter 3 of the *Fair Work (Registered Organisations) Act 2009*.
- (b) A restructure of Branches of the organisation.
- (c) A determine by the Commission under subsection 245(1) of the *Fair Work (Registered Organisations) Act 2009* of an alternative reporting structure for the organisation.
- (d) A revocation by the Commission under subsection 249(1) of the *Fair Work (Registered Organisations) Act 2009* of a certificate issued to the organisation under subsection 241(1).
- (e) A business combination.