



**Australian Government**  
**Australian Industrial Registry**

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

**Ref: FR2005/550-[001N]**

Mr Michael Fleming  
Secretary  
The Australian Maritime Officers' Union  
PO Box 407  
HAYMARKET NSW 1240

Dear Mr Fleming

**Financial Return - year ending 31 December, 2005**

Our records show your organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

**New legislation**

This letter is intended as guide to the law applicable on the date of this letter and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO'<sup>1</sup>). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

**The key differences under the new legislation affecting financial returns are:**

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

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<sup>1</sup> Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

## Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as "*reporting units*". Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

## Industrial Registrar's Guidelines

The Industrial Registrar's reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit's economic support of, or economic dependency on, other reporting units of the organisation.

## Timeline Planner and Checklist

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar's Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

## Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor's Report, comprise the reporting unit's financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar's Reporting Guidelines. The GPFR consists of:

Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C)

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. **an Auditor's Report.**

### **First Meeting (Committee of Management)**

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

### **The Auditor**

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

### **Informing Your Members**

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

### **The Second Meeting - if it is a General Meeting of Members**

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

## **The Second Meeting - if it is a Committee of Management Meeting**

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

### **Lodge full report within 14 days of meeting**

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at [www.airc.gov.au](http://www.airc.gov.au)). When lodging the financial return please quote: **FR2005/550**.

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

### **Complying with time limits**

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

### **Extensions of Time**

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

### **Reduced Reporting Requirements**

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

### **Contact the Registry**

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at [belinda.penna@air.gov.au](mailto:belinda.penna@air.gov.au) as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

## Information on AIRC Website

We recommend you and your accountant/auditor refer to the following documents on the Commission's website at [www.airc.gov.au](http://www.airc.gov.au):

- [RAO Schedule and RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely



For Deputy Industrial Registrar  
23 January 2006



### Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
<b>1</b>	<b>General Purpose Financial Report</b>	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
<b>2</b>	<b>Committee of Management Statement</b>	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
<b>3</b>	<b>Auditor's Report</b>	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
<b>4</b>	<b>Operating Report</b>	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
<b>5</b>	<b>Concise report*</b>	
<b>6</b>	<b>Certificate of Secretary or other Authorised Officer</b>	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

\* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

Committee Of Management Statement

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*:

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

- (a) the financial statements and notes comply\* with the Australian Accounting Standards;
- (b) the financial statements and notes comply\* with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view\* of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds\* to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held\* in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been\* managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been\* kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - #(iv) where the organisation consists of 2 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; and
  - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been\* furnished to the member or Registrar; and
  - #(vi) there has been\* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

\* Where compliance or full compliance has not been attained - set out details of non compliance instead.

# Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."



**Certificate of Secretary or other Authorised Officer<sup>1</sup>**

s268 of Schedule 1B *Workplace Relations Act 1996*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]<sup>2</sup>*, referred to in s268 of the RAO Schedule; and
- that the *[full report OR concise report]<sup>3</sup>*, was provided to members on *[insert date]*; and
- that the full report was presented to *[a general meeting of members OR the last of a series of general meetings of members OR a meeting of the committee of management]<sup>3</sup>* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

<sup>1</sup>*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>2</sup>*Only applicable where a concise report is provided to members*

<sup>3</sup>*Insert whichever is applicable*



# 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 • Facsimile: (02) 9267 4766 • E-Mail: amou@amou.com.au

Our Ref: AIRC 01

Your Ref: FR 2005/550 –[001n]

1 June 2006

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

Dear Sir

**RE: FINANCIAL RETURN – YEAR ENDING 31 DECEMBER 2005**

We enclose our 2005 Financial Return for filing.

Should you have any inquiries please contact the writer.

We thank you in anticipation of your assistance.

Yours faithfully

John Wydell  
Industrial Officer  
Australian Maritime Officers Union



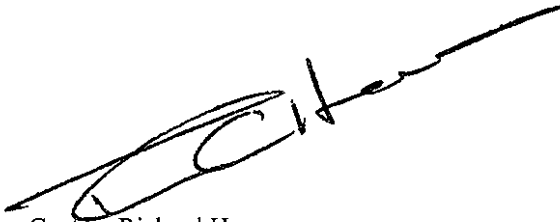
AUSTRALIAN INDUSTRIAL REGISTRY

WORKPLACE RELATIONS ACT 1996

CERTIFICATE OF AUTHORISED OFFICER  
s. 268 of Schedule 1B workplace Relations Act 1996

I Richard Hoare being the President of the Australian Maritime Officers' Union certify:

1. that the documents lodged herewith are copies of the full report referred to in s.268 of the RAO Schedule; and
2. that the full report was provided to members on 19 April 2006; and
3. that the full report was presented to an Annual General Meeting of members of the reporting unit on 30 May 2006 in accordance with s.266 of the RAO Schedule.



Captain Richard Hoare  
President  
Australian Maritime Officers' Union

Dated: 1 June 2006



AUSTRALIAN MARITIME OFFICERS' UNION

A.B.N. 56 181 230 800

FINANCIAL REPORT  
FOR THE YEAR ENDED  
31ST DECEMBER 2005



**AUSTRALIAN MARITIME OFFICERS' UNION**

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

**CONTENTS**

Operating Report .....	3
Income Statement .....	4
Balance Sheet .....	5
Statement of Changes in Member's Equity .....	6
Cash Flow Statement .....	7
Notes to the Financial Statements .....	8
Executive Council Statement .....	17
Independent Audit Report .....	18
Detailed Profit and Loss Statement .....	19

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

**OPERATING REPORT**

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Your Executive Council present their report on the Union for the financial year ended 31 December 2005.

The names of the officials in office at any time during the financial year are:

Hoare, R.	1.1.2005 – 31.12.2005
Doyle, M.	1.1.2005 – 31.12.2005
Fleming, M.	1.1.2005 – 31.12.2005
Moore, W.	1.1.2005 – 31.12.2005
Groves, S.	1.1.2005 – 31.12.2005
Price, M.	1.1.2005 – 31.12.2005
Mather, G.	1.1.2005 – 31.12.2005
Lawrence, F.	1.1.2005 – 31.12.2005
Ashmore, R.	1.1.2005 – 31.12.2005
Forrest, G.	1.1.2005 – 31.12.2005
Papaloukas, L.	1.1.2005 – 31.12.2005

The profit of the reporting unit for the financial year amounted to \$370,547.81.

The number of members of the reporting unit at the date of this report was 2,774.

The number of employees of the reporting unit at the end of the financial year was 8.8.

The right of members to resign from the organisation is set out at section 9 of the Union Rules.

No significant changes in the reporting unit's state of affairs occurred during the financial year.

The principal activities of the reporting unit during the financial year were the provision of trade union services to its members.

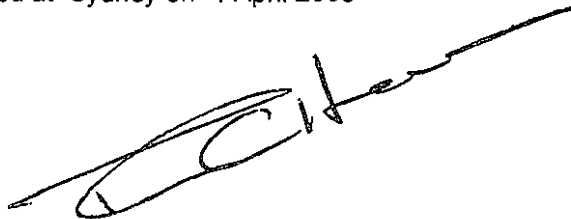
No significant change in the nature of these activities occurred during the year.

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

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the economic entity.

As at 31 December 2005, no one held positions in a superannuation fund by virtue of their office or membership of the Union.

Signed at Sydney on 4 April 2006



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**RICHARD HOARE**  
**PRESIDENT**

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

INCOME STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 2005

	Note	2005 \$	2004 \$
<b>CLASSIFICATION OF EXPENSES BY NATURE</b>			
Revenues	2	1,801,264.70	1,526,977.07
Employee benefits expense	3	(894,359.46)	(1,008,987.83)
Depreciation and amortisation expenses	3	(18,552.00)	(19,301.00)
Other expenses from ordinary activities		(517,805.43)	(461,953.31)
		<hr/>	<hr/>
<b>Profit from ordinary activities</b>		370,547.81	36,734.93
		<hr/>	<hr/>
<b>Total changes in member's funds</b>		<u>370,547.81</u>	<u>36,734.93</u>

The accompanying notes form part of these financial statements.

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

**BALANCE SHEET**  
**AS AT 31ST DECEMBER 2005**

	Note	2005 \$	2004 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	628,432.80	537,982.57
Receivables	5	-	8,882.89
Investments	6	1,729,433.54	1,578,733.12
<b>Total Current Assets</b>		<u>2,357,866.34</u>	<u>2,125,598.58</u>
<b>Non-Current Assets</b>			
Property and equipment	7	788,125.32	646,563.76
<b>Total non-current assets</b>		<u>788,125.32</u>	<u>646,563.76</u>
<b>TOTAL ASSETS</b>		<u><u>3,145,991.66</u></u>	<u><u>2,772,162.34</u></u>
<b>Current Liabilities</b>			
Payables	8	107,960.87	96,009.93
Provisions	9	189,031.28	160,928.10
Other	10	11,000.00	-
<b>Total Current Liabilities</b>		<u>307,992.15</u>	<u>256,938.03</u>
<b>Non-current liabilities</b>			
Provisions	9	95,935.69	92,736.30
<b>Total non-current liabilities</b>		<u>95,935.69</u>	<u>92,736.30</u>
<b>TOTAL LIABILITIES</b>		<u><u>403,927.84</u></u>	<u><u>349,674.33</u></u>
<b>NET ASSETS</b>		<u><u>2,742,063.82</u></u>	<u><u>2,422,488.01</u></u>
<b>MEMBER'S EQUITY</b>			
Reserves		-	50,972.00
Retained Surplus		2,742,063.82	2,371,516.01
<b>TOTAL MEMBER'S FUNDS</b>		<u><u>2,742,063.82</u></u>	<u><u>2,422,488.01</u></u>

The accompanying notes form part of these financial statements.



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

**STATEMENT OF CHANGES IN MEMBER'S EQUITY**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

	Reserves \$	Retained Surplus \$	Total \$
<b>At 1 January 2004</b>	50,972.00	2,334,781.08	2,385,753.08
Profit for the year	-	86,958.71	86,958.71
Adjustment for accrual of salary and superannuation expenses	-	(50,223.78)	(50,223.78)
Profit for the year, as adjusted	-	36,734.93	36,734.93
<b>At 31 December 2004</b>	<u>50,972.00</u>	<u>2,371,516.01</u>	<u>2,422,488.01</u>
Profit for the year	-	370,547.81	370,547.81
Reserve clearing	(50,972.00)	-	(50,972.00)
<b>At 31 December 2005</b>	<u>-</u>	<u>2,742,063.82</u>	<u>2,742,063.82</u>

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

**CASH FLOW STATEMENT**  
**AS AT 31ST DECEMBER 2005**

		2005	2004
		\$	\$
<b>Cash Flows from Operating Activities</b>			
		1,350,663.34	1,301,743.22
		66,256.01	58,446.59
		1,726.51	130.00
		(1,338,872.53)	(1,370,524.78)
		<hr/>	<hr/>
<b>Net cash provided by (used in)</b>			
<b>Operating activities</b>	16	79,773.33	(10,204.97)
<b>Cash Flows from Investing Activities</b>			
		425,000.00	-
		-	12,276.06
		(404,590.75)	(20,714.50)
		(9,732.35)	(488,090.19)
		<hr/>	<hr/>
<b>Net cash provided by (used in)</b>			
<b>Investing activities</b>		10,676.90	(496,528.63)
		<hr/>	<hr/>
Net increase (decrease) in cash held		90,450.23	(506,733.60)
		<hr/>	<hr/>
Cash and cash equivalents at beginning of financial year		537,982.57	1,044,716.17
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of year</b>	16	628,432.80	537,982.57
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005

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**1 Statement of Significant Accounting Policies**

**(a) Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the RAO Schedule of the Workplace Relations Act, 1996.

The financial report covers Australian Maritime Officers' Union as an individual entity. Australian Maritime Officers' Union is a Trade Union registered and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

**(b) Statement of Compliance**

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statement and notes thereto, complies with International Financial Reporting Standard (IFRS).

This is the first financial report prepared on AIFRS and comparatives for the year ended 31 December 2005 have been restated accordingly. Reconciliations of AIFRS equity and profit for 31 December 2004 to the balances reported in the 31 December 2004 financial report are detailed in **Note 1 (k)**.

**(c) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits at call with financial institutions and other highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(d) Investments**

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

After initial recognition, investments are measured at fair value. Gains or losses on investments are recognised in the income statement.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005

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**(e) Property and equipment**

Library, office furniture and equipment are stated at cost less accumulated depreciation and impairment in value.

Land and buildings are measured at fair value less accumulated depreciation.

Depreciation is calculated on a diminishing value basis over the estimated useful life of the asset, as follows:

Building	40 years
Officer furniture and equipment	5 – 15 years
Library	15 years

Impairment

The carrying value of office equipment is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Revaluations

Following initial recognition at cost, land and buildings are carried at a re-valued amount which is the fair value at the date of revaluation less any subsequent accumulated depreciation on buildings and accumulated impairment losses.

Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at valuation date.

Any revaluation surplus is credited to the asset revaluation reserve included in the member's equity section of the balance sheet unless it reverses a revaluation decrease of the same asset previously recognised in the income statement.

Any revaluation deficit is recognised in the income statement unless it directly offsets a previous surplus of the same asset in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve is made to retained earnings for the depreciation relating to the revaluation surplus.

In addition, any accumulated depreciation as at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Independent valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the item) is included in the income statement in the year the item is derecognised.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

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**(f) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Union and the revenue can be measured reliably. The following recognition criteria must also be met before revenue is recognised:

Subscription fees and levies

Revenues from subscription fees and levies are recognized upon receipt of cash from members.

Interests

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

**(g) Leases**

Leases of property and equipment where the Union has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payment. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding.

The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

**(h) 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.

**(i) Other taxes**

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

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the GST expense item as applicable; and
- Receivables and payables are stated with the amount of GST included, where appropriate.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

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

Cash flows are included in the Cash Flows Statements on a gross basis and the GST component of cash flows arising from investing and financial activities, which have been expensed as part of the GST Expense item, are classified as operating cash flows.

**(j) Employee Entitlements**

Provision for employee entitlements in the form of accrued annual leave and accrued long-service leave has been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.

In the case of long-service leave, the accrual has been measured by reference to periods of service and current salary rates as it is considered that this results in an amount not materially different to that achieved by discounting estimated future cash flows.

Contributions made by the Union to employee superannuation funds and are charged as expenses when incurred.

**k) Impact of adoption of AIFRS**

The impacts of adopting AIFRS on the total equity and profit after tax as reported under previous Australian Generally Accepted Accounting Principles ("AGAAP") are illustrated below:

**(i) Reconciliation of total equity as presented under previous AGAAP to that under AIFRS**

	<b>31 December 2004</b>	<b>1 January 2004</b>
	<u>\$</u>	<u>\$</u>
Total equity under previous AGAAP	2,422,488.01	2,385,753.08
<i>Adjustment to retained earnings (net of tax):</i>	<u>-</u>	<u>-</u>
Total equity under AIFRS	<u>2,422,488.01</u>	<u>2,385,753.08</u>

**(ii) Reconciliation of profit under previous AGAAP to that under AIFRS**

	<b>31 December</b>
	<b>2004</b>
	<b>\$</b>
Prior year profit as previously reported	<u>36,734.93</u>
<i>Key transitional adjustments:</i>	<u>-</u>
Prior year profit under AIFRS	<u>36,734.93</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
<b>2 Revenue</b>		
Members Subscriptions	1,347,803.34	1,301,743.22
Interest Received	66,256.01	58,446.59
Net gain on disposal of property, plant and equipment	231,494.81	-
Net gain on disposal of investments	-	1,129.93
Other revenue	155,710.54	165,657.33
	1,801,264.70	1,526,977.07
<b>3 Expenses:</b>		
<b>(a) Depreciation of property, plant and equipment</b>	18,552.00	19,301.00
<b>(b) Employee Expenses</b>		
Salaries	741,040.07	801,425.10
Superannuation	122,016.82	135,516.32
Provision for Annual Leave	4,888.81	31,822.46
Provision for Long Service Leave	(8,582.19)	10,019.64
Employee On-Costs	34,995.95	30,204.31
	894,359.46	1,008,987.83
<b>(c) Remuneration of auditor</b>		
Audit fees	25,000.00	10,000.00
Other Services	953.90	961.30
	25,953.90	10,961.30
<b>4 Cash and Cash Equivalents</b>		
Cash on hand	1,000.00	1,000.00
Commonwealth Bank, Sydney	17,847.34	19,583.53
Cash - Fremantle	498.63	319.98
Cash - Melbourne	258.08	484.25
Cash - Brisbane	-	407.78
Cash - Adelaide	-	26.93
CBA Cash Management Account	597,517.27	513,445.10
EFT Deposit Account	11,311.48	2,715.00
	628,432.80	537,982.57

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

	2005	2004
	\$	\$
<b>5 Receivables</b>		
CURRENT		
GST Receivable	-	8,882.89
	-	8,882.89
<b>6 Investments</b>		
NON-CURRENT		
Commonwealth Bank Commercial Bill	497,822.54	488,090.19
Managed Investments at Market Value	1,231,611.00	1,090,642.93
	1,729,433.54	1,578,733.12

**7 Property and Equipment**

	Land and buildings	Office furniture and equipment	Library	Total
	\$	\$	\$	\$
<b>At 1 January 2005</b>				
- Cost	620,000.00	62,512.60	22,744.80	705,257.40
- Accumulated depreciation	(7,009.00)	(31,826.00)	(19,858.64)	(58,693.64)
Net book amount	612,991.00	30,686.60	2,886.16	646,563.76
<b>Year ended 31 December 2005</b>				
Opening net book amount	612,991.00	30,686.60	2,886.16	646,563.76
Revaluation surplus	-	-	-	-
Additions	394,705.40	9,885.35	-	404,590.75
Disposals	(244,477.19)	-	-	(244,477.19)
Depreciation charge	(4,965.00)	(13,298.00)	(289.00)	(18,552.00)
Closing net book amount	758,254.21	27,273.95	2,597.16	788,125.32
<b>At 31 December 2005</b>				
- Cost	770,228.21	72,397.95	22,744.80	865,370.96
- Accumulated depreciation	(11,974.00)	(45,124.00)	(20,147.64)	(77,245.64)
Net book amount	758,254.21	27,273.95	2,597.16	788,125.32



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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

		2005	2004
		\$	\$
<b>8</b>	<b>Payables</b>		
	CURRENT		
	Sundry creditors	33,844.79	45,786.15
	Trade Creditors	33,494.47	-
	Payroll Clearing Account	33,122.80	50,223.78
	GST Payable	7,498.81	-
		107,960.87	96,009.93
<b>9</b>	<b>Provisions</b>		
	CURRENT		
	Provision for Annual Leave	189,031.28	160,928.10
		189,031.28	160,928.10
	NON-CURRENT		
	Provision for Long Service Leave	95,935.69	92,736.30
		95,935.69	92,736.30
	Aggregate employee entitlement liability	284,966.97	253,664.40
		284,966.97	253,664.40
	Number of employees at year end	9	9
		9	9
<b>10</b>	<b>Other Liabilities</b>		
	CURRENT		
	Accrued Charges	11,000.00	-
		11,000.00	-

**11 Officials' Remuneration**

The aggregate remuneration received by Officials from the Union during the year was \$201,136 (2004: 306,426).

Number of Officials whose income from the Union or any related parties was within the following bands:

				No.
\$10,000	-	\$19,999	-	
\$20,000	-	\$29,999	-	
\$30,000	-	\$39,999	-	
\$40,000	-	\$49,999	-	
\$50,000	-	\$59,999	-	
\$60,000	-	\$69,999	-	
\$70,000	-	\$79,999	-	
\$80,000	-	\$89,999	-	
\$90,000	-	\$99,999	1	
\$100,000	-	\$109,999	1	

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005

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**11 Officials' Remuneration (Continued)**

Officials

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

M. Fleming  
S. Groves

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

**12 Subsequent Events**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the officials of the union, to affect significantly the operations of the Union, the results of those operations, or the state of affairs of the Union, in future financial years.

**13 Segment Reporting**

The Union operates predominantly in one business and geographic segment being the Officers union services in Australia.

**14 Information to be Provided to Members or Registrar under Section 272,  
Sch 1B Registration and Accountability of Organisations**

Application for information

Members of the Union, or a Registrar, may apply to the Union for specified prescribed information in relation to the Union to be made available to the member making the application.

Form of Application

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 Union.

The Union must comply with an application made.

**15 Union Details**

The registered office and the principal place of business of the Union are located at:

Australian Maritime Officers Union  
Suite 1 Level 5  
377 Sussex Street  
SYDNEY NSW 2000

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

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER 2005

	2005 \$	2004 \$
<b>16 Notes to the Statement of Cash Flows</b>		
<b>(a) 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 Balance Sheets are as follows:		
CBA Cash Management Account	597,517.27	513,445.10
CBA General Account	17,847.34	19,583.53
Branch Accounts	756.71	1,238.94
EFT Deposit Account	11,311.48	2,715.00
Cash on hand	1,000.00	1,000.00
	628,432.80	537,982.57
<b>(b) Reconciliation of Net Cash provided by Operating Activities to profit from ordinary activities after Income Tax</b>		
Operating profit (loss) after income tax	370,547.81	36,734.93
<b>Non cash flows in Profit (Loss) from Ordinary Activities:</b>		
Profit on Sale of Non-Current Assets	(231,494.81)	-
Depreciation	18,552.00	19,301.00
Holiday pay and Long Service Leave (released)	28,103.18	51,585.56
Decrease (Increase) in market value of Managed Investments	(119,733.79)	(143,111.87)
Net income from Managed Investments	(21,234.28)	(23,545.39)
<b>Changes in Assets and Liabilities:</b>		
Increase (Decrease) in Sundry creditors	15,452.13	50,150.79
Increase (Decrease) in Non-Current Provisions	3,199.39	460.85
Increase (Decrease) in GST Liability	16,381.70	(1,780.84)
<b>Cash flows from operations</b>	<b>79,773.33</b>	<b>(10,204.97)</b>

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

**EXECUTIVE COUNCIL STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

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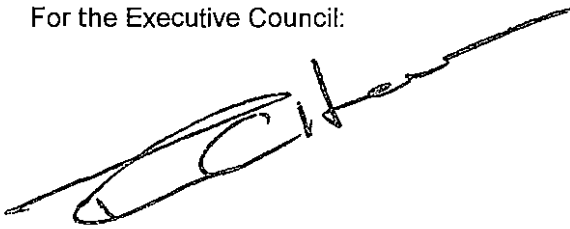
On 15 March 2006 the Executive Council of the Australian Maritime Officers Union passed the following resolution in relation to the general purpose financial report (GPFR) of the AMOU for the financial year ending 31 December 2005.

The Executive Council declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the accompanying financial statements and notes are drawn up so as to give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the AMOU will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of the year:
  - (i) meetings of the Executive Council of AMOU were held in accordance with the Rules of the AMOU including the rules of any branch concerned; and
  - (ii) the financial affairs of the AMOU have been managed in accordance with the Rules of the AMOU including the Rules of any Branch concerned; and
  - (iii) the financial records of the AMOU have been kept and maintained in accordance with the RAO Schedule and RAO Regulation;
  - (iv) the information sought in any request of a member of the AMOU has been furnished and no orders have been made under section 272 of the RAO Schedule by the Commission during the period;
  - (v) No orders have been made by the Commission under section 273 of the RAO schedule during the period.

Signed at Sydney this 4th day of April, 2006

For the Executive Council:



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**RICHARD HOARE**  
President

Principal: David Robinson MCom BEc FCA FTIA

Level 3, 2 Bulletin Place  
Circular Quay, Sydney NSW 2000Postal Address: GPO Box 4605  
Sydney NSW 2001 AustraliaTelephone: 02 9247 2227  
Facsimile: 02 9247 8550E-mail: mail@harveys.com.au  
Internet: www.harveys.com.au**INDEPENDENT AUDIT REPORT****TO THE MEMBERS OF****AUSTRALIAN MARITIME OFFICERS' UNION**  
**A.B.N. 56 181 230 800****Scope**

We have audited the financial report of the Australian Maritime Officer's Union for the financial year ended 31 December 2005 comprising the income statement, balance sheet, statement of changes in member's equity, statement of cash flows and accompanying notes to the financial statements. The 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 organisation.

Our audit has been conducted in accordance with the Australian Auditing Standards to provide reasonable assurance whether the financial report is free from 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 and the economic entity's financial position and the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**Audit Opinion**

In our opinion, the general purpose financial report of the Australian Maritime Officer's Union:

- (a) gives a true and fair view of the Union's and economic entity's financial position as at 31 December 2005 and of their performance for the year ended on that date.
- (b) complies with Accounting Standards in Australia and the Workplace Relations Act 1996, RAO.
- (c) other mandatory professional reporting requirements.

**HARVEYS**  
Chartered Accountants**D.P. ROBINSON**Level 3  
2 Bulletin Place  
SYDNEY NSW 2000Dated this **4<sup>th</sup>** day of **April** 2006



**Australian Government**

**Australian Industrial Registry**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9380 6990  
Email: [sydney@air.gov.au](mailto:sydney@air.gov.au)

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

Dear Mr Hoare

**Lodgement of Financial Statements and Accounts for the Australian Maritime Officers' Union for the year ending 31 December 2005 (FR2005/550)**

Receipt is acknowledged of the abovementioned financial statements and accounts, which were lodged in the Registry on 2 June 2006.

Thank you for your attention to this matter. The documents have been filed, and may be viewed on the internet at [www.e-airc.gov.au/001n/financial](http://www.e-airc.gov.au/001n/financial).

I would like to take this opportunity to remind you that information about the reporting obligations under the Registration and Accountability of Organisations Schedule (Schedule 1 to the *Workplace Relations Act 1996*) can be found at [www.airc.gov.au/organisations/rao/reporting.html](http://www.airc.gov.au/organisations/rao/reporting.html)

Yours sincerely,

A handwritten signature in black ink that reads 'Belinda Penna'.

Belinda Penna  
for Deputy Industrial Registrar

7 June 2006