



# AUSTRALIAN MARITIME OFFICERS UNION

ABN: 56 181 230 800

Incorporating: Merchant Service Guild of Australia and Australian Stevedoring Supervisors Association

5<sup>th</sup> Floor, Labor Council Building, 377 Sussex Street, Sydney • Postal Address: PO Box 407, Haymarket NSW 1240  
Telephone: (02) 9264 2388 • Telex AA20738 • Facsimile: (02) 9267 4766 • E-Mail: admin@amou.com.au

26 August 2002

Australian Industrial Registry  
Level 8, Terrace Towers  
80 William Street  
EAST SYDNEY NSW 2011



Dear Sir/Madam

We enclose the Financial Accounts of the Australian Maritime Officers' Union prepared by our Auditors, Harveys Chartered Accountants, for the year ended 31 December 2001.

This document is a copy of the report sent out to all members by a mail-out on 24 June 2002 and which was presented to the Annual General Meeting held on 30 July 2002.

Yours faithfully

RICHARD HOARE  
PRESIDENT

Australian Maritime Officers Union

# FINANCIAL ACCOUNTS

For the year ended  
31st December 2001



**AUSTRALIAN MARITIME OFFICERS' UNION**

**A.B.N. 56 181 230 800**

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**AUSTRALIAN MARITIME OFFICERS' UNION**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER 2001**

	Note	2001 \$	2000 \$
<b>CLASSIFICATION OF EXPENSES BY NATURE</b>			
Revenues from ordinary activities	2	1,215,216.49	1,282,059.02
Employee benefits expense		(778,927.76)	(663,103.00)
Depreciation and amortisation expenses	3	(28,850.04)	(31,044.00)
Other expenses from ordinary activities		(446,514.20)	(440,136.93)
		<hr/>	<hr/>
<b>Profit from ordinary activities before income tax expense</b>	3	(39,075.51)	147,775.09
		<hr/>	<hr/>
<b>Net profit from ordinary activities after income tax attributable to members of the company</b>	4	(39,075.51)	147,775.09
Net increase (decrease) in asset revaluation reserve		-	-
		<hr/>	<hr/>
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		(39,075.51)	147,775.09
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

**AUSTRALIAN MARITIME OFFICERS' UNION**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER 2001**

	Note	2001 \$	2000 \$
<b>CURRENT ASSETS</b>			
Cash assets	6	554,542.77	542,488.97
<b>TOTAL CURRENT ASSETS</b>		<b>554,542.77</b>	<b>542,488.97</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	7	1,332,474.96	1,300,952.90
Property, plant and equipment	8	465,840.71	473,107.25
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,798,315.67</b>	<b>1,774,060.15</b>
<b>TOTAL ASSETS</b>		<b>2,352,858.44</b>	<b>2,316,549.12</b>
<b>CURRENT LIABILITIES</b>			
Payables	9	108,141.15	43,103.10
Provisions	10	156,499.03	143,176.75
Other	11	6,954.37	9,929.87
<b>TOTAL CURRENT LIABILITIES</b>		<b>271,594.55</b>	<b>196,209.72</b>
<b>TOTAL LIABILITIES</b>		<b>271,594.55</b>	<b>196,209.72</b>
<b>NET ASSETS</b>		<b>2,081,263.89</b>	<b>2,120,339.40</b>
<b>MEMBER'S FUNDS</b>			
Reserves	5	50,972.00	50,972.00
Retained Profits (Retained Losses)	4	2,030,291.89	2,069,367.40
<b>TOTAL MEMBER'S FUNDS</b>		<b>2,081,263.89</b>	<b>2,120,339.40</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN MARITIME OFFICERS' UNION**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER 2001**

	<b>2001</b>	<b>2000</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows From Operating Activities</b>		
Receipts from members	1,117,041.31	1,165,898.55
Interest received	56,291.83	60,213.47
Sundries	-	1,610.14
Payment to members, suppliers and employees	(1,141,755.23)	(1,093,492.09)
	31,577.91	134,230.07
<b>Cash Flows from Investing Activities</b>		
Proceeds from Sale of Property	-	95,632.37
Income and redemption from/of Managed Investments	2,059.39	233,933.65
Payment for property, plant & equipment	(21,583.50)	(45,662.09)
Payment for Investments	-	(700,070.13)
	(19,524.11)	(416,166.20)
Net increase (decrease) in cash held	12,053.80	(281,936.13)
Cash at beginning of financial year	542,488.97	824,425.10
<b>Cash at end of year</b>	<b>554,542.77</b>	<b>542,488.97</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN MARITIME OFFICERS' UNION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2001**

	<b>2001</b>	<b>2000</b>
	<b>\$</b>	<b>\$</b>
<b>Notes to the Statement of Cash Flows</b>		
<b>Reconciliation of Cash</b>		
Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash at Bank	554,542.77	542,488.97
<b>Reconciliation of Net Cash provided by Operating Activities to profit from ordinary activities after Income Tax</b>		
Operating profit (loss) after income tax	(39,075.51)	147,775.09
<b>Non-cash flows in Profit(Loss) from Ordinary Activities:</b>		
Depreciation	28,850.04	31,044.00
Holiday pay and long service leave (released)	13,322.28	8,847.37
Net income from managed investments	(33,581.45)	(52,782.78)
<b>Changes in Assets and Liabilities:</b>		
Increase (Decrease) in Accrued Income	(2,975.50)	-
Increase (Decrease) in Sundry creditors	(5,965.47)	18,369.31
Increase (Decrease) in GST Liability	71,003.52	(19,022.92)
<b>Cash flows from operations</b>	<b>31,577.91</b>	<b>134,230.07</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN MARITIME OFFICERS' UNION**  
**A.B.N. 56 181 230 800**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2001**

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**1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable Accounting Standards and the Workplace Relations Act 1996.

The financial statements have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets.

The accounting policies have been consistently applied, unless otherwise indicated.

**Income Tax**

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

**Investments**

Investments brought to account are at cost or at valuation. The carrying amount of investments is reviewed annually to ensure it is not in excess of the recoverable amount of the investments.

Dividends and interests are brought to account when received.

**Property, Plant and Equipment**

Property, plant and equipment are brought to account at cost or at valuation, less where applicable any accumulated depreciation or amortisation. The carrying amount of fixed assets is reviewed annually to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets employment and subsequent disposal.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on straight line basis over their estimated useful lives to the entity commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Plant and Equipment	4.0 - 40.0%

**Employee Entitlements**

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred. The entity has no legal obligation to provide benefits to employees on retirement.



**AUSTRALIAN MARITIME OFFICERS' UNION**  
**A.B.N. 56 181 230 800**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2001**

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**Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and at banks including at call deposits with bank.

**Information to be provided to Members or the Industrial Registrar**

In accordance with the requirements of the Workplace Relations Act, 1996 (as amended) the attention of members is drawn to the provisions of Sub-sections(1),(2) and (3) of section 274, which read as follows:

" (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to an organisation.

(2) An organisation shall, on application made under Sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such a manner, and within such a time, as prescribed.

(3) A Registrar may only make application under Sub-section (1) at the request of a member of the organisation concerned and the Registrar shall provide to a member information received because of an application made at the request of a member."

**AUSTRALIAN MARITIME OFFICERS' UNION**  
**A.B.N. 56 181 230 800**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2001**

	<b>2001</b>	<b>2000</b>
	<b>\$</b>	<b>\$</b>
<b>2 Revenue</b>		
<b>Operating activities</b>		
Interest	59,267.33	60,213.47
Rendering of services	1,117,041.31	1,165,898.55
Other revenue	38,907.85	55,947.00
	1,215,216.49	1,282,059.02
<b>3 Profit from Ordinary Activities</b>		
Profit from ordinary activities before income tax expense has been determined after:		
<b>Expenses:</b>		
Depreciation of property, plant and equipment	28,850.04	31,044.00
Loss on Disposal on Managed Investments	5,326.40	1,554.08
Remuneration of auditor		
Audit fees	7,931.70	8,000.00
Other services	380.00	1,806.80
	8,311.70	9,806.80
<b>4 Retained Profits</b>		
Retained profits (accumulated losses) at the beginning of the financial year	2,069,367.40	1,921,592.31
Net profit attributable to members of the union	(39,075.51)	147,775.09
	2,030,291.89	2,069,367.40
<b>5 Reserves</b>		
Asset revaluation reserve	50,972.00	50,972.00

**AUSTRALIAN MARITIME OFFICERS' UNION**  
**A.B.N. 56 181 230 800**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2001**

	<b>2001</b>	<b>2000</b>
	<b>\$</b>	<b>\$</b>
<b>6 Cash Assets</b>		
Cash on hand	1,000.00	1,000.00
Commonwealth Bank, Sydney	64,554.96	84,802.26
Westpac Bank, Sydney	8,858.15	42,130.24
Westpac Bank, ASSA		10,776.78
Cash - Fremantle	406.93	20.82
Cash - Melbourne	44.46	644.72
Cash - Brisbane	407.63	405.52
Cash - Adelaide	74.54	74.15
Commonwealth Bank Cash Management Account	479,196.10	402,634.48
	554,542.77	542,488.97
<b>7 Other Financial Assets</b>		
NON-CURRENT		
Commonwealth Bank Commercial Bill	710,000.00	710,000.00
Managed investments, at cost	622,474.96	590,952.90
	1,332,474.96	1,300,952.90

The market value of the Managed investments at 31 December 2001 is \$652,398 (2000: \$607,446)

**AUSTRALIAN MARITIME OFFICERS' UNION**  
**A.B.N. 56 181 230 800**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2001**

	<b>2001</b>	<b>2000</b>
	<b>\$</b>	<b>\$</b>
<b>8 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
Land & buildings, at valuation 31/12/99	400,000.00	400,000.00
Accumulated depreciation	7,126.00	3,563.00
	392,874.00	396,437.00
Office furniture and equipment, at valuation 31/12/99 #	120,845.59	99,262.09
Accumulated depreciation	51,839.04	26,992.00
	69,006.55	72,270.09
Library, at cost	22,744.80	22,744.80
Accumulated depreciation	18,784.64	18,344.64
	3,960.16	4,400.16
<b>Total Plant and Equipment</b>	72,966.71	76,670.25
<b>Total Property, Plant and Equipment</b>	465,840.71	473,107.25

**a. Property**

The Union's land and buildings were revalued to their recoverable amounts at 31 December 1999 by the Committee of Management. Buildings are depreciated on a straight line basis over their estimated potential service period.

**b. Revaluation of non-current assets**

Land and buildings are periodically revalued. Independent assessments are obtained of the fair market values of land and buildings on existing use and such assessments are used to guide when revaluations are made. Revaluation increments and decrements are credited or charged to the Profit and Loss Account, pursuant to Regulation 107(a)(xxvii) and the Workplace Relations Act, 1996 which is a departure from the requirements in the Australian Accounting Standard AAS10. The statutory requirement must, however, be observed where there is a conflict between statute and accounting standards.

Building improvements since the date of revaluation are booked at cost.

**c. Office furniture & equipment**

The Union's office furniture and equipment were revalued to their recoverable amounts at 31 December 1999 by the Committee of Management. The carrying amount of property, plant and equipment is reviewed annually by officials to ensure assets are not in excess of their recoverable amount.

# Additions to office furniture and equipment since the date of revaluation are booked at cost.

**AUSTRALIAN MARITIME OFFICERS' UNION**  
**A.B.N. 56 181 230 800**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2001**

	<b>2001</b>	<b>2000</b>
	<b>\$</b>	<b>\$</b>
<b>9 Payables</b>		
CURRENT		
Sundry creditors	56,160.55	62,126.02
Input Tax Credits	(11,591.63)	(19,022.92)
GST Payable	63,572.23	
	51,980.60	(19,022.92)
	108,141.15	43,103.10
<b>10 Provisions</b>		
CURRENT		
Provision for annual leave	81,958.15	61,265.07
Provision for long service leave	54,540.88	61,911.68
Provision for building repairs	20,000.00	20,000.00
	156,499.03	143,176.75
Aggregate employee entitlement liability	54,540.88	61,911.68
Number of employees at year end	9	9
<b>11 Other Liabilities</b>		
CURRENT		
Interest in Advance	6,954.37	9,929.87
<b>12 Related Party Information</b>		

Officials

The names of Officials who have held office during the financial year are:

K. Pinch  
M. Fleming  
P. Curwell  
S. Groves

There have been no transactions with Officials other than normal remuneration for services provided in the ordinary course of their employment.

Officers' Remuneration

The aggregate remuneration received by Officers from the Union during the year was \$309,788 (2000: \$319,939).

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## STATEMENT BY THE ACCOUNTING OFFICER

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I, Richard Hoare, being the Officer responsible for keeping the accounting records of the Australian Maritime Officers Union, Executive Council, certify that as at 31st December 2001 the number of members of the organisation was 2145.

In my opinion:

- i. The attached accounts show a true and fair view of the financial affairs of the organisation at 31st December 2001.
- ii. A record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the organisation.
- iii. Before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation.
- iv. With regard to funds of the organisation raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- v. No loans or other financial benefits, other than remuneration in respect of their full-time employment with the organisation, were made to persons holding office in the organisation.
- vi. The register of members of the organisation was maintained in accordance with the Act.

Signed at Sydney this 3rd day of May 2002



.....  
RICHARD HOARE - PRESIDENT



.....  
FRED ROSS - TREASURER

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## STATEMENT OF THE EXECUTIVE COUNCIL

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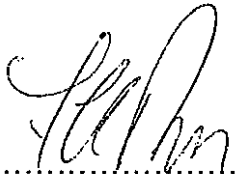
In accordance with the resolution of the Executive Council of the Australian Maritime Officers Union we state that in the opinion of the Executive Council:

- (a) the accompanying Statement of Financial Position is drawn up so as to give a true and fair view of the state of affairs of the organisation as at the end of the financial year;
- (b) the accompanying Statement of Financial Performance is drawn up so as to give a true and fair view of the results of the organisation for the year ended 31<sup>st</sup> December 2001;
- (c) meetings of the Executive Council were held in accordance with the rules of the organisation;
- (d) to the knowledge and belief of all members of the Executive Council there have been no instances where records of the organisation that should be made available have been withheld from members; and
- (e) the organisation has, in relation to the Auditor's Report on the accounts and statements in respect of the immediately preceding year complied with the provisions of Section 279 of the Workplace Relations Act 1996.

Signed on behalf of the Executive Council

At Sydney this 3<sup>rd</sup> day of May 2002

  
.....  
RICHARD HOARE - PRESIDENT

  
.....  
FRED ROSS - TREASURER

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE AUSTRALIAN MARITIME OFFICERS' UNION**

Level 3, 2 Bulletin Place  
Circular Quay, Sydney NSW 2000

Postal Address: GPO Box 4605  
Sydney NSW 2001 Australia

Telephone: 02 9247 2227  
Facsimile: 02 9247 8550

E-mail: mail@harveys.com.au  
Internet: www.harveys.com.au



**Scope**

We have audited the financial report of the Australian Maritime Officers' Union for the year ended 31 December 2001. The Union's Executive Council (Committee of Management) is responsible for the preparation and presentation of the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards and the Workplace Relations Act, 1996 so as to present a view which is consistent with our understanding of the Union's financial position and the results of its operations and cash flows.

**Audit Opinion**

In our opinion:

- a. Proper books of account have been kept by the Australian Maritime Officers' Union so far as appears from our examination of these books, including:-
  - (i) records and sources and nature of the income of the organisation (including income from (members));
  - (ii) records of the nature and purpose of the expenditure of the organisation.
- b. To the best of our information and according to the explanations given to us, the accounts give the information required by s273 of the Workplace Relations Act, 1996 in the manner so required and give a true and fair view of:-
  - (i) the financial affairs of the Australian Maritime Officers' Union as at 31 December 2001.
  - (ii) the Income and Expenditure and any surplus or deficit of the Australian Maritime Officers' Union for the year ended 31 December 2001.
- c. We have where necessary, obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit, and
- d. The accounts have been prepared in accordance with Statements of Accounting Concepts and applicable Accounting Standards.

**HARVEYS**  
Chartered Accountants

**MARTIN DE SANTI**  
Partner

Dated this 8<sup>th</sup> day of May 2002

RAN-CONE  
Building business value

ABN 86 579 902 545



Level 3, 2 Bulletin Place  
Circular Quay, Sydney NSW 2000

Postal Address: GPO Box 4605  
Sydney NSW 2001 Australia

Telephone: 02 9247 2227  
Facsimile: 02 9247 8550

E-mail: mail@harveys.com.au  
Internet: www.harveys.com.au



**Private Information to the Committee of Management on the 31 December 2001  
Financial Statements**

**Disclaimer**

The additional financial data presented in the following pages is in accordance with the books and records of Australian Maritime Officers' Union ("our Client") which have been subjected to the auditing procedures applied in our statutory audit of the organisation for the year ended 31 December 2001. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such data and no warranty of accuracy or reliability is given. Neither the firm nor any other member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than our client) in respect of such data, including any errors or omissions therein however caused.

**HARVEYS**  
Chartered Accountants

**MARTIN DE SANTI**

**Dated this 8th day of May 2002**

**AUSTRALIAN MARITIME OFFICERS' UNION**

**ITEMISED PROFIT AND LOSS STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 2001**

	2001 \$	2000 \$
<b>INCOME</b>		
Subscriptions, levies & joining fees	1,117,041.31	1,165,898.55
Interest received	59,267.33	60,213.47
Sundry Income		1,610.14
Income from managed investments	38,907.85	54,336.86
Loss on Disposal on Managed Investments	(5,326.40)	(1,554.08)
	<hr/> 1,209,890.09	<hr/> 1,280,504.94
<b>EXPENDITURE</b>		
Advertising	1,235.90	1,229.40
Affiliation fees	11,222.30	11,961.13
Auditor's remuneration	8,311.70	9,806.80
Bank charges	15,298.39	14,681.64
Branch expenses, unallocated		4,601.92
Conference and meeting expenses	5,863.14	347.92
Consultants fees	2,037.70	10,406.00
Computer software	1,157.70	
Delegate fees and expenses	1,135.40	291.09
Depreciation	28,850.04	31,044.00
Electricity and gas	3,390.17	3,404.58
Employee Amenities	1,674.48	1,781.22
Entertainment Expenses		882.20
Equipment < \$300	55.80	1,254.40
Flowers and gifts	146.14	805.27
Fringe benefits tax	2,228.45	827.97
General expenses	1,216.20	3,710.78
Insurance	27,017.04	27,973.59
Legal costs	34,042.06	8,694.77
Library service and publications	2,180.55	2,409.38
Maritime Officer, special publications	17,626.20	25,270.42
Payroll tax	6,491.67	7,761.25
Postage	10,195.88	7,969.35
Printing and stationery	16,750.62	15,842.11
Provision for annual leave	20,693.08	5,182.12
Provision for long service leave	7,370.80	(3,665.25)
Rates and taxes, branch properties	2,908.84	5,463.11
Refunds	506.92	3,404.46
Rent and cleaning	57,467.62	66,169.84
Repairs and maintenance	916.43	3,985.62
Salaries	668,827.70	549,726.08
Staff training	504.50	900.00
Superannuation	107,921.08	110,695.70
Telephone and telex	55,290.43	53,082.61
Travelling expenses	143,172.27	137,497.87
	<hr/> 1,248,965.60	<hr/> 1,132,729.85
<b>Profit (Loss) from ordinary activities before income tax</b>	<hr/> (39,075.51)	<hr/> 147,775.09

The accompanying notes form part of these financial statements.



**AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9380 6990

Mr Richard Hoare  
President  
Australian Maritime Officer's Union  
PO Box 407  
HAYMARKET NSW 1240

Dear Mr Hoare

**Re: Financial Returns for the Australian Maritime Officer's Union National Office  
for the year ended 31 December 2001 (FR2002/576)**

The Registry acknowledges receipt of your letter dated 30 August 2002 regarding the above matter.

The financial documents listed above have now been filed and no further action is required.

If you have any questions regarding any of the above, please contact me on (02) 8374 6506.

Yours sincerely,

Penny Curtis  
Statutory Services Branch, NSW

17 September 2002