



7 December 2018

Ms Sharra Anderson  
Branch Secretary  
Australasian Meat Industry Employees Union, South and Western Australian Branch

By e-mail: [admin@sawa.amieu.asn.au](mailto:admin@sawa.amieu.asn.au)

CC: [gkent@mgisq.com.au](mailto:gkent@mgisq.com.au)

Dear Ms Anderson,

**Australasian Meat Industry Employees Union, The-South and Western Australian Branch  
Financial Report for the year ended 30 June 2018 - [FR2018/172]**

I acknowledge receipt of the financial report of the Australasian Meat Industry Employees Union, South and Western Australian Branch. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 26 November 2018.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that 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.

Please note that the financial report for the year ending 30 June 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these matters have been addressed prior to filing next year's report.

Nil activities disclosure

Item 21 of the reporting guidelines (**RGs**) states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The notes to the financial statements contained nil activity information for all prescribed reporting guideline categories except the following:

- Having a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch;
- Transferring to or withdrawing from a fund (other than the general fund), account, asset or controlled entity;
- Having another entity administer the financial affairs of the reporting unit; and
- Making a payment to a former related party of the reporting unit.

Please ensure in future years that the above mentioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the RGs.

Nil activities disclosure – to only be disclosed once

Item 21 of the RGs states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. I note that the notes to the financial statements includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the financial statements:

- "Receiving capitation fees from another reporting unit" was disclosed in both the Statement of Comprehensive Income and Note 3B;
- "Receiving revenue via compulsory levies" was disclosed in both the Statement of Comprehensive Income and Note 3C;
- "Receiving donations or grants" was disclosed in both the Statement of Comprehensive Income and Note 3E;
- "Receiving revenue from undertaking recovery of wages activity" was disclosed in the Committee of Management statement and the Statement of Receipts and Payments for Recovery of Wages Activity; and
- "Incurring fees as consideration for employers making payroll deductions of membership subscriptions" was disclosed in both the Statement of Receipts and Payments for Recovery of Wages Activity and Note 4D.

Please note that nil activities only need to be disclosed once.

Disclosure of employee expenses to office holders and other employees

The employee expense note (Note 4A) to the financial statements has disclosed wages and salaries, superannuation, leave and other entitlements and separation and redundancies separately for officer holders and employees, but does not separately disclose other employee expenses provided for officers and employees.

The RGs require that all employee and office holder expenses be detailed separately (refer to items 14(f) and 14(g)).

In future years, please ensure that other employee expenses provided for officers and employees are disclosed separately.

**Reporting Requirements**

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at [Kylie.Ngo@roc.gov.au](mailto:Kylie.Ngo@roc.gov.au).

Yours sincerely,



**Kylie Ngo**  
**Financial Reporting Assistant**  
**Registered Organisations Commission**

227 Henley Beach Rd  
Torrensville  
SA 5031



**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES' UNION**

South and Western Australian  
Branch

(Registered under the Fair Work Act 2009)

ABN: 44 210 953 242

Telephone: (08) 8274 4100  
Facsimile: (08) 8274 4101  
Toll Free: 1800 882 645  
(Country and WA members)  
Email: [admin@sawa.amieu.asn.au](mailto:admin@sawa.amieu.asn.au)  
Website: <http://sa.amieu.asn.au>

26<sup>th</sup> November 2018

Registered Organisations Commission

[regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA BRANCH**

I, Sharra Anderson being the Branch Secretary of the Australasian Meat Industry Employees Union – South and Western Australia Branch certify:

- that the documents lodged herewith are copies of the full report for the Australasian Meat Industry Employees Union – South and Western Australia Branch for the year ended 30 June 2018, 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 on 8<sup>th</sup> October 2018; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 23<sup>rd</sup> November 2018 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer

.....  
Sharra Anderson  
Branch Secretary

Australasian Meat Industry Employees Union – South and Western Australia Branch

26<sup>th</sup> November 2018

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN  
AUSTRALIA BRANCH**

**ABN 44 210 953 242**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2018**

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**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**COMMITTEE OF MANAGEMENT'S OPERATING REPORT**

**FOR THE YEAR ENDED 30 JUNE 2018**

**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 – South and Western Australia Branch ("the Branch"), for the year ended 30 June 2018.

**Principal Activities**

The principal activity of the Australasian Meat Industry Employees Union – South and Western Australia Branch is to uphold the rights of organisation of labour and to improve, protect and foster the best interest of its members and to subscribe to and/ or co-operate with policy of improving the cultural and living standards of its members. The Branch maintains living standards of its members through enterprise bargaining and industrial representation on behalf its members.

**Operating Results**

The surplus for the financial year amounted to \$44,150 (2017 deficit: \$94,125).

**Significant Changes in Financial Affairs**

A review of the operations of the Branch during the financial year found that there was no significant change in the financial affairs of the Branch'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 Branch, the results of those operations or the state of affairs of the Branch in future financial years.

**Future Developments**

Likely developments in the operations of the Branch 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 Branch.

**Environmental Issues**

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

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2018**

**Membership of the Branch**

Total number of members as at 30 June 2018: 2,221 (2017: 2,423).

**Employees of the Branch**

The number of persons who were, at the end of the period to which the report relates, employees of the Branch, where the number of employees includes both full-time and part-time employees measured on a full-time equivalent basis is 4.6 (2017: 5.6).

**Members of the Committee of Management**

The name of each person who has been a member of the Committee of Management of the Branch at any time during the reporting period, and the period for which he or she held such a position is as follows:

<b>Name</b>	<b>Period of Appointment</b>	<b>Position</b>
Sharra Anderson	01/07/17 – 30/06/18	Branch Secretary
Scott Challinger	01/07/17 – 30/06/18	Branch President
John Da Silva	01/07/17 – 30/06/18	Branch Assistant Secretary
Mark Hatcher	01/07/17 – 30/06/18	Branch Vice President WA
Gordon Davidson	01/07/17 – 23/10/17	Branch Vice President SA
Matthew Finch	01/07/17 – 23/10/17	Committee Member SA
	23/10/17 – 30/06/18	Branch Vice President SA
Kaine Sich	01/07/17 – 30/06/18	Branch Organiser SA
Debra Kennedy	23/10/17 – 30/06/18	Branch Organiser SA
Jayme Marshall	23/10/17 – 26/04/18	Branch Organiser SA
Gregory Mitchell	01/07/17 – 23/10/17	Committee Member SA
Sandra Ashwood	01/07/17 – 30/06/18	Committee Member SA
Geoffrey Ackland	01/07/17 – 23/10/17	Committee Member SA
Donha Lincoln	23/10/17 – 30/06/18	Committee Member SA
Bradley Kenny	23/10/17 – 30/06/18	Committee Member SA
Peter Sines	01/07/17 – 23/10/17	Committee Member WA
Angela McPhee	01/07/17 – 30/06/18	Committee Member WA
Murray Pratt	01/07/17 – 30/06/18	Committee Member WA

**Indemnifying Officers or Auditors**

The Branch 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.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2018**

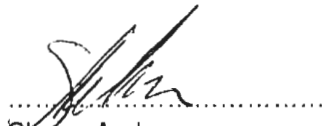
**Officers or Members who are Superannuation Fund Trustees/ Directors of a Company that is a  
Superannuation Fund Trustee**

No officers or committee members 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.

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration is set out on page 6.

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:



Sharra Anderson  
Branch Secretary

6 October 2018

Torrensville



**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE COMMITTEE OF MANAGEMENT OF THE**

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

As lead auditor for the audit of the Australasian Meat Industry Employees Union – South and Western Australian Branch for the year ended 30 June 2018; 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.C.F*

**MGI Audit Pty Ltd**



**G I Kent**

Director – Audit & Assurance

Torrensville

6 October 2018

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

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2018**

On 6 October 2018, the Committee of Management of the Branch passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the financial year ended 30 June 2018.

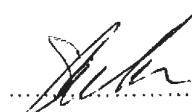
The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with 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);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year 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 Branch concerned; and
  - ii. the financial affairs of the Branch have been managed in accordance with the rules of the organisation;
  - iii. the financial records of the Branch 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 Fair Work 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 period.

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

**Name of Designated Officer:** Sharra Anderson

**Title of Designated Officer:** Branch Secretary

**Signature:**  .....

**Date:** 6 October 2018

## **Independent Audit Report to the Members of the Australasian Meat Industry Employees Union – South and Western Australia Branch**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the financial report of the Australasian Meat Industry Employees Union – South and Western Australia Branch (the Branch), which comprises the statement of financial position as at 30 June 2018, 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, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Australasian Meat Industry Employees Union – South and Western Australia Branch as at 30 June 2018, 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 Branch 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 Branch 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 Branch 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 Branch'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 Branch 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 Branch'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 Branch'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 Branch 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 Branch to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Branch's audit. We remain solely responsible for our audit opinion.

## **Auditor's Responsibilities for the Audit of the Financial Report (Continued)**

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.

I declare that I am an auditor registered under the RO Act.

### **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 2018.

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. S. I*

**MGI Audit Pty Ltd**



**G I Kent**

Director – Audit & Assurance

Torrensville

6 October 2018

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

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	2018 \$	2017 \$
<b>Revenue</b>			
Membership subscription		801,182	754,713
Sale of goods (knives and merchandise)	3A	3,164	(3,409)
Capitation fees	3B	-	-
Levies	3C	-	-
Interest/ investment income	3D	4,522	8,205
Grants or donations	3E	-	-
Other revenue	3F	25,466	28,381
<b>Total revenue</b>		<b>834,334</b>	<b>787,890</b>
<b>Expenses</b>			
Employee expenses	4A	(546,661)	(582,881)
Capitation fees	4B	(47,805)	(44,914)
Affiliation fees	4C	(18,770)	(19,999)
Administration expenses	4D	(142,531)	(175,564)
Grants or donations	4E	(227)	(395)
Depreciation and amortisation	4F	(13,203)	(17,203)
Finance costs	4G	(8,366)	(8,241)
Legal costs	4H	(71)	(2,516)
Audit and accounting fees	12	(12,550)	(30,302)
Other expenses	4I	-	-
<b>Total expenses</b>		<b>(790,184)</b>	<b>(882,015)</b>
<b>Surplus/ (deficit) for the year</b>		<b>44,150</b>	<b>(94,125)</b>
<b>Other comprehensive income</b>			
Other Comprehensive income (net of income tax)			
- Revaluation of available for sale assets		12,581	2,910
<b>Total comprehensive income for the year</b>		<b>56,731</b>	<b>(91,215)</b>

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

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2018**

	Notes	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	67,325	41,618
Trade and other receivables	5B	21,278	8,593
Inventories	5C	47,793	42,899
Other current assets		-	1,100
<b>Total current assets</b>		<b>136,396</b>	<b>94,210</b>
<b>Non-Current Assets</b>			
Investments	6A	160,965	148,384
Office equipment and furniture and fittings	6B	8,869	16,994
Motor vehicles	6C	22,424	27,502
<b>Total non-current assets</b>		<b>192,258</b>	<b>192,880</b>
<b>Total assets</b>		<b>328,654</b>	<b>287,090</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	25,350	42,904
Other payables	7B	15,135	17,393
Employee provisions	8A	94,411	89,766
<b>Total current liabilities</b>		<b>134,896</b>	<b>150,063</b>
<b>Non-Current Liabilities</b>			
Employee provisions	8A	-	-
Loans	8B	60,000	60,000
<b>Total non-current liabilities</b>		<b>60,000</b>	<b>60,000</b>
<b>Total liabilities</b>		<b>194,896</b>	<b>210,063</b>
<b>Net assets</b>		<b>133,758</b>	<b>77,027</b>
<b>EQUITY</b>			
Retained earnings		164,305	120,155
Reserves	9	(30,547)	(43,128)
<b>Total equity</b>		<b>133,758</b>	<b>77,027</b>

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

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	Reserves \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 July 2016</b>		(46,038)	214,280	168,242
Deficit for the year		-	(94,125)	(94,125)
Other comprehensive income		2,910	-	2,910
<b>Closing balance as at 30 June 2017</b>		(43,128)	120,155	77,027
Surplus for the year		-	44,150	44,150
Other comprehensive income		12,581	-	12,581
<b>Closing balance as at 30 June 2018</b>		(30,547)	164,305	133,758

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



**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	2018 \$	2017 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units	10B	28,321	28,628
Receipts from members and other customers		873,686	853,495
Interest and investment income		5,675	5,979
		<u>907,682</u>	<u>888,100</u>
<b>Cash used</b>			
Employees and suppliers		(822,817)	(899,505)
Payments of recovery of wages		-	(40,000)
Payments to other reporting units	10B	(59,158)	(55,941)
		<u>(881,975)</u>	<u>(995,446)</u>
<b>Net cash provided by/ (used in) operating activities</b>		<u>25,707</u>	<u>(107,346)</u>
<b>INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		-	-
Proceeds from sale of property, plant and equipment		-	-
<b>Net cash provided by/ (used in) investing activities</b>		<u>-</u>	<u>-</u>
<b>FINANCING ACTIVITIES</b>			
Loans received		-	60,000
<b>Net cash provided by financing activities</b>		<u>-</u>	<u>60,000</u>
<b>Net increase/ (decrease) in cash held</b>		<u>25,707</u>	<u>(47,346)</u>
Cash & cash equivalents at the beginning of the reporting period		41,618	88,964
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<u>67,325</u>	<u>41,618</u>

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

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH  
RECOVERY OF WAGES ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Cash assets in respect of recovered money at beginning of year</b>	-	40,000
<hr/>		
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
<b>Total receipts</b>	-	40,000
<hr/>		
<b>Payments</b>		
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	-	(40,000)
<b>Total payments</b>	-	(40,000)
<hr/>		
<b>Cash assets in respect of recovered money at end of year</b>	-	-
<hr/>		
Number of workers to which the monies recovered relates	-	-
<b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>		
Payable balance	-	-
Number of workers the payable relates to	-	15

**Fund or account operated for recovery of wages**

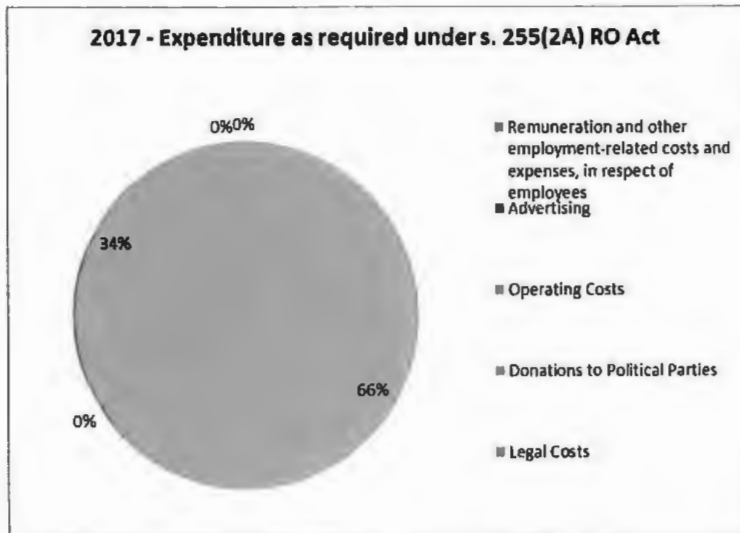
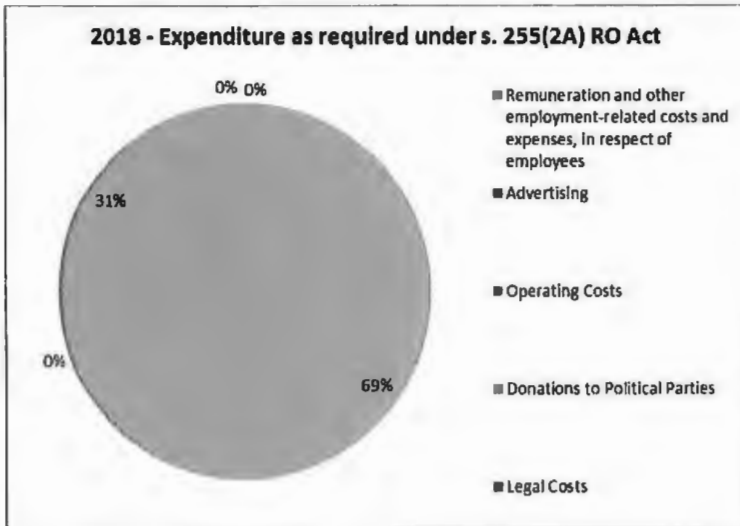
**The Branch operated the following bank account in respect of recovery of wages activity in the current and comparative periods:**


Account Name: AMIEU – South and Western Australia Branch  
BSB: 065-005  
Account Number: 00905397

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

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH  
REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED  
ORGANISATIONS) ACT 2009  
FOR THE YEAR ENDED 30 JUNE 2018**

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Branch for the year ended 30 June 2018:



  
.....  
Sharra Anderson  
Branch Secretary

6 October 2018

Torrensville

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH  
REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED  
ORGANISATIONS) ACT 2009  
FOR THE YEAR ENDED 30 JUNE 2018**

For the purposes of the subsection 255(2A) statement, the following assumptions were utilised:

Remuneration and other employment-related costs and expenses, in respect of employees

Costs comprise of:

- Salaries and wages
- Superannuation
- Payroll tax
- Fringe benefits tax
- Clothing and motor vehicle allowances
- Workers compensation and other employment insurances
- All other employment associated costs (for example, staff amenities, training etc.).

Donations to Political Parties

Donations comprise of:

- Cash donations
- In-kind donations (such as printing costs, postage costs etc.).

Legal Costs

Legal costs comprise of all costs associated with the engaging external legal services as well as any court fees and charges. In house industrial staff costs are disclosed in remuneration and other employment costs and expenses.

Operating Costs

All costs associated with the Branch pursuing the objects of the Union were deemed by the Committee of Management to be an operating cost (unless disclosed elsewhere within the subsection 255(2A) Statement).

Advertising Costs

Advertising costs include any costs incurred by the Branch for the promotion of a product, service or idea. Advertising costs include paid advertising space in print or online, broadcast and/or radio and direct mail advertising.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

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Note 1	Summary of significant accounting policies
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Note 7	Current liabilities
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**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**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 – South and Western Australia Branch (the Branch) 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 Branch assesses impairment at each reporting period by evaluation of conditions and events specific to the Branch 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 Branch 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 – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**1.4 New Australian Accounting Standards**

***Adoption of New Australian Accounting Standard requirements***

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year

- AASB 2016-2 *Amendment to Australian Accounting Standards – Disclosure Initiative Amendments to AASB 107*, which amends AASB 107 *Statement of Cash Flows (August 2015)* to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and no-cash changes.

The Branch has provided the information for both current and comparative period in Note 10E & 10F.

***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 Branch 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 Branch 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 Branch.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**1.4 New Australian Accounting Standards (Continued)**

***Future Australian Accounting Standards Requirements (continued)***

- 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 does not believe the effects of AASB 15 will significant affect the Branch.

- 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 Branch's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.



**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**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.

**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.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**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 – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**1.11 Financial instruments**

Financial assets and financial liabilities are recognised when the 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 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.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**1.12 Financial assets (continued)**

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.

***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, managed investment schemes 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.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**1.12 Financial assets (continued)**

***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.

***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.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**1.12 Financial assets (continued)**

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.

***Derecognition of financial assets***

The Branch 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'.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**1.13 Financial Liabilities (continued)**

***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.

***Derecognition of financial liabilities***

The Branch 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.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**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:

	<b>2018</b>	<b>2017</b>
Motor Vehicles	4 years	4 years
Office equipment and furniture and Fittings	2 – 10 years	2 – 10 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.

**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 Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.



**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**1.17 Taxation**

The 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 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 Branch 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 15.

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 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 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.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1 Summary of significant accounting policies (Continued)**

**1.18 Fair value measurement (continued)**

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 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 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 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 hierarchy.

**1.19 Inventories**

Inventories are measured at the lower of cost and net realisable value.

**1.20 Going concern**

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

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

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 2 Events after the reporting period**

There were no events that occurred after 30 June 2018, and /or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

	2018	2017
	\$	\$
<b>Note 3 Income</b>		
<b>Note 3A: Sale of goods (knives and merchandise)</b>		
Sale of knives and merchandise	38,196	22,149
Less: cost of sales	<u>(35,032)</u>	<u>(25,558)</u>
	<u>3,164</u>	<u>(3,409)</u>
<b>Note 3B: Capitation fees</b>	-	-
<b>Total capitation fees</b>	<u>-</u>	<u>-</u>
<b>Note 3C: Levies</b>	-	-
<b>Total levies</b>	<u>-</u>	<u>-</u>
<b>Note 3D: Interest and investment income</b>		
Interest of deposits	280	287
Investment income on managed investments	4,242	7,918
<b>Total interest and investment income</b>	<u>4,522</u>	<u>8,205</u>
<b>Note 3E: Grants or donations</b>		
Grants	-	-
Donations	-	-
<b>Total grants or donations</b>	<u>-</u>	<u>-</u>
<b>Note 3F: Other Income</b>		
Federal Council administration fees	12,000	13,000
Tasmania Branch administration fees	11,350	13,624
Other	2,116	1,757
<b>Total other income</b>	<u>25,466</u>	<u>28,381</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Note 4 Expenses</b>		
<b>Note 4A: Employee expenses</b>		
<b>Holders of office:</b>		
Wages and salaries	245,746	272,913
Superannuation	24,627	27,982
Leave and other entitlements	6,149	5,999
Separation and redundancies	-	27,109
<b>Subtotal employee expenses holders of office</b>	<b>276,522</b>	<b>334,003</b>
<b>Employees other than office holders:</b>		
Wages and salaries	156,037	130,156
Superannuation	15,224	14,226
Leave and other entitlements	5,710	5,710
Separation and redundancies	-	-
<b>Subtotal employee expenses employees other than office holders</b>	<b>176,971</b>	<b>150,092</b>
<b>Other employee expenses</b>		
Payroll tax	-	-
Fringe benefits tax	5,160	5,508
Workcover	3,406	7,527
Motor vehicle expenses	37,309	32,903
Travel expense	47,293	52,848
<b>Total other employee expenses</b>	<b>93,168</b>	<b>98,786</b>
<b>Total employee expenses</b>	<b>546,661</b>	<b>582,881</b>
<b>Note 4B: Capitation fees</b>		
Australasian Meat Industry Employees Union – Federal Council	47,805	44,914
<b>Total capitation fees</b>	<b>47,805</b>	<b>44,914</b>
<b>Note 4C: Affiliation fees</b>		
Australian Labor Party	6,663	7,578
Unions WA	5,376	6,373
SA unions	6,174	6,048
Union Shopper	557	-
<b>Total affiliation fees</b>	<b>18,770</b>	<b>19,999</b>

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Note 4D: Administration and other operating expenses</b>		
Consideration to employers for payroll deductions	5,457	14,765
Conferences and meeting expenses	2,917	2,859
Compulsory levies		
Australasian Meat Industry Employees Union – Federal Council	-	2,200
Property expenses	25,127	48,848
Office expenses	47,938	47,621
Information technology expenses	24,341	23,489
Insurance expenses	36,751	35,782
Fees/ allowances	-	-
<b>Total administration and other operating expense</b>	<b>142,531</b>	<b>175,564</b>
<b>Note 4E: Grants or donations</b>		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	227	395
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<b>227</b>	<b>395</b>
<b>Note 4F: Depreciation expense</b>		
Depreciation		
Office equipment and furniture and fittings	8,125	10,597
Motor Vehicles	5,078	6,606
<b>Total depreciation expense</b>	<b>13,203</b>	<b>17,203</b>
<b>Note 4G: Finance costs</b>		
Finance costs	8,366	8,241
<b>Total finance costs</b>	<b>8,366</b>	<b>8,241</b>
<b>Note 4H: Legal costs</b>		
Litigation	-	2,516
Other legal matters	71	-
<b>Total legal costs</b>	<b>71</b>	<b>2,516</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Note 4I: Other expenses</b>		
Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-
<b>Total other expenses</b>	-	-
<b>Note 5 Current Assets</b>		
<b>Note 5A: Cash and Cash Equivalents</b>		
Cash at bank	66,719	41,118
Cash on hand	606	500
<b>Total cash and cash equivalents</b>	67,325	41,618
<b>Note 5B: Trade and Other Receivables</b>		
Receivables from other reporting units		
Australasian Meat Industry Employees Union – Tasmania Branch	1,059	1,036
Less provision for doubtful debts (reporting units)	-	-
<b>Receivable from other reporting units (net)</b>	1,059	1,036
<b>Other receivables:</b>		
Accrued income	19,587	2,226
GST receivable	-	1,500
Other trade receivables	5,240	8,439
Less provision for doubtful debts (other receivables)	(4,608)	(4,608)
<b>Total other receivables</b>	20,219	7,557
<b>Total trade and other receivables (net)</b>	21,278	8,593
<b>Note 5C: Inventories</b>		
Finished Goods (Knives)	47,793	42,899
<b>Total Inventories</b>	47,793	42,899

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
<b>Note 6 Non-current Assets</b>	<b>\$</b>	<b>\$</b>
<b>Note 6A: Managed Investments</b>		
Financial assets (Colonial First State)	160,965	148,384
<b>Total Managed Investments</b>	<b>160,965</b>	<b>148,384</b>

The Committee of Management's expectation is that the Branch will continue to hold onto this managed investment fund for a period of greater than 12 months (i.e. a non-current asset). The various Colonial First State managed funds has been classified as an available for sale asset. The Branch holds an investment within the First Choice Australian Share, First Choice Property Securities, CFS Imputation and Perpetual Industrial Share managed funds.

**Note 6B: Office equipment and furniture and fittings**

Office equipment and furniture and fittings:

at cost	145,176	145,176
accumulated depreciation	(136,307)	(128,182)
<b>Total office equipment and furniture and fittings</b>	<b>8,869</b>	<b>16,994</b>

***Reconciliation of Opening and Closing Balances of Office Equipment and Furniture and Fittings***

<b>As at 1 July</b>		
Gross book value	145,176	145,176
Accumulated depreciation and impairment	(128,182)	(117,585)
<b>Net book value 1 July</b>	<b>16,994</b>	<b>27,591</b>
Additions:		
By purchase	-	-
Depreciation expense	(8,125)	(10,597)
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<b>8,869</b>	<b>16,994</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	145,176	145,176
Accumulated depreciation and impairment	(136,307)	(128,182)
<b>Net book value 30 June</b>	<b>8,869</b>	<b>16,994</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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	2018	2017
	\$	\$
<b>Note 6C: Motor Vehicles</b>		
Motor Vehicles:		
at cost	83,690	83,690
accumulated depreciation	(61,266)	(56,188)
<b>Total motor vehicles</b>	<u>22,424</u>	<u>27,502</u>

***Reconciliation of Opening and Closing Balances of Motor Vehicles***

<b>As at 1 July</b>		
Gross book value	83,690	83,690
Accumulated depreciation and impairment	(56,188)	(49,582)
<b>Net book value 1 July</b>	<u>27,502</u>	34,108
<b>Additions:</b>		
By purchase	-	-
Depreciation expense	(5,078)	(6,606)
<b>Disposals:</b>		
By sale	-	-
<b>Net book value 30 June</b>	<u>22,424</u>	27,502
<b>Net book value as of 30 June represented by:</b>		
Gross book value	83,690	83,690
Accumulated depreciation and impairment	(61,266)	(56,188)
<b>Net book value 30 June</b>	<u>22,424</u>	27,502



**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Note 7 Current Liabilities</b>		
<b>Note 7A: Trade payables</b>		
Trade creditors and accruals	23,087	38,441
<b>Subtotal trade creditors</b>	<u>23,087</u>	<u>38,441</u>
<b>Payables to other reporting units</b>		
Australasian Meat Industry Employees Union – Federal Council	-	2,200
Australasian Meat Industry Employees Union – New South Wales Branch	2,263	2,263
<b>Subtotal payables to other reporting units</b>	<u>2,263</u>	<u>4,463</u>
<b>Total trade payables</b>	<u><u>25,350</u></u>	<u><u>42,904</u></u>

Settlement is usually made within 30 days.

**Note 7B: Other payables**

Superannuation	4,414	3,521
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	-	-
GST payable	531	-
PAYG payable	6,177	6,083
Other	4,013	7,789
<b>Total other payables</b>	<u>15,135</u>	<u>17,393</u>

Total other payables are expected to be settled in:

No more than 12 months	15,135	17,393
More than 12 months	-	-
<b>Total other payables</b>	<u>15,135</u>	<u>17,393</u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Note 8 Non-current liabilities</b>		
<b>Note 8A: Employee Provisions</b>		
<b>Office Holders:</b>		
Annual leave	-	-
Long service leave	76,913	74,756
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—office holders</b>	<b>76,913</b>	<b>74,756</b>
<b>Employees other than office holders:</b>		
Annual leave	8,078	6,169
Long service leave	9,420	8,841
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—employees other than office holders</b>	<b>17,498</b>	<b>15,010</b>
<b>Total employee provisions</b>	<b>94,411</b>	<b>89,766</b>
Current	94,411	89,766
Non-Current	-	-
<b>Total employee provisions</b>	<b>94,411</b>	<b>89,766</b>

**Note 8B: Loans**

Loans payable		
Australasian Meat Industry Employees Union – Queensland Branch	15,000	15,000
Australasian Meat Industry Employees Union – Newcastle and Northern Branch	15,000	15,000
Australasian Meat Industry Employees Union – New South Wales Branch	15,000	15,000
Australasian Meat Industry Employees Union – Victoria Branch	15,000	15,000
	<b>60,000</b>	<b>60,000</b>

**Loan terms and conditions**

During the 2017 financial year the Branch borrowed \$15,000 from the above reporting units. The terms and conditions of the above loans are:

1. The loan is interest free.
2. The loan is to be repaid upon the Branch obtaining 2,200 financial members or 4 years, whichever is shorter.
3. The loans are unsecured.

The loans have not been discounted as the amount was deemed immaterial by the Branch Committee of Management.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>Note 9 Reserves</b>		

**Note 9A: Available for sale reserve**

The available for sale reserve records revaluation of financial assets.

Roll forward of AFS reserve

<b>Opening balance – 1 July</b>	(43,128)	(46,038)
Current year revaluation	12,581	2,910
<b>Closing balance – 30 June</b>	<u>(30,547)</u>	<u>(43,128)</u>

**Note 10 Cash Flow**

**Note 10A: 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	67,325	41,618
Statement of financial position	67,325	41,618
<b>Difference</b>	<u>-</u>	<u>-</u>

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION –  
SOUTH AND WESTERN AUSTRALIA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 10A: Cash Flow Reconciliation (Continued)**

	2018	2017
	\$	\$
<b>Reconciliation of surplus/ (deficit) to net cash from operating activities:</b>		
Surplus/ (deficit) for the year	44,150	(94,125)
<b>Adjustments for non-cash items</b>		
Depreciation/ amortisation	13,203	17,203
<b>Changes in assets/liabilities</b>		
(Increase)/ decrease in net receivables	(14,185)	(4,476)
(Increase)/ decrease in other current assets	(1,100)	-
(increase)/ decrease in inventories	(4,894)	1,398
Increase/ (decrease) in creditors and other payables	(18,312)	(15,213)
Increase/ (decrease) in employee provisions	4,645	(12,133)
<b>Net cash (used in)/ provided by operating activities</b>	<u>23,507</u>	<u>(107,346)</u>

**Note 10B: Cash flow information**

Cash inflows from other reporting units		
AMIEU – Federal Council	13,387	14,300
AMIEU – Tasmania Branch	14,241	14,326
AMIEU – Newcastle and Northern Branch	693	-
<b>Total cash inflows</b>	<u>28,321</u>	<u>28,626</u>
Cash outflows to other reporting units		
AMIEU – Federal Council	(58,013)	(51,677)
AMIEU – Queensland Branch	(1,145)	(4,264)
<b>Total cash outflows</b>	<u>(59,158)</u>	<u>(55,941)</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 10C: Credit standby arrangements and loan facilities**

The Branch has a credit card facility amounting to \$1,500 (2017: \$1,500). 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 10D: Non-cash transactions**

There have been no non-cash financing or investing activities during the year (2017: Nil).

	2018	2017
	\$	\$
<b>Note 10E: Net debt reconciliation</b>		
Cash and cash equivalents	67,325	41,618
Borrowings – repayable within one year	-	
Borrowings – repayable after one year	(60,000)	(60,000)
Net debt	<u>7,325</u>	<u>(18,382)</u>

**Note 10F: Reconciliation of movements of liabilities to cash  
flows arising from financing activities**

	Other Assets	Liabilities from financing activities		
	Cash assets	Loans – due within 1 year	Loans – due after 1 year	Total
<b>Net debt at 1 July 2016</b>	88,964	-	-	88,964
Cash flows	(47,316)	-	(60,000)	(107,316)
<b>Net debt at 30 June 2017</b>	41,618	-	(60,000)	(18,382)
<b>Cash flows</b>	<b>25,707</b>	-	-	<b>25,707</b>
<b>Net debt at 30 June 2018</b>	<b>67,325</b>	-	<b>(60,000)</b>	<b>7,325</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 11 Contingent Liabilities, Assets and Commitments**

**Note 11A: Commitments and Contingencies**

**Capital commitments**

At 30 June 2018 the Branch did not have any capital commitments (2017: 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 Branch.

	2018	2017
	\$	\$
<b>Leasing Commitments</b>		
<b>Operating Leases (as a lessee)</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements.		
<b>Payable – Minimum lease payments</b>		
not later than 12 months	31,573	30,000
between 12 months and 5 years	-	32,500
greater than 5 years	-	-
<b>Minimum lease payments</b>	<u>31,573</u>	<u>62,500</u>

The Branch leases office space at 227 Henley Beach Road, Torrensville, South Australia (2017: the Branch leased office space at both 227 Henley Beach Road, Torrensville, South Australia and 3/ 5 Aberdeen Street, Perth). The lease is for a further 12 months increases at a rate of 3% or CPI, whichever is higher.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 12 Related Party Disclosures**

**Note 12A: 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):

- Australasian Meat Industry Employees Union – Federal Council (AMIEU – Federal Council)
- Australasian Meat Industry Employees Union - Queensland Branch (AMIEU – QLD Branch)
- Australasian Meat Industry Employees Union – New South Wales Branch (AMIEU – NSW Branch)
- Australasian Meat Industry Employees Union – Newcastle & Northern Branch (AMIEU – Newcastle & Northern Branch)
- Australasian Meat Industry Employees Union – Victoria Branch (AMIEU – Victoria Branch)
- Australasian Meat Industry Employees Union – Tasmania Branch (AMIEU – Tasmania Branch)

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

	2018	2017
	\$	\$
<b>Revenues received from AMIEU – Federal Council includes the following:</b>		
Office administration fees	12,000	13,000
Reimbursement of telephone expenses	170	-
<b>Expenses paid to AMIEU – Federal Council includes the following:</b>		
Capitation fees	47,805	44,915
Levies	-	2,200
Purchase of meatworker journals	1,605	1,261
Purchase of equal pay postcards	-	68
Purchase of AMIEU medallions	-	736
Reimbursement of travel costs	955	-
Reimbursement of conference fees	191	-
Reimbursement of stationery expenses	51	-
<b>Amounts owed to AMIEU – Federal Council include the following:</b>		
Levies	-	2,200

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 12 Related Party Disclosures (Continued)**

**Note 12A: Related Party Transactions for the Reporting Period  
Holders of office and related reporting units (Continued)**

	2018	2017
	\$	\$
<b>Revenues received from AMIEU – Newcastle and Northern Branch includes the following:</b>		
Merchandise sales	630	-
<b>Amounts owed to AMIEU – Newcastle and Northern Branch include the following:</b>		
Loan	15,000	15,000
<b>Amounts owed to AMIEU – VIC Branch include the following:</b>		
Loan	15,000	15,000
<b>Expenses paid to AMIEU – QLD Branch includes the following:</b>		
Reimbursement of travel costs	1,145	4,264
<b>Amounts owed to AMIEU – QLD Branch include the following:</b>		
Loan	15,000	15,000
<b>Expenses paid to AMIEU – NSW Branch includes the following:</b>		
Reimbursement of travel costs	-	2,262
<b>Amounts owed to AMIEU – NSW Branch include the following:</b>		
Loan	15,000	15,000
Reimbursement of travel costs (trade creditors)	2,262	2,262
<b>Revenues received from AMIEU – TAS Branch includes the following:</b>		
Office administration fees	11,350	13,624
Reimbursement of member mail-out costs	677	341
<b>Amounts owed by AMIEU – TAS Branch include the following:</b>		
Office administration fees	1,059	1,036



**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 12 Related Party Disclosures (Continued)**

**Note 12A: Related Party Transactions for the Reporting Period  
Holders of office and related reporting units (Continued)**

During the 2017 year the Branch agreed to borrow \$60,000 (comprising of \$15,000 from the Qld, Newcastle and Northern, NSW and VIC Branches) on a non-commercial arm's length basis. Repayment terms are set out in the loan term which states repayment must be made within 4 years. There is no interest payable or security provided on this loan.

Under Australian Accounting Standards, loans and receivables require an entity to measure interest free loans at fair value, using commercial market interest rates issued on an arm's length basis on similar loan terms in the market place. It was determined that the fair value of the loan was not materially difference from the carrying value and as a result, the Committee of Management have not fair valued this loan at reporting date.

**Terms and conditions of transactions with related parties**

With the exception of the loans payable to the AMIEU – Qld, Newcastle and Northern, NSW and Vic Branches, 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 2018, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2017: 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.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 12 Related Party Disclosures (Continued)**

	2018	2017
	\$	\$
<b>Note 12B: Key Management Personnel Remuneration for the Reporting Period</b>		
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	245,746	272,913
Annual and personal leave accrued	-	-
Other	-	-
<b>Total short-term employee benefits</b>	<u>245,746</u>	<u>272,913</u>
<b>Post-employment benefits:</b>		
Superannuation	24,627	27,982
<b>Total post-employment benefits</b>	<u>24,627</u>	<u>27,982</u>
<b>Other long-term benefits:</b>		
Long-service leave	6,149	5,999
<b>Total other long-term benefits</b>	<u>6,149</u>	<u>5,999</u>
<b>Termination benefits</b>	-	27,109
<b>Total</b>	<u>276,522</u>	<u>334,003</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 13 Remuneration of Auditors**

**Value of the services provided**

Financial statement audit services – current year	12,000	11,700
Financial statement audit services – prior year	-	15,450
Audit of ECSA disclosure forms	500	3,000
Other services	-	152
<b>Total remuneration of auditors</b>	<u>12,550</u>	<u>30,302</u>

No non-audit services were provided by the auditor of the Branch.

The auditor the Branch changed from 360 Private Wealth By Design Pty Ltd to MGI Audit Pty Ltd during the 2017 year.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 14 Financial Instruments**

**Financial Risk Management Policy**

The Branch Committee of Management monitors the Branch'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 Branch Committee of Management meets on a regular basis to review the financial exposure of the Branch.

**(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 Branch. The Branch 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 Branch 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 Branch.

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

The following table details the Branch'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 Branch 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 Branch.

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 – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 14 Financial Instruments (Continued)**

**Ageing of financial assets that were past due but not impaired for 2018**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	20,219	-	-	4,608	24,827
Receivables from other reporting units	1,059	-	-	-	1,059
<b>Total</b>	<b>21,278</b>	<b>-</b>	<b>-</b>	<b>4,608</b>	<b>25,886</b>

**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	7,557	-	-	4,608	12,165
Receivables from other reporting units	1,036	-	-	-	1,036
<b>Total</b>	<b>8,593</b>	<b>-</b>	<b>-</b>	<b>4,608</b>	<b>13,201</b>

The Branch 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 2018, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

***Collateral held as security***

The Branch does not hold collateral with respect to its receivables at 30 June 2018 (2017: Nil).

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 14 Financial Instruments (Continued)**

**(b) Liquidity Risk**

Liquidity risk arises from the possibility that the Branch might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Branch 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 Branch 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	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>								
Trade and other payables	40,485	60,297	-	-	-	-	40,485	60,297
Loans	-	-	60,000	60,000	-	-	60,000	60,000
<b>Total expected outflows</b>	<b>40,485</b>	<b>60,297</b>	<b>60,000</b>	<b>60,000</b>	<b>-</b>	<b>-</b>	<b>100,485</b>	<b>120,297</b>
<b>Financial assets – cash flow receivable</b>								
Cash and cash equivalents	67,325	41,618	-	-	-	-	67,325	41,618
Trade and other receivables	21,278	8,593	-	-	-	-	21,278	8,593
Managed investments	-	-	-	-	160,965	148,384	160,965	148,384
<b>Total anticipated inflows</b>	<b>88,603</b>	<b>50,211</b>	<b>-</b>	<b>-</b>	<b>160,965</b>	<b>148,384</b>	<b>249,568</b>	<b>198,595</b>
<b>Net (outflow) / inflow on financial instruments</b>	<b>48,118</b>	<b>(10,086)</b>	<b>(60,000)</b>	<b>(60,000)</b>	<b>160,965</b>	<b>148,384</b>	<b>149,083</b>	<b>78,298</b>

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 14 Financial Instruments (Continued)**

- iv. Price risk  
The Branch is no exposed to any material commodity price risk.
- v. Interest rate risk  
The Branch 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.
- vi. Sensitivity Analysis

The following table illustrates sensitivities to the Branch's exposures to changes in interest rates and equity prices. 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.

	Profit \$	Equity \$
<b>Year ended 30 June 2018</b>		
+2% in interest rates	935	935
-2% in interest rates	(807)	(807)
+/-10% in managed investment funds	16,097	16,097
<b>Year ended 30 June 2017</b>		
+2% in interest rates	832	832
-2% in interest rates	(832)	(832)
+/-10% in managed investment funds	14,838	14,838

No sensitivity analysis has been performed on foreign exchange risk as the Branch has no material direct exposures to currency risk. There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

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 – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 15 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 Branch. 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 Branch.

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

	Footnote	2018		2017	
		Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
<b>Financial assets</b>					
Cash and cash equivalents	(i)	67,325	67,325	41,618	41,618
Accounts receivable and other debtors	(i)	21,278	21,278	8,593	8,593
Financial assets at fair value through profit or loss:					
- at fair value					
- managed investment funds	(ii)	160,965	160,965	148,384	148,384
<b>Total financial assets</b>		<b>249,568</b>	<b>249,568</b>	<b>198,595</b>	<b>198,595</b>
<b>Financial liabilities</b>					
Accounts payable and other payables	(i)	40,485	40,485	60,297	60,297
Loans payable		60,000	60,000	60,000	60,000
<b>Total financial liabilities</b>		<b>100,485</b>	<b>100,485</b>	<b>120,297</b>	<b>120,297</b>

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

- (i) Cash and cash equivalents, accounts receivable, loans 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.
- (ii) For listed investments (via a managed investment fund), closing quoted bid prices at the end of the reporting period are used.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 15 Fair Value Measurement (Continued)**

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

- (iii) 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.



**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 15 Fair Value Measurement (Continued)**

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

*Fair value hierarchy – 30 June 2018*

	Note	Date of Valuation	Level 1	Level 2	Level 3
		\$	\$	\$	\$
<b>Assets measured at fair value</b>					
Financial Assets at fair value through profit or loss					
- Shares in managed funds	6A	30 June 2018	160,965	-	-
Total financial assets recognised at fair value on a recurring basis			<u>160,965</u>	<u>-</u>	<u>-</u>

The Branch does not have any liabilities that are recorded using a fair value technique.

*Fair value hierarchy – 30 June 2017*

	Note	Date of Valuation	Level 1	Level 2	Level 3
		\$	\$	\$	\$
<b>Assets measured at fair value</b>					
Financial Assets at fair value through profit or loss					
- Shares in managed funds	6A	30 June 2017	148,384	-	-
Total financial assets recognised at fair value on a recurring basis			<u>148,384</u>	<u>-</u>	<u>-</u>

The Branch does not have any liabilities that are recorded using a fair value technique.

**AUSTRALASIAN MEAT INDUSTRY EMPLOYEES UNION – SOUTH AND WESTERN AUSTRALIA  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

**Note 16 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 17 Branch Details**

The registered office of the Branch is:

227 Henley Beach Road  
TORRENSVILLE SA 5031

**Note 18 Segment Information**

The Branch operates solely in one reporting segment, being the provision of industrial services in both South Australia and Western Australia.

**Note 19 Other Acquisitions of Assets or Liabilities**

During the financial year the Branch 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 determination by the General Manager of the Fair Work 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 General Manager of the Fair Work 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.



**Australian Government**  
**Registered Organisations Commission**

25 September 2018

Ms Sharra-Leagh Anderson  
Branch Secretary-Treasurer  
The Australasian Meat Industry Employees Union-South and Western Australian Branch

By Email: [admin@sawa.amieu.asn.au](mailto:admin@sawa.amieu.asn.au)

Dear Ms Anderson,

**Re: Lodgement of Financial Report - [FR2018/172]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of The Australasian Meat Industry Employees Union -South and Western Australian Branch (the reporting unit) ended on 30 June 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

**Loans Grants and Donations Statement**

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 28 September 2018.

The attached fact sheet *Loans Grants and Donations* (FS 009) summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty. Currently penalties are up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual and may be imposed upon your organisation and/or an officer whose conduct led to the contravention.

**Financial report**

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines* (FS 008) summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on its rules) no later than 30 December 2018 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported (see attached *Loans Grants and Donations* fact sheet FS 009). The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement.

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the

ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty, as set out above, being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

#### **Auditor's report**

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into operation with effect from 15 December 2016. Please find [here](#) a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (also available on our website).

## **REMINDER**

### **YOUR AUDITOR MUST BE REGISTERED (s.256)**

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

#### **Contact**

Should you require any clarification in relation to the above, please email [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au).

Yours faithfully,



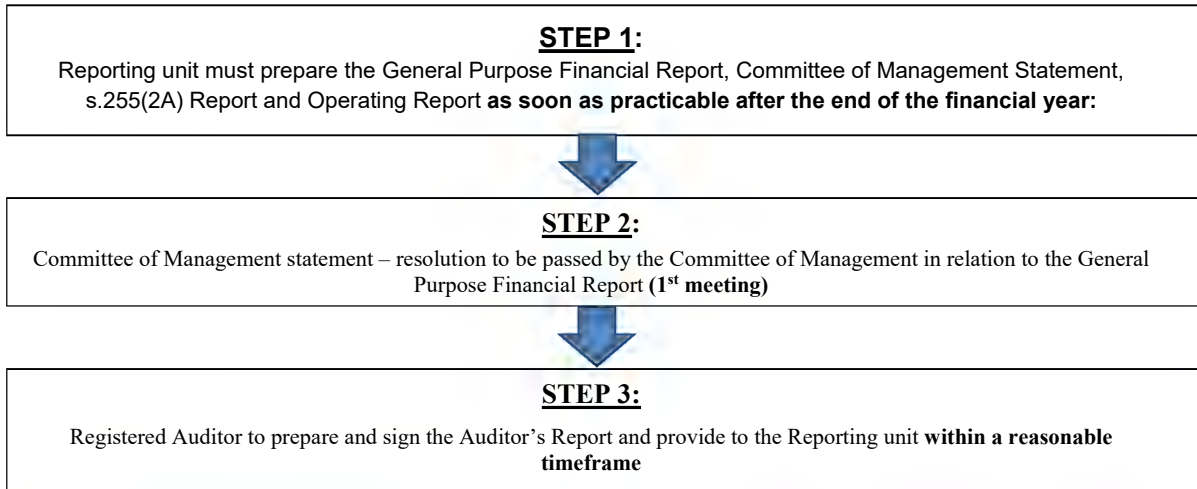
**Sarah Wilkin**  
**Registered Organisations Commission**

# Fact sheet

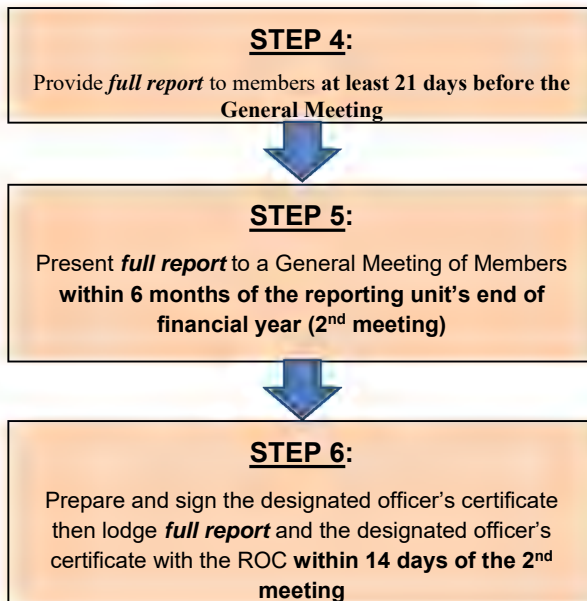
## Summary of financial reporting timelines – s.253 financial reports

### General Information:

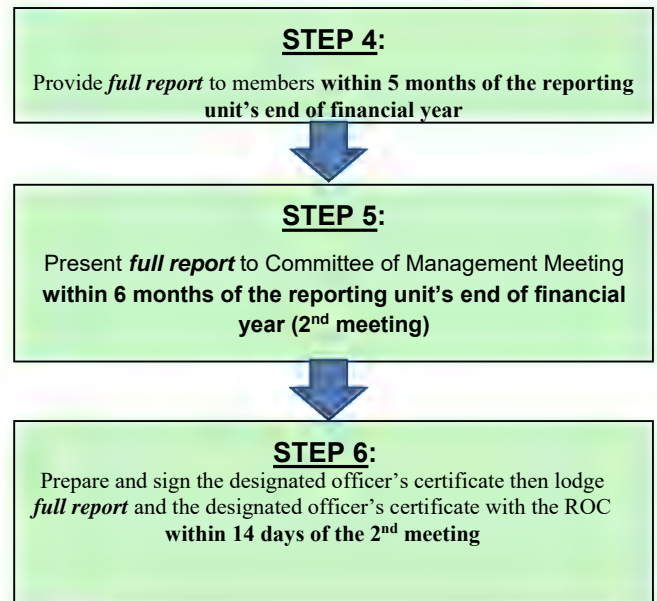
- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).



IF RULES PROVIDE FOR PRESENTATION OF FULL REPORT  
AT GENERAL MEETING OF MEMBERS  
(this is the default process in the RO Act)



IF RULES PROVIDE FOR PRESENTATION OF FULL REPORT AT  
COMMITTEE OF MANAGEMENT MEETING  
(Special rules must be in the rulebook to use this process)



# Fact sheet



Australian Government  
Registered Organisations Commission

**FS 009**  
(19 June 2017)

## Fact sheet

### Loans, Grants & Donations

#### The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.





#### The Loans, Grants & Donations Statement



Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,\* and
- the arrangements for repaying the loan.\*

\*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL. Common misconceptions Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.

	Statements can be lodged with the financial report.		The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.
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**Grants & Donations within the Financial Report**

Item 16(e) of the Commissioner’s Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines. In the [ROC's Model Statements](#) the note appears as follows:

**Note 4E: Grants OR donations\***

	[Current year]	[Previous year]
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	-	-
<b>Total grants or donations</b>	-	-

The Commissioner’s Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

**Implications for filing the Financial Report**

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

**Further information**

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

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This fact sheet is not intended to be comprehensive. It is designed to assist in gaining an understanding of the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice