



FAIR WORK
COMMISSION

9 February 2017

Ms Patricia Fernandez
Secretary, New South Wales Branch
Australasian Meat Industry Employees Union

By email: amieunsw@amieu.asn.au

Dear Ms Fernandez

Re: Lodgement of Financial Statements and Accounts – Australasian Meat Industry Employees Union, New South Wales Branch – for year ending 30 June 2016 (FR2016/217)

I refer to the financial report for the New South Wales Branch of the Australasian Meat Industry Employees Union lodged with the Fair Work Commission on 12 January 2017.

The financial report has been filed, however I identified the following matters to which I draw your attention for rectification in the next report.

Reports must be provided to members within 5 months of end of financial year

The Designated Officer's Certificate states that the financial report was provided to members on 14 December 2016. Under section 265(5)(b) of the RO Act, where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of the end of the financial year, i.e. by 30 November.

This is a civil penalty provision. If in future financial years it is anticipated that an extension of time will be required, a written request must be made prior to the 30 November.

Reports must be presented within 6 months after the end of the financial year.

The Designated Officer's Certificate stated that the financial report was presented to a Committee of Management meeting on 12 January 2017. The timing of this meeting must be in accordance with section 266(1), that is, within 6 months after the end of the financial year, 31 December.

This is a civil penalty provision. If in future financial years it is anticipated that an extension of time will be required, a written request must be made prior to 31 December.

Number of employees

The Operating Report stated that the number of employees at 30 June 2016 was 5 with 1 part-time employee. Regulation 159(b) requires that the number of persons that were, at the end of the financial year to which the report relates, employees of the reporting unit must be disclosed in the Operating Report measured on a full-time equivalent basis.

Disclosure of capitation fees to another reporting unit

The amount of capitation expense to the Federal Council disclosed at Note 4B (\$87,514) included two amounts that were disclosed in the Federal Council's financial report as compulsory levy (\$14,498) and reimbursement of journal costs (\$1,307). Upon further enquiry, I was advised by the Federal Secretary that capitation only included amounts determined in accordance with rule 9.10¹ and not amounts levied for the purpose of

¹ Rule 9.10 provides: "An amount per half-year per member, as determined from time to time by Federal Council, shall be paid to the Federal Council and shall be called the Capitation fee."

maintaining the Union journal in accordance with rule 28.5.8 or other levies, even where such amounts might be calculated on a pro-rata basis. In this case, the Branch should have disclosed a capitation expense of \$71,709, a compulsory levy related to ACTU IR of \$14,498 and a separate expense for the journal of \$1,307.

I was also advised however that, following an accounting change in relation to the IR levy by the ACTU in 2016, the Federal Council resolved to absorb the levy into capitation, and increase the amounts payable by Branches under rule 9.10. This means that for the year ending 30 June 2017, there will be no separate IR levy for the Branch to disclose. The Branch should however disclose separately any expense related to the union journal.

Cash Flow to other reporting unit

The Branch did not disclose separately a cash outflow to the Federal Council. Reporting Guideline 24 requires that where another reporting unit of the organisation is the source of a cash inflow or recipient of a cash outflow, such cash flow should be separately disclosed and that the name of the other reporting unit be shown in the notes.

Activities under Reporting Guidelines not disclosed

Reporting Guidelines ('RGs') 13, 15, 17, 19, 21, 23 and 25 state that if any activities identified in RGs 10, 11, 12, 14, 16, 18, 20, 22, and 24 respectively have not occurred in the reporting period, a statement to this effect² must be included in the notes. I note that for the following activities no such non-activity disclosure was made:

- 12 – acquisition of an asset or liability due to an amalgamation under Part 2 of Chapter 3, a restructure of the branches of an organisation, a determination or revocation by the General Manager
- 14(e) - financial support received from another reporting unit
- 22 - name and balance of any fund or account in respect to compulsory levies or voluntary contributions or of any other fund required under the rules
- 22(d) - details of any transfer or withdrawals to a fund, account or controlled entity that is kept for a specific purpose
- 24 - cash inflow from another reporting unit

Reporting Requirements

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

Should you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 67 [REDACTED] 3 or by email at stephen.kellett@fwc.gov.au

Yours sincerely



Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

² Or itemised with a nil balance as illustrated in the Model Financial statements



The Australasian Meat Industry Employees' Union NEW SOUTH WALES BRANCH

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12-January 2017

STEPHEN KELLETT

Regulatory Compliance Branch

FAIR WORK COMMISSION

80 William Street

EAST SYDNEY NSW

2011

By email: stephen.kellett@fwc.gov

Dear Mr. Kellett,

We now enclosed the following information in accordance with the provisions of Fair Work (Registered Organisations) Act 2009,

- Audited Financial Reports as of 30-June-2016
- Auditor's Report
- Operating Report
- Committee of Management Statement
- Certificate by Secretary
- Statement of Particulars of Loans, Grants and Donations by an Accounting Officer

I advise:

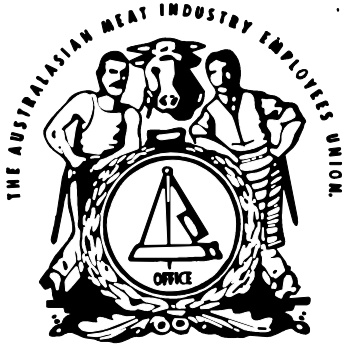
- that a copy of the relevant accounts, certificates and auditor's report was made available to all members on the 14th of Dec 2016 for comment through our website, <http://nsw.amieu.asn.au/financial-reports/>.

- That there were no submissions or comments received and on the 12th of Jan 2016, the Executive Committee of Management in accordance with Rule 47.30 of The Rules of the Union (<http://amieu.asn.au/home/amieu-registered-rules-updated-30-july-2013/>), resolved to accept the accounts and forward them to the Commission.

Yours truly,

A handwritten signature in black ink, appearing to read 'Patricia Fernandez', with a large, stylized flourish extending to the right.

Patricia Fernandez
Branch Secretary/Treasurer



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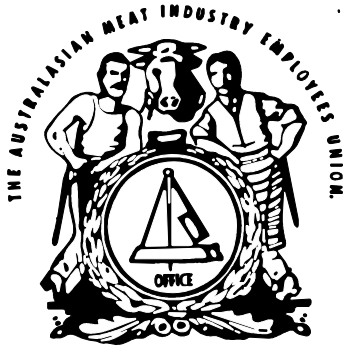
CERTIFICATE BY SECRETARY

s.268 *Fair Work (Registered Organisations) Act 2009*

I, **Patricia Fernandez** being the **Secretary** of **The Australasian Meat Industry Employees' Union, New South Wales Branch** certify:

- that the documents lodged herewith are copies of the full report for **The Australasian Meat Industry Employees' Union, New South Wales Branch** for the period ended **30-June-2016** referred to in *s.268 of the Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit through our [website http://nsw.amieu.asn.au/financial-reports/](http://nsw.amieu.asn.au/financial-reports/) on **14th of December 2016**; and
- that the full report was presented to the **Executive Committee of Management** meeting of the reporting unit on the **12th of January, 2017** in accordance with *s.266 of the Fair Work (Registered Organisations) Act 2009*.

Patricia Fernandez
Branch Secretary/Treasurer
12-January 2017



The Australasian Meat Industry Employees' Union

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COMMITTEE OF MANAGEMENT STATEMENT

for the period ended 30 June 2016

On the **30th of November 2016**, the **Committee of Management of The Australasian Meat Industry Employees' Union, New South Wales Branch** passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended **30 June 2016**:

The Executive Committee of Management declares that in its opinion:

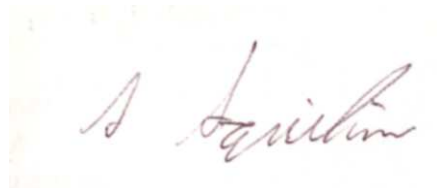
- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; 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 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 RO Act; and

- (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 with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) The Union has not derived revenue from undertaking recovery of wages activity. during the reporting period'.

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



Patricia Fernandez
Acting State Secretary



Stephen Aquilina
Vice-president

Date: 30-Nov 2016

W. L. BROWNE & ASSOCIATES PTY LTD

ABN 13 151 379 109

JOHN CHEADLE F.C.A.
BRADLEY TURNER C.A.

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INDEPENDENT AUDIT REPORT TO THE MEMBERS The AUSTRALASIAN MEAT INDUSTRY EMPLOYEES' UNION NSW BRANCH ABN 89 738 670 685

Report on the Financial Report

I have audited the accompanying financial report of *The Australasian Meat Industry Employees' Union, NSW Branch*, which comprises the Statement of Financial Position as of 30 June 2016, the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Members of the Committee.

Committees' Responsibility for the Financial Report

The *Committee of Management of the UNION* are responsible for the preparation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Fair Work (Registered Organisations) Act 2009 and the financial requirements of the Union's rules. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. In Note 1, the committee also state, in accordance with Accounting Standard AASB: Presentation of Financial Statements, that complies with the Australian equivalents to International Financial Reporting (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with the Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Union's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

I am an approved auditor, a Fellow of the Institute of Chartered Accountants and I hold a current Public Practice Certificate.



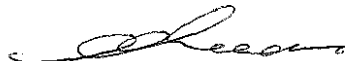
Liability limited by a scheme approved
Under Professional Standards Legislation

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

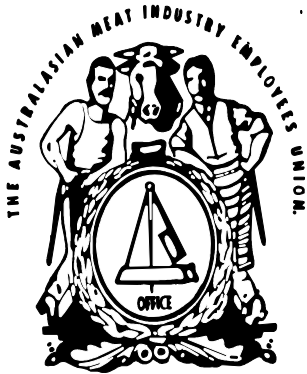
In my opinion:

- A. The financial report of The Australasian Meat Industry Employees' Union, NSW Branch is in accordance with the Union's rules, including:
 - giving a true and fair view of the Union's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Union's rules;
- B. The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.
- C. In accordance with Fair Work (Registered Organisations) Act 2009 in my opinion the general purpose financial report is presented fairly in accordance with Australian Accounting Standards, and the following:
 - a. In relation to any recovery of wages activity:
 - that the scope of the audit encompassed recovery of wages activity
 - that the Union do not involves in any recovery of wages activity.
 - b. any other requirements imposed by these Reporting Guidelines.
- D. I conclude that managements' use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.



JOHN C CHEADLE
CHARTERED ACCOUNTANT

Dated at Gordon this 30 day of November 2016.



The Australasian Meat Industry Employees' Union

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OPERATING REPORT

For the period ended 30 June 2016

The committee presents its report on the reporting unit for the financial year ended **30 June 2016**.

- The principal activity of the Union is to uphold the rights of organisation of labour and to improve, protect and foster the best interests, of its members, and to subscribe to and/or co-operate with policy of improving the cultural and living standards of its members. The Union maintain the living standard of our members through enterprise bargaining and Industrial representation on behalf of our member when needed. There were no significant changes to the activities of the Union during the year.
- There were no significant changes in the financial affairs of the Union during the year.
- A member may resign from the Union by written notice addressed and delivered to the Secretary of the branch in which membership is held.
- Charlie Donzow is an appointed director representing the AMIEU, NSW to the industry superfund, MIESF.
- Number of members as of 30-June-2016 was 2,958.
- Number of employees as of 30-June-2016 was 5. The organisation has one (1) part-time employees.
- The following are the listings of our Executive and Management Committee:

<u>Name</u>	<u>Position</u>	<u>Period Position Held</u>
Executive		
Usher, Peter William	President	01-July 2015 to 30-June 2016
Aquilina, Stephen	Vice-President	01-July 2015 to 30-June 2016
Hart, Deborah	Vice-President	01-July 2015 to 30-June 2016
Donzow, Charlie	Secretary	01-July 2015 to 30-June 2016
Fernandez, Patricia	Organiser	01-July 2015 to 30-June 2016
Williams, Deidre	Organiser	01-July 2015 to 30-June 2016


Perkins, Mark	Organiser	01-July 2015 to 30-June 2016
Chris Clark	Organiser	01-July 2015 to 30-June 2016

Management

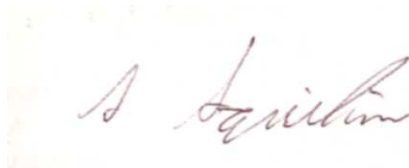
Bourke, Brad	Teys Australia	01-July 2015 to 30-June 2016
Devine, Andy	Americold	01-July 2015 to 30-June 2016
McKinnon, Brad	JBS Australia	01-July 2015 to 30-June 2016
Grassmayr, Anthony	Coles	01-July 2015 to 30-June 2016
Meylan, Glenn	Fletcher Int'l	01-July 2015 to 30-June 2016
Montecillo, Faith	Red Lea	01-July 2015 to 30-June 2016
Nash, Carl	Polar Fresh	01-July 2015 to 30-June 2016
Niumata, Steve	Primo	01-July 2015 to 30-June 2016
Pologa, Nive	Primo	01-July 2015 to 30-June 2016

In accordance with AMIEU Rule 47.29, the Committee of Management of the New South Wales Branch shall consist of the President, two Vice-Presidents, the membership. The Committee of Management determine the number of Organisers under Rule 52.2. On the 22nd of March 2012, the COM passed a resolution that the number of Organisers to be five.

For the Committee of Management:



Patricia Fernandez
Acting State Secretary



Stephen Aquilina
Vice-President

Date: 30-Nov-2016

FINANCIAL REPORT

OF

AUSTRALASIAN MEAT INDUSTRY EMPLOYEES' UNION NSW BRANCH

FOR THE YEAR ENDED

30-June 2016

**J C CHEADLE
CHARTERED ACCOUNTANT
SUITE 8, 924 PACIFIC HIGHWAY
GORDON NSW 2072**

The Australasian Meat Industry Employees' Union, New South Wales Branch

STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2016

	Notes	<u>2016</u> \$	<u>2015</u> \$
Revenue			
Membership subscription*		1,230,560	1,284,289
Capitation fees	3A	-	-
Levies	3B	-	-
Interest	3C	158,499	171,704
Other revenue		647	649
Total revenue		<u>1,389,706</u>	<u>1,456,642</u>
Other Income			
Grants and/or donations	3D	-	6,997
Total other income		<u>-</u>	<u>6,997</u>
Total income		<u>1,389,706</u>	<u>1,463,639</u>
Expenses			
Employee expenses	4A	1,086,709	1,064,444
Capitation fees	4B	87,514	71,365
Affiliation fees	4C	31,370	30,622
Administration expenses	4D	208,624	202,586
Donations	4E	600	1,100
Depreciation	4F	39,142	39,107
Legal costs	4G	28,433	11,201
Audit fees		3,800	3,650
Write-down of assets		776	-
AMIEU, International		8,141	
Loss from disposal of assets		21,928	11,903
Total expenses		<u>1,517,037</u>	<u>1,435,978</u>
Profit (loss) for the year		<u>(127,330)</u>	<u>27,661</u>

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

The Australasian Meat Industry Employees' Union, New South Wales Branch
STATEMENT OF FINANCIAL POSITION

As of 30 June 2016

	Notes	<u>2016</u>	<u>2015</u>
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	1,756,901	1,853,119
Trade and other receivables	5B	17,926	28,179
Other current assets	5C	485,541	485,541
Total current assets		2,260,368	2,366,839
Non-Current Assets			
Land and buildings	6A	584,804	584,804
Plant and equipment	6B	192,650	179,725
Other investments	6C	3,000,000	2,900,000
Total non-current asset		3,777,454	3,664,529
Total assets		6,037,821	6,031,368
LIABILITIES			
Current Liabilities			
Other payables	7B	112,222	71,535
Employee provisions	8A	93,097	112,718
Total current liabilities		205,319	184,253
Non-Current Liabilities			
Employee provisions	8A	939,317	826,598
Other non-current liabilities		-	-
Total non-current liabilities		939,316	826,597
Total liabilities		1,144,635	1,010,850
Net assets		4,893,186	5,020,518
EQUITY			
Retained earnings		4,893,186	5,020,518
Total equity		4,893,186	5,020,518

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

**The Australasian Meat Industry Employees' Union,
New South Wales Branch**
STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June 2016

	Retained Earnings
Balance as at 1 July 2014	4,992,856
Profit for the year	27,661
Closing balance as at 30 June 2015	5,020,517
Loss for the year	(127,331)
Closing balance as at 30 June 2016	4,893,186

The Australasian Meat Industry Employees' Union, New South Wales Branch

CASH FLOW STATEMENT

for the period ended 30 June 2016

	Note	<u>2016</u>	<u>2015</u>
OPERATING ACTIVITIES			
Cash received from -			
Receipt from members		1,230,560	1,292,702
Interest		158,499	171,704
Other		647	649
		<u>1,389,706</u>	<u>1,465,055</u>
Cash used for			
Employees	4A	993,614	1,061,588
Suppliers		317,540	325,328
		<u>1,311,154</u>	<u>1,386,916</u>
Net cash from operating	9A	<u>78,553</u>	<u>78,139</u>
Investing Activities			
Cash received from -			
Disposal of Motor Vehicles		27,364	32,000
Matured investment		2,400,000	-
		<u>2,427,364</u>	<u>32,000</u>
Cash used for -			
Acquisition of Motor Vehicles		95,115	109,649
Cost of updating the website		7,020	-
Acquisition of Commercial Bill		2,500,000	-
		<u>2,602,135</u>	<u>109,649</u>
Net Cash Flow from /(used by) investing		<u>(174,772)</u>	<u>(77,649)</u>
Net increase/(decrease) in cash held		<u>(96,219)</u>	<u>490</u>
Cash & cash equivalents - 01 July		1,853,120	1,852,629
Cash & cash equivalents 30 June	5A	<u>1,756,900</u>	<u>1,853,120</u>

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

Cash at the end of the year represented by:

Cash & cash equivalent

Cash in Bank	5A	243,402	227,318
Petty Cash Advance	5A	200	200
Undeposited funds		810	-
Cash Deposit - General Account	5A	1,512,489	1,625,602
		<hr/>	<hr/>
		1,756,900	1,853,120
Commercial Bill	6C	3,000,000	2,900,000
Total Cash and equivalent	9A	4,756,900	4,753,120

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

Index to the Notes of the Financial Statements

Note 1 Summary of significant accounting policies

Note 2 Events after the reporting period

Note 3 Income

Note 4 Expenses

Note 5 Current assets

Note 6 Non-current assets

Note 7 Current liabilities

Note 8 Provisions

Note 9 Cash flow

Note 10 Related party disclosures

Note 11 Remuneration of auditors

Note 12 Financial instruments

Note 13 Fair value measurements

Note 14 Section 272 *Fair Work (Registered Organisations) Act 2009*

Note 15 Commitments and contingencies

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 Australasian Meat Industry Employees' Union, New South Wales Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. Historical cost is generally based on the fair values of the consideration given in exchange for assets. 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

No 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.

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.

The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

No 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 Australasian Meat Industry Employees' Union, New South Wales Branch.

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.

Donation income is recognised when it is received.

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

1.6 Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which The Australasian Meat Industry Employees' Union, New South Wales Branch recognises as expenses the related costs for which the grants are intended to compensate.

****As required by the Reporting Guidelines. Item to remain even if 'nil'.***

1.7 Gains

Sale of assets

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

1.8 Capitation fees and levies

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

1.9 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.

1.10 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand and deposits held at call with bank.

1.11 Financial instruments

Financial assets and financial liabilities are recognised when The Australasian Meat Industry Employees' Union, New South Wales Branch 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 as held-to-maturity investments.

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'.

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.

****As required by the Reporting Guidelines. Item to remain even if 'nil'.***

Derecognition of financial assets

The reporting unit 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 Land, Buildings, 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.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, 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:

	<u>2016</u>	<u>2015</u>
Motor Vehicles	5 years	5 years
Furnitures and Fixtures	1-3 years	1-3 years

Derecognition

An item of land, buildings, 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.

****As required by the Reporting Guidelines. Item to remain even if 'nil'.***

1.14 Taxation

The Australasian Meat Industry Employees' Union, New South Wales Branch 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 cash flow statement 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.

1.15 Fair value measurement

The Australasian Meat Industry Employees' Union, New South Wales Branch measures non-financial assets such as land and buildings and plant and equipments at fair value at each balance sheet date.

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

The principal or the most advantageous market must be accessible by The Australasian Meat Industry Employees' Union, New South Wales Branch. 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 Australasian Meat Industry Employees' Union, New South Wales Branch 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:

***As required by the Reporting Guidelines. Item to remain even if 'nil'.**

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or
- Level 2—Valuation techniques for which the lowest level input that is significant to
- Level 3—Valuation techniques for which the lowest level input that is significant to

For assets and liabilities that are recognised in the financial statements on a recurring basis, The Australasian Meat Industry Employees' Union, New South Wales Branch 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 reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, The Australasian Meat Industry Employees' Union, New South Wales Branch 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

1.16 Going concern

The Australasian Meat Industry Employees' Union, New South Wales Branch is not reliant on the financial support of any other reporting entity but only from its member to continue on a going concern basis. This agreed financial support from our members is to continue until they cease to be a member.

The Australasian Meat Industry Employees' Union, New South Wales Branch has not agreed to provide financial support to any other reporting unit to ensure they can continue on a going concern basis.

Note 2 Events after the reporting period

The President, Peter Usher and the Secretary, Charlie Donzow have retired from office effective the 3-Dec 2016 and 30-Dec 2016, respectively. Payments of the employees' entitlements will be approximately \$500,000.

Apart from the above, there were no events that occurred after 30 June 2016, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of *The Australasian Meat Industry Employees' Union, New South Wales Branch*.

	<u>2016</u>	<u>2015</u>
<u>Note 3 Income</u>		
Note 3A: Capitation fees*		
	\$ -	\$ -
Total capitation fees	<u>\$ -</u>	<u>\$ -</u>
Note 3B: Levies*		
	\$ -	\$ -
Total levies	<u>\$ -</u>	<u>\$ -</u>
Note 3C: Interest		
Deposits	\$ 158,499	\$ 171,704
Loans	\$ -	\$ -
Total interest	<u>\$ 158,499</u>	<u>\$ 171,704</u>
Note 3D: Grants or donations*		
Grants	\$ -	\$ -
Donations	\$ -	\$ -
Total grants or donations	<u>\$ -</u>	<u>\$ -</u>
<u>Note 4 Expenses</u>		
Note 4A: Employee expenses*		
 Holders of office:		
Wages and salaries	\$ 485,470	\$ 560,284
Superannuation	\$ 118,848	\$ 130,493
Leave and other entitlements	\$ 93,097	\$ 2,856
Separation and redundancies	\$ -	\$ 21,485
Other employee expenses	\$ 84,805	\$ 106,752
Subtotal holders of office	<u>\$ 782,221</u>	<u>\$ 821,870</u>
 Employees other than office holders:		
Wages and salaries	\$ 227,736	\$ 174,661
Superannuation	\$ 76,754	\$ 40,848
Leave and other entitlements	\$ -	\$ -
Separation and redundancies	\$ -	\$ 27,066
Other employee expenses	\$ -	\$ -
Subtotal employees other than office holders	<u>\$ 304,490</u>	<u>\$ 242,575</u>
Total employee expenses	<u>\$ 1,086,711</u>	<u>\$ 1,064,445</u>
Note 4B: Capitation fees*		
AMIEU Federal Office	\$ 87,514	\$ 71,365
Total capitation fees	<u>\$ 87,514</u>	<u>\$ 71,365</u>

**As required by the Reporting Guidelines. Item to remain even if 'nil'.*

	<u>2016</u>	<u>2015</u>
Note 4C: Affiliation fees*		
Union New South Wales	\$ 13,734	\$ 14,905
Australian Labor Party, NSW Branch	\$ 15,085	\$ 14,679
Others	\$ 2,551	\$ 1,038
Total affiliation fees	\$ 31,370	\$ 30,622
Note 4D: Administration expenses		
Consideration to employers for payroll deductions*	7,956	11,730
Compulsory levies*	41,486	44,014
Payroll Tax	12,710	19,147
ATO	28,776	24,867
Fees/allowances - meeting and conferences*	-	-
Conference and meeting expenses*	65,635	60,542
Property expenses	19,688	19,685
Office expenses	55,070	48,094
Information communications technology	18,789	18,521
Total administration expenses	208,624	202,586
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	600	1,100
Total paid that exceeded \$1,000	-	-
Total grants or donations	600	1,100
Note 4F: Depreciation and amortisation		
Depreciation		
Land & buildings	-	-
Property, plant and equipment	39,142	39,107
Total depreciation	39,142	39,107
Note 4G: Legal costs*		
Litigation - Unfair Dismissal Case	9,453	-
Other legal matters	18,980	11,201
Total legal costs	28,433	11,201
Note 4H: Net losses from disposal of assets		
Plant and equipment	21,928	11,903
Total net losses from asset sales	21,928	11,903
Note 4I: Write-down and impairment of assets		
Office Equipment	776	11,903
Total net losses from asset sales	776	11,903

**As required by the Reporting Guidelines. Item to remain even if 'nil'.*

	<u>2016</u>	<u>2015</u>
Note 4J: 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	243,402	227,318
Cash on hand	200	200
Undeposited funds	810	-
Short term deposits	1,512,489	1,625,602
Total cash and cash equivalents	<u>1,756,901</u>	<u>1,853,120</u>

Note 5B: Trade and Other Receivables

Receivables from other reporting unit[s]*	-	-
Less provision for doubtful debts*	-	-
Receivable from other reporting unit[s]	-	-

Other receivables:

GST receivable from the ATO	1,979	-
Other trade receivables	17,926	28,179
Total other receivables	<u>19,905</u>	<u>28,179</u>
Total trade and other receivables	<u>19,905</u>	<u>28,179</u>

Note 5C: Other Current Assets

Investment in ANZ Capital Notes -Market Value \$467,638)	475,000	475,000
Investment in IAG Shares - Market Value \$8,831)	10,541	10,541
Total other current assets	<u>485,541</u>	<u>485,541</u>

Note 6 Non-current Assets

Note 6A: Land and buildings

Land and buildings:		
At Cost	584,804	584,804
accumulated depreciation	-	-
Total land and buildings	<u>584,804</u>	<u>584,804</u>

During the year, the Union entered into an option to purchase with Investment Parramatta Pty. Ltd. The Call-Option is for the period 6-Nov 2015 to 5 Nov 2017. The Contract price is \$1,950,000.

Reconciliation of the Opening and Closing Balances of Land and Building

As at 1 July

Gross book value	584,804	584,804
Accumulated depreciation	-	-
Net book value 1 July	<u>584,804</u>	<u>584,804</u>
Additions:	-	-
Net book value 30 June	<u>584,804</u>	<u>584,804</u>

***As required by the Reporting Guidelines. Item to remain even if 'nil'.**

	<u>2016</u>	<u>2015</u>
Note 6B: Plant and equipment		
Plant and equipment:		
at cost	272,812	281,886
accumulated depreciation	(80,162)	(102,161)
Total plant and equipment	192,650	179,725
<i>Reconciliation of the Opening and Closing Balances of Plant and Equipment</i>		
As at 1 July		
Gross book value	281,886	290,346
Accumulated depreciation	(102,611)	(137,261)
Net book value 1 July	179,275	153,085
Additions:		
By purchase	101,589	109,649
Depreciation expense	(39,142)	(39,107)
Disposals	(51,918)	(43,903)
Total	13,375	26,639
Net book value 30 June	192,650	179,725
Net book value as of 30 June represented by:		
Gross book value	272,812	281,886
Accumulated depreciation	(80,162)	(102,611)
	192,650	179,275
Note 6C: Other Investments		
Commercial Bill	3,000,000	2,900,000
Total other investments	3,000,000	2,900,000
<u>Note 7 Current Liabilities</u>		
Note 7A: Trade payables		
Trade creditors and accruals	-	-
Subtotal trade creditors	-	-
Payables to other reporting unit[s]*	-	-
Subtotal payables to other reporting units	-	-
Total trade payables	-	-
Note 7B: Other payables		
Consideration to employers for payroll deductions*	-	-
Legal costs*	-	-
GST payable	(1,979)	-
Other	114,201	71,535
Total other payables	112,222	71,535

**As required by the Reporting Guidelines. Item to remain even if 'nil'.*

	<u>2016</u>	<u>2015</u>
Note 8 Provisions		
Note 8A: Employee Provisions*		
Office Holders:		
Annual leave	398,590	409,842
Long service leave	420,832	315,695
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	819,422	725,537
Employees other than office holders:		
Annual leave	181,799	194,165
Long service leave	31,193	19,614
Separations and redundancies	-	-
Other	-	-
Subtotal employees other than office holders	212,992	213,779
Total employee provisions	1,032,414	939,316
Current	93,097	112,718
Non Current	939,317	826,598
Total employee provisions	1,032,414	939,316

Note 9 Cash Flow

Note 9A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	4,756,901	4,753,119
Balance sheet	4,756,901	4,753,119
Difference	-	-

Reconciliation of profit/(deficit) to net cash from operating activities:

Profit/(deficit) for the year	(127,330)	27,661
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Adjustments for non-cash items

Depreciation	39,142	39,107
Loss on disposal and write-off of assets	22,704	11,903

Changes in assets/liabilities

(Increase)/decrease in net receivables	6,427	1,416
Increase/(decrease) in other payables	44,513	(4,803)
Increase/(decrease) in employee provisions	93,097	2,855

Net cash from (used by) operating activities

78,553	78,139
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Note 9B: Cash flow information*

Cash inflows	1,389,706	1,465,055
Total cash inflows	1,389,706	1,465,055
Cash outflows	1,311,155	1,386,916
Total cash outflows	1,311,155	1,386,916

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

	<u>2016</u>	<u>2015</u>
<u>Note 10 Related Party Disclosures</u>		
Note 10A: Key Management Personnel Remuneration for the Reporting Period		
Short-term employee benefits		
Salary (including annual leave taken)	164,468	165,093
Annual leave accrued	171,580	199,606
Total short-term employee benefits	336,047	364,699
Post-employment benefits:		
Superannuation	70,416	69,459
Total post-employment benefits	70,416	69,459
Other long-term benefits:		
Long-service leave	303,116	260,988
Total other long-term benefits	303,116	260,988
	709,580	695,146

Note 10B: Transactions with key management personnel and their close family members

Other transactions with key management personnel		
Gayle Donzow - PA to the State Secretary	55,212	65,369
	55,212	65,369

Note 11 Remuneration of Auditors

Value of the services provided		
Financial statement audit services	3,800	3,650
Total remuneration of auditors	3,800	3,650

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

Note 12 Financial Instruments

Note 12A: Categories of Financial Instruments

Financial Assets		
Fair value through profit or loss:		
Other current assets	485,541	485,541
Total	485,541	485,541
Held-to-maturity investments:		
Other investment	3,000,000	2,900,000
Total	3,000,000	2,900,000
Carrying amount of financial assets	3,485,541	3,385,541

**As required by the Reporting Guidelines. Item to remain even if 'nil'.*

	<u>2016</u>	<u>2015</u>
Note 12B: Net Income and Expense from Financial Assets		
Held-to-maturity		
Interest revenue	136,887	96,314
Net gain held-to-maturity	136,887	96,314
Fair value through profit and loss		
Designated as fair value through profit and loss:		
Change in fair value		-
Interest revenue	18,787	20,023
Dividend revenue	647	647
Total designated as fair value through profit and loss	19,434	20,670
Net gain/(loss) from financial assets	156,321	116,984

Note 13 Fair Value Measurement

Note 13A: Financial Assets and Liabilities

Management of *The Australasian Meat Industry Employees' Union, New South Wales Branch* assessed that [cash, trade receivables, trade payables, and other current liabilities] approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets is included at the amount which the instrument could be exchanged in a current transaction between willing parties.

The following table contains the carrying amounts and related fair values for *The Australasian Meat Industry Employees' Union, New South Wales Branch's* financial assets.

Financial Assets

Shares in listed companies	485,541	485,541
Commercial bills	3,000,000	2,900,000

**As required by the Reporting Guidelines. Item to remain even if 'nil'.*

Note 14 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 General Manager:

- (1) A member of a reporting unit, or the General Manager, 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 15 : Commitments and contingencies

- (a) During the year, the Union entered into a Call-Option agreements to sell the property, 3/190 George St., Parramatta, 2150. The option agreement expires on the 5th of November, 2017 and the contract sell price is \$1,950,000.
- (b) The Union is currently in dispute with 2 former employees over various matter. The Union could incur legal expenses in defending this matter.