



FAIR WORK
COMMISSION

25 March 2013

Mr Robert Constable
Secretary/Treasurer
Australian Meat Industry Council
PO Box 1208
CROWS NEST NSW 1585

Attn: Mr Peter Hopkins
Manager Finance and Administration

Dear Mr Constable,

Re: Financial report for the year ended 30 June 2012 - FR2012/421

I acknowledge receipt of the financial report for the year ended 30 June 2012 for the Australian Meat Industry Council. The document was lodged with Fair Work Australia, as it was then known, on 10 December 2012. I apologise for the delay in attending this matter.

The financial report has been filed, and no further action is required. I note that the tally of members included on the final page of the operating report appears to contain an addition error as the sector breakdowns do not equal the number stated in the totals field.

If you have any queries regarding this letter, please contact me on (03) 8661 7824, or by email at olaf.richter@fwc.gov.au.

Yours faithfully,

Olaf Richter
Regulatory Compliance Branch



Ms C Lo-Booth
Tribunal Services & Organisations
Fair Work Australia
GPO Box 1994
MELBOURNE, VIC 3001

4 December 2012

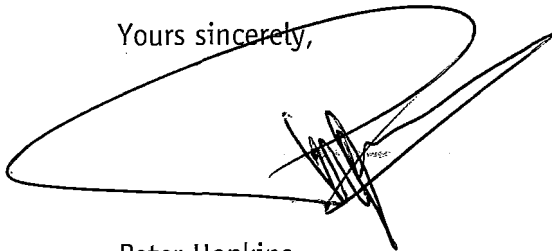
Dear Ms Lo-Booth,

Annual Report and Accounts for the year ended 30 June 2012

Please find enclosed the Secretary's Certificate as signed by the Secretary/Treasurer, together with a copy of the Annual Report, which includes the Operating Report, Accounts and Audit Certificate.

Please acknowledge receipt in due course.

Yours sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Peter Hopkins".

Peter Hopkins
Manager Finance & Administration

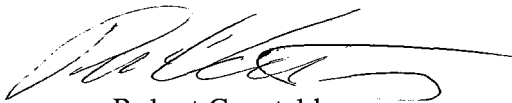
AUSTRALIAN MEAT INDUSTRY COUNCIL

SECRETARY'S CERTIFICATE

I, Robert Constable, being the Secretary/Treasurer of the Australian Meat Industry Council, do hereby state that the full report for the year ended 30 June 2012 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009 was:

Provided to members free of charge on or about 16 September 2012.

Presented to a meeting of members of the Australian Meat Industry Council on 3 December 2012.



Robert Constable,

Secretary/Treasurer

3 December 2012

16 September 2012

TO ALL MEMBERS OF AMIC

Dear Member,

In accordance with the requirements of Section 265 of the Fair Work (Registered Organisations) Act 2009, the accounts of the Australian Meat Industry Council for the year ended 30 June 2012, which appear on the following pages, are hereby circulated to all members.

These accounts will be submitted for adoption by members attending the Annual General Meeting of the organisation to be held at 10.00 am on Monday, 3 December 2012. The meeting will be held at the offices of AMIC, Level 2, 460 Pacific Highway, St Leonards, NSW.

The accounts reflect the management of the organisation's investments, as well as the general administration of the organisation's financial affairs and provision of services to members.



K E Cottrill
Chief Executive Officer

NOTICE

ANNUAL GENERAL MEETING

Pursuant to Rule 13 of the Rules of the Australian Meat Industry Council and Section 266 of the Fair Work (Registered Organisations) Act 2009.

The Annual General Meeting of the Australian Meat Industry Council members and deemed members of Divisions will be held:

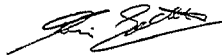
WHERE: Level 2
460 Pacific Highway
ST LEONARDS NSW

WHEN: Monday, 3 December 2012 at 10.00 am

BUSINESS:

1. Confirmation of Minutes of Annual General Meeting held on 5 December 2011;
2. Presentation of the Operating Report on the affairs of the AMIC;
3. Presentation of Audited Accounts and Statements of AMIC;
4. Presentation of Report of the Auditor for the year ended 30 June 2012.

Dated at Sydney
16 September 2012
Level 2
460 Pacific Highway
ST LEONARDS NSW 2065



Chief Executive Officer

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 468

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2012

Review of principal activities

The Australian Meat Industry Council (AMIC) is the Peak Council representing the post-farm-gate meat industry.

AMIC is effectively divided into three operating divisions serviced by a central Human Resources and Administration group. The operating divisions reflect the industry sectors of membership and respond to policies developed by their respective National Councils.

Corporate governance is under the control of the Board of Directors (Committee of Management), which is elected from the National Councils.

Each of the operating divisions has a strategic direction that is developed by their relevant Industry Councils. The following is an overview of the operations of each of the National Industry Councils.

The National Retail & General Council represents independent retail outlets in the meat industry.

During 2011–2012 the Council has continued to promote the interests of the Independent Local Butcher network. In conjunction with Meat and Livestock Australia it has ensured that there is adequate funding for sales promotion and issues related to meat nutrition.

On behalf of its retail members, the Fresh Meat Specialists, AMIC has engaged with AUS-MEAT to ensure that a clear guideline is available to prevent mislabelling or misrepresentation of retail meat terminology.

Food safety training for Independent Local Butchers has continued to be a major focus. AMIC provides assistance to members in complying with food safety plans and staff training in food safety.

The National Retail & General Council continues to promote a number of events for the enhancement of members' profile within the community. These include the National Sausage King together with associated events in each state and Awards Nights where members are recognised for achievements.

The Australian Processor Council also has a strategic goal of greater access to world markets. This drives a strong focus on continuous improvements in processes and procedures to enhance the customers' perception of the suitability of our products to satisfy their needs. The cost of regulation, climate change and food safety are major issues for meat processors and several projects have addressed these matters.

The National Smallgoods Council represents the further processing meat industry sector. Food safety issues continue to be a major focus with several submissions to Government papers and the implementation of stricter regulations on ready to eat products.

AMIC represents members in many state and national forums. Issues relating to improved Occupational Health and Safety outcomes, food safety regulation, training and development at both domestic and international production facilities under state and national regulation occupy much of the time of the National Councils and the work of the management and staff.

The Central Services Human Resources group provide assistance to members on a range of issues - from wage calculations, advice in relation to workplace agreements, to submissions and representation to governments on a range of people related issues.

Central Services Administration provides accounting and member information to each of the sectors in relation to member visits, telephone contacts and subscriptions. Also addressed are general commercial issues in relation to business operations.

The year 2012–2013 will see a continuation of the above operations and the further linking of AMIC issues to other stakeholders. Food safety, efficient processing, climate change initiatives and the improvements in training in the meat industry underlie most of the programs in which AMIC is involved.

Financial Results

The financial result for the year to 30 June 2012 is a surplus of \$528,154 and a significant decrease over the prior year – primarily from the \$1.5 million surplus from the sale of an investment property during the prior year. The following detail financial statements give a comprehensive picture of the performance for the year and at balance date.

Accumulated funds are therefore some \$18.9 million at 30 June 2012 – maintaining a very solid financial base for the future with some \$21.1 million of total assets (including cash of some \$16.7 million) against just \$2.5 million of liabilities and provisions.

Directors and officers of the Council who are trustees or directors of Industry Superannuation Funds at the date of this report

AMIC is the sponsor of the Australian Meat Industry Superannuation Trust (AMIST) which is operated by a trustee company, Australian Meat Industry Superannuation Pty Ltd (ABN 25 002 981 919) - which holds the assets of the fund in trust for members. The Board of the trustee company consists of equal numbers of “Employer” and “Member” representatives. Necessarily therefore, some officers or members of AMIC are Employer Directors of the AMIST superannuation trustee company.

“Employer Directors” of the AMIST superannuation fund nominated by the Council are:

- Kevin Cottrill (Chief Executive Officer of AMIC)
- Gary Teys (Director of Teys Bros (Holdings) Pty Ltd, a member of AMIC)
- Gary Hardwick (Director of Hardwicks Meat Works Pty Ltd, a member of AMIC)

It is a requirement that to be an “Employer Director” of the AMIST superannuation fund, that person must be a member or officer of AMIC.

“Member Directors” of the AMIST superannuation fund elected from the superannuation fund’s membership are:

- Keith Haslem, an employee of JBS Australia Pty Ltd (a member of AMIC)
- Frank Raeside (not a member of AMIC)
- David Burns (not a member of AMIC)

It is not a requirement to be a member of AMIC to be a "Member Director" of the AMIST superannuation fund.

Members of the Board (Committee of Management)

AMIC operates under the control and direction of a Board of Non-Executive Directors (Committee of Management). Since November 2007, the Board is elected for a term of four years and an election took place in 2011 with resultant changes.

The officeholders in office from the date of the last report until the date of this report are:

Name	Capacity	Sector Represented	Number of Meetings held/attended subsequent to 24 August 2011 and up to and including 20 August 2012
Frank Herd	Director, continuing, Appointed Chairman December 2011	Processors	5/5
Terry Nolan	Director/Chairman, retired November 2011 and reappointed Director December 2011	Processors	4/4
James Ralph	Director, continuing, retired as Deputy Chairman November 2011,	Processors	5/3
Bradley Thomason	Director, continuing, appointed Deputy Chairman November 2011	Smallgoods	5/3
Kerry Melrose	Director, continuing	Retail & General	5/5
Ray Kelso	Director, continuing	Retail & General	5/5
Robert Constable	Director, continuing, appointed Secretary/Treasurer December 2011	Retail & General	5/4
Franz Knoll	Director, appointed November 2011	Smallgoods	5/5
Brian James	Director, appointed December 2011	Processors	5/4
Gregory Maconachie	Director, appointed December 2011	Retail & General	5/4
David Larkin	Appointed June 2012	Processors	2/2
Gary Burridge	Director, Retired May 2012	Processors	3/3
Craig Cook	Director/Treasurer/Secretary, Retired November 2011	Retail & General	N/A
Andrew Ridder	Director, Retired November 2011	Smallgoods	N/A
Roger Fletcher	Director, Retired November 2011	Processors	N/A

Employees

Under the governance of the Board of Directors, AMIC's day to day operations are vested in senior management and staff conversant with the needs of the various requirements of members in Retail, Processor and Smallgoods sectors of the meat industry, together with Central Services Administration and Human Resources departments.

The numbers of employees in the Council is set out below:

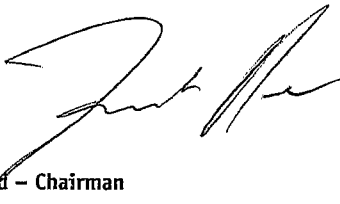
Function	At 30 June 2012
National Administration and Finance – incl. CEO	5 Full time
Industrial Relations and Human Resources services to members	3 Full time
Retail & General Member Services	11 Full time and 1 Part time – 11.5 full time equivalents
Processors, Exporters & Smallgoods Member Services	5 Full time and 1 Part time – 5.5 full time equivalents
Totals	24 Full time and 2 Part time – 25 full time equivalents

Membership

An AMIC member may resign from membership by written notice addressed and delivered to the National Secretary/Treasurer of AMIC and will be liable for any unpaid dues until the resignation then becomes effective under AMIC's Constitution.

The register of members at the end of the financial year contained the following membership numbers:

Industry Sector	Number of Members
Retail & General	1763
Processor	200
Smallgoods	558
Associate (non voting)	49
Totals	2070



F Herd – Chairman

20 August 2012

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 980 653 488

BALANCE SHEET

As at 30 June 2012

	Note	2012 \$	2011 \$
CURRENT ASSETS			
Cash in Hand		2,745	2,745
Cash at Bank, At Call and Short Term Deposits maturing in less than two months		1,724,856	1,056,343
Bank Deposits and Bank Bills maturing in more than two months		15,000,000	15,000,000
Receivables & Sundry Debtors	3	596,040	888,809
GST Recoverable		37,108	(160,257)
Inventories	4	12,025	13,714
Prepayments	5	19,949	17,239
Advance Project Expenses	5,19	186,414	321,219
		17,579,137	17,139,812
NON-CURRENT ASSETS			
Real Property	6	2,935,273	2,935,273
Other	6	498,012	602,864
Investment Property - Real Property	7	414,249	414,249
Investment Property - Other	7	1,344	2,469
		3,848,878	3,954,855
TOTAL ASSETS		21,428,015	21,094,667
Less:			
CURRENT LIABILITIES AND PROVISIONS			
Provision for Long Service Leave		267,281	226,300
Accrued Annual Leave		382,178	368,900
Total Employee Entitlements	14	649,459	595,200
Payroll Tax payable/provided	16	209,285	198,229
Trade Accounts Payable		101,493	188,792
Income Received in Advance		32,429	36,829
Members Special Funds	17	250,582	275,609
Sundry Creditors, Accruals and Provisions	18	1,019,897	1,032,810
Advance Project Income	19	222,889	353,371
		2,486,034	2,680,840
TOTAL LIABILITIES		2,486,034	2,680,840
NET ASSETS		18,941,981	18,413,827
ACCUMULATED FUNDS			
Retained earnings	8	18,941,981	18,413,827
		18,941,981	18,413,827

To be read in conjunction with the attached notes

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

INCOME STATEMENT Year Ended 30 June 2012

	Note	2012 \$	2011 \$
INCOME			
Membership Subscriptions		2,314,464	2,342,390
Industry Consultation (Red Meat Advisory Council Ltd)		855,698	830,502
Interest Received		945,442	879,905
Rent Received		145,083	206,109
Other Income	11	263,158	91,389
Proceeds from sale of Fixed Assets		10,909	2,000,500
Affinity Commissions		58,755	55,141
Project, Event and Promotional Income	19	951,867	1,495,122
Food Safety Plan Audit Income		<u>437,355</u>	<u>431,812</u>
		<u>5,982,731</u>	<u>8,332,870</u>
EXPENDITURE			
Audit Fees		18,442	14,124
Depreciation		176,416	175,516
Written Down Value of Assets Sold		11,473	436,970
Provision for Doubtful Debts		3,421	5,820
Consultants and Professional Fees	12	361,745	348,220
Employee Payroll Costs incl. superannuation and on costs		2,664,991	2,573,783
Employee benefits - Officer Bearers		79,375	80,385
Meetings and Conference Expenses	13	194,833	231,528
Motor Vehicle Expenses		140,609	153,336
Property Expenses	20	270,230	285,887
Staff Travel and Accommodation		185,952	191,159
Telecommunications		80,698	91,849
Project, Event and Promotional Expenses	19	762,664	1,244,539
Cost of Brochures and Saleable Items		12,645	9,019
Data Processing & Internet Expenses		141,728	137,243
Debt Collection Costs		15,558	9,429
Fringe Benefits Tax		19,178	16,840
Finance Costs/Bank Charges		8,021	7,596
Staff Recruitment & Training (after rebates received)		(373)	4,919
Insurance		29,144	32,514
Business Subscriptions & Information Services		46,879	46,228
Postage Freight & Couriers		58,916	60,091
Printing & Stationery		74,841	81,193
Newsletter and Promotional Expenses		79,231	119,498
Council Election Expenses		8,224	0
Sundry expenses		9,736	7,615
		<u>5,454,577</u>	<u>6,365,301</u>
OPERATING SURPLUS		<u>528,154</u>	<u>1,967,569</u>

To be read in conjunction with the attached notes

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

STATEMENT OF CHANGES IN EQUITY

Year Ended 30 June 2012

	Retained Profits	Reserves	Total
	\$	\$	\$
Balance at 1 July 2010	16,446,258	-	16,446,258
Surplus attributable to members year ended 30/6/11	1,967,569	-	1,967,569
Balance at 1 July 2011	18,413,827	-	18,413,827
Surplus attributable to members year ended 30/6/12	528,154	-	528,154
Balance at 30 June 2012	18,941,981	-	18,941,981

Note: There were no retrospective adjustments to accumulated funds resulting from the adoption of the Australian equivalent of International Reporting Standards

AUSTRALIAN MEAT INDUSTRY COUNCIL

STATEMENT OF CASH FLOWS

Year Ended 30 June 2012

	2012	2011
	\$	\$
Cash Flows from Operating Activities		
Membership Subscriptions	2,314,464	2,342,390
Interest Received	945,442	879,905
Other Income	2,803,899	3,376,316
Wages Paid	(2,744,366)	(2,654,168)
Other Payments	(2,579,923)	(3,160,644)
	<u>739,516</u>	<u>783,799</u>
Net Cash Flows From Operating Activities		
Cash Flows from Investing Activities		
Purchase of Non-Current Assets	(81,912)	(66,709)
Cash on Deposit for more than two months	0	(2,423,590)
Proceeds from sale of Non-Current Assets	10,909	2,000,500
	<u>(71,003)</u>	<u>(489,799)</u>
Net Cash Flows from Investing Activities		
Net Cash Increase / (Decrease) in Cash Held	668,513	294,000
Balance of Cash at Beginning of Year	1,059,088	765,089
Balance of Cash at End of Period	<u>1,727,601</u>	<u>1,059,088</u>

NOTES TO THE STATEMENT OF CASH FLOW

	2012	2011
	\$	\$
Reconciliation of Cash		
For the purpose of the Statement of Cash Flow, Cash includes cash on hand in bank and investments maturing less than two months from balance sheet date.		
Cash in Hand	2,745	2,745
Cash at Bank and on short term deposit (less than 2 months)	1,724,856	1,056,343
	<u>1,727,601</u>	<u>1,059,088</u>
Reconciliation of Net Cash provided by Operating Activities to Operating Surplus		
Operating Surplus (Deficit)	528,154	1,967,569
Depreciation	176,416	175,516
(Profit)/Loss on Sale of Non-Current Assets	564	(1,563,530)
Changes in Assets and Liabilities		
(Increase)/Decrease in Prepayments/Advance Project Costs	132,095	(17,211)
(Increase)/Decrease in Receivables/Sundry Debtors	95,404	272,061
(Increase)/Decrease in Inventory	1,689	4,849
Increase/(Decrease) in Accounts Payable/Advance Project Income	(260,121)	(70,615)
Increase/(Decrease) in Provisions	65,315	15,160
Net cash provided by operating activities	<u>739,516</u>	<u>783,799</u>

THE AUSTRALIAN MEAT INDUSTRY COUNCIL 65 990 653 488
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Note 1 Statement of Significant Accounting Policies

The financial statements of the Australian Meat Industry Council for the year ended 30 June 2012 were authorised for issue by the Board of Directors (Committee of Management) on 20 August 2012.

This financial report is a general purpose financial report and has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the General Manager of Fair Work Australia's reporting guidelines pursuant to Section 253 of the Fair Work (Registered Organisations) Act 2009.

The financial report is for the entity The Australian Meat Industry Council as an individual entity.

The financial report of the Australian Meat Industry Council complies with all International Financial Reporting Standards (IFRS)

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

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

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 accounting policies adopted by the Council in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

a. Income Tax

The Australian Meat Industry Council is classified as an "Employer Association" and as such is exempt from Income Tax under Section 51-15 of the Income Tax Assessment Act 1997.

b. Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses as may be required.

c. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are measured on the cost basis.

Strata Title land and buildings are measured on the cost basis.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amount.

Depreciation

The depreciable amount of all fixed assets excluding land and buildings are generally depreciated on a straight line basis over their 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.

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

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	7.5% to 33.3%
Furniture & Fittings	7.5% to 40%
Motor Vehicles	20% to 35%

d. Impairment of Assets

At each reporting date, the Council reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

e. **Employee Entitlements**

Provision is made for the Council's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements arising from wages and salaries, annual leave, long service leave have been measured at their nominal amount. It is considered that the nominal value of annual and long service leave entitlements is not materially different from the estimate determined by using the present value basis of measurement. Long Service Leave is accrued when a legal liability arises and sick leave is expensed as paid.

Contributions are made by the Council to employee superannuation funds and are charged as an expense when incurred.

f. **Cash**

For the purposes of the statement of cash flows, cash includes cash in hand and in at call deposits with banks or financial institutions. Investments in money market instruments maturing within less than two months, net of bank overdrafts.

g. **Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Subscription Income from members is recognised in the financial year for which the subscription was raised.

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon completion of the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST), where appropriate.

h. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

i. **Comparative figures**

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

j. **Critical accounting estimates and judgements**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the organisation.

Key estimates - Impairment

The Council assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Note 2 Notice required under the 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 sub-sections (1), (2) and (3) of Section 272 which read as follows:-

- (1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

Note 3 Receivables

	Note	2012	2011
		\$	\$
Trade debtors		95,674	220,548
Amounts receivable from members		-	40,722
Bank Interest Receivable, including Bills not yet matured		75,659	210,008
Industry Consultation Funding receivable from Red Meat Advisory Council Ltd		427,849	417,531
Less: Provision for doubtful debts		(3,142)	-
		<u>596,040</u>	<u>888,809</u>

Note 4 Inventories

	2012	2011
	\$	\$
CURRENT		
At cost		
Finished goods	12,025	13,714
	<u>12,025</u>	<u>13,714</u>

Note 5 Other Assets

	2012	2011
	\$	\$
Prepayments	19,949	17,239
Advance Project Costs	188,414	321,219
	<u>206,363</u>	<u>338,458</u>

Note 6 Property, Plant and Equipment

	2012	2011
	\$	\$
Land and Buildings		
Strata title properties at:		
— cost	2,935,273	2,935,273
Less accumulated depreciation	-	-
	<u>2,935,273</u>	<u>2,935,273</u>
Furniture & Fittings	938,202	932,746
Less accumulated depreciation	(616,706)	(545,877)
	<u>321,496</u>	<u>386,869</u>
Office Equipment	1,575,563	1,547,691
Less accumulated depreciation	(1,496,573)	(1,430,106)
	<u>78,990</u>	<u>117,585</u>
Motor Vehicles	187,149	195,107
Less accumulated depreciation	(89,623)	(96,697)
	<u>97,526</u>	<u>98,410</u>
Total Other Non-Current Assets	<u>498,012</u>	<u>602,864</u>
Total Property and Other Non-Current Assets	<u>3,433,285</u>	<u>3,538,137</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land & Buildings \$	Furniture & Fittings \$	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at the beginning of year	2,935,273	386,869	117,585	98,410	3,538,137
Additions	-	5,456	27,873	48,583	81,912
Disposals	-	-	-	(11,473)	(11,473)
Depreciation expense	-	(70,829)	(66,468)	(37,994)	(175,291)
Carrying amount at the end of year	<u>2,935,273</u>	<u>321,496</u>	<u>78,990</u>	<u>97,526</u>	<u>3,433,285</u>

Note 7 Investment Property

	2012	2011
Land and Buildings	\$	\$
Strata title properties at:		
— cost	414,249	414,249
Total Land and Buildings	<u>414,249</u>	<u>414,249</u>
Furniture & Fittings	56,619	56,619
Less accumulated depreciation	<u>(55,275)</u>	<u>(54,150)</u>
	<u>1,344</u>	<u>2,469</u>
Total Investment Property	<u>415,593</u>	<u>416,718</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land & Buildings	Furniture & Fittings	Total
	\$	\$	\$
Balance at the beginning of year	414,249	2,469	416,718
Depreciation expense	-	(1,125)	(1,125)
Carrying amount at the end of year	<u>414,249</u>	<u>1,344</u>	<u>415,593</u>

Note 8 Retained Surpluses

	2012	2011
	\$	\$
Retained surpluses at the beginning of the financial year	18,413,827	16,446,258
Net operating surplus/(deficit) for the year	<u>528,154</u>	<u>1,987,569</u>
Retained surpluses at the end of the financial year	<u>18,941,981</u>	<u>18,413,827</u>

Note 9 Segment Reporting

The Council operates in one business and geographical segment, being an industry association in Australia.

Note 10 Corporate/Council Details

The Council is a corporate entity formed under the Fair Work (Registered Organisations) Act 2009.

The registered office and principal place of business of the Council is:

Level 2 460 Pacific Highway St Leonards NSW 2065

Offices are also maintained at:

14 Queens Road, Melbourne, Vic 3004 - Pennington Place, 70 Prospect Terrace, Kelvin Grove, Qld 4059

100 Greenhill Road, Unley, SA 5061 - 5 Darlot Road, Lansdale, WA 6065. Tasmania is serviced from NSW and SA offices.

The principal activity of the Council is an industry association.

Note 11 Other Income

	2012	2011
	\$	\$
Advertising	45,680	33,081
Members Saleable Items and Services	65,411	54,366
Bad Debts Recovered	2,529	3,845
Provision for Fringe Benefits Tax in prior years no longer required	81,225	0
Workers Compensation Insurance Claim received re prior year	See Note 17 9,615	0
Funds received from dissolution of National Meat Association (NSW)	See Note 17 14,635	0
Funds received from dissolution of Queensland Meatworks Association	See Note 17 11,759	0
Funds received from closure of dormant Trade Projects from prior years	31,698	0
Sundry Income	426	97
	<u>263,158</u>	<u>91,389</u>

Note 12 Consultants & Professional Fees

	2012	2011
	\$	\$
Legal Expenses - Miscellaneous	2,160	4,349
Food Safety Audits	337,666	330,046
Other Consultants and Contractors	21,919	13,825
	<u>361,745</u>	<u>348,220</u>

Note 13 Meetings and Conference Expenses

	2012	2011
	\$	\$
Councillor Attendance Per Diems	67,066	66,623
Councillor Travel Costs to attend meetings	72,961	70,405
Meeting Expenses	54,806	94,500
	<u>194,833</u>	<u>231,528</u>

Note 14 Employee Entitlements

The share of Employee Benefits (Superannuation, Annual Leave, Sick Leave, Long Service Leave and Termination Provisions) between Office Bearers/Directors and Staff is:

	2012	2011
	\$	\$
Employee Benefits (Superannuation) - Directors	-	-
Employee Benefits - Staff	649,459	595,200
	<u>649,459</u>	<u>595,200</u>

Note 15 Amounts paid to employers for payroll deductions of membership dues

The Council has not paid any employers for payroll deduction of membership dues, as no dues are received from members' employees.

Note 16 Payroll tax payable/provided

Payroll Tax payable/provided includes a provision of \$136,891 (\$136,891 in 2011) made in prior years against the possibility of additional Payroll Tax being retrospectively assessed.

Note 17 Special Funds

The Council operates a number of special voluntary funds on behalf of certain groups of members or others. As the funds are generally wholly expensed on behalf of those members, receipts and expenses are not included in the Council's Income Statement.

Fund	Balance 30/6/11	Received during year	Extinguished/ Expensed during year	Balance 30/6/12
Qld Meatworks Association	11,759		(11,759)	0
Retail Promotions Fund	186,962	10,231	(1,259)	195,934
Vic Processors Fighting Fund	9,723		(9,723)	0
CAPAA Engineers Fund	52,530	2,118		54,648
NMA of NSW	14,635		(14,635)	0
Total	<u>275,609</u>	<u>12,349</u>	<u>(37,376)</u>	<u>250,582</u>

The Qld Meatworks Association has not operated since 1993/94 and its remaining funds have been transferred voluntarily to the Council on the basis that they may be spent on matters particular to Queensland meatworks members of the Council. At 30 June 2012, the balance of funds was transferred to general revenue. See Note 11.

The Retail Promotions funds were contributed voluntarily to fund marketing promotions for Retail Butcher members in various states. Contributions have been received from members and industry. The funds are to be spent on marketing and promotions for Retail members and the Council itself has no equity in the fund other than receiving a share of the income used to defray costs involved in administering the fund, projects and promotions. Interest is earned on the funds on deposit and during the year a small proportion of funds were used to fund suitable projects.

The Victorian Processor Fighting Fund was contributed voluntarily to fund special projects to further Victorian Processor members' general industry interests as directed by them from time to time. The funds all belong to members and the Council itself has no equity in the fund. At 30 June 2012, the balance of funds was transferred to general revenue. See Note 11.

The CAPAA (Council of Australian Public Abattoirs Association) was disbanded in 2001/02 and its remaining funds have been transferred voluntarily to the Council (and placed on interest bearing deposit) on the basis that they may be spent on matters particular to engineers working in the Australian meat processing industry. The Council itself therefore has no equity in the fund.

The National Meat Association of New South Wales (a separate state based entity to the Australian Meat Industry Council) was wound up and its surplus funds were received by AMIC to be expensed on suitable projects in the future. At 30 June 2012, the balance of funds was transferred to general revenue. See Note 11.

Note 18 Sundry Creditors, Accruals & Provisions

	2012	2011
	\$	\$
General Creditors and Accruals	357,090	337,936
Provision - Promotion and other projects	129,103	135,589
Provision - Awards Modernisation Project	14,015	19,006
Property Maintenance Sinking Fund Provisions	429,689	373,689
Fringe Benefits Tax Accrual	23,359	99,046
Provision Workers Compensation Premiums	23,628	17,456
Payroll related clearing accounts, principally PAYG	43,013	50,086
	<u>1,019,897</u>	<u>1,032,810</u>

Note 19 Advance Project Income and Advance Project Expenditure

The Council undertakes a number of projects and trade events for the benefit of members. Only when the projects or events are held and completed are all income and costs relating thereto transferred to Income and Expenditure.

Note 20 Property Expenses

	2012	2011
	\$	\$
Property Expenses include Sinking Fund Provisions for future refurbishment/restoration	66,000	42,000
Property Expenses also include Agent's Commission on the sale of a strata title investment property	-	40,000
	<u>66,000</u>	<u>82,000</u>

Note 21 Interest Rate Risks

The Council's exposure to interest rate risk at balance date, which is the risk that a financial instrument's value will fluctuate as the result of changes in market interest rates and the effective weighted average interest rates on those financial assets is as follows:

	Weighted Average Effective Interest Rate		Principal at year end	
	2012	2011	2012	2011
			\$	\$
Cash at bank	3.34%	4.00%	141,281	196,424
Term deposits & At Call	4.43%	5.72%	16,583,564	15,859,919
Total Financial Assets			<u>16,724,856</u>	<u>16,056,343</u>

Note 22 Office Premises Leases

The Council leases premises as under:

14 Queens Road, Melbourne, Vic until 31 July 2013 - at 30 June 2012 at \$38,884 pa (excl GST), including landlord's outgoings, with a review of 4% August 2012.

100 Greenhill Road, Unley, SA until 19 September 2013 - at 30 June 2012 at \$12,907 pa (excl GST), including landlord's outgoings, with review September 2012.

5 Darlot Road, Lansdale, WA until 30 April 2013 - at 30 June 2012 at \$12,000 pa (excl GST), including landlord's outgoings.

AUSTRALIAN MEAT INDUSTRY COUNCIL

STATEMENT OF THE BOARD OF DIRECTORS (COMMITTEE OF MANAGEMENT)

In accordance with a resolution of the Board of Directors we declare that in the opinion of the Board:

- (a) the accompanying financial statements, notes and cash flows comply with Australian Accounting Standards and the reporting guidelines of the General Manager of Fair Work Australia, give a true and fair view of the financial performance, financial position and cash flows of the Council for the financial year to which they relate; and
- (b) there are reasonable grounds to believe that the Council will be able to pay its debts as and when they become due and payable; and
- (c) during the financial year to which the General Purpose Financial Report relates and since the end of that year:
 - (i) meetings of the Board were held in accordance with the rules of the Council; and
 - (ii) the financial affairs of the Council have been managed in accordance with the rules of the Council; and
 - (iii) the financial records of the Council have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the Council consists of only one reporting unit; and
 - (v) any information sought in any request by a member of the Council or by the General Manager of Fair Work Australia duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager; and
 - (vi) there has been no order for inspection of financial records made by the General Manager of Fair Work Australia under Section 273 of the Fair Work (Registered Organisations) Act 2009; and

Signed on behalf of the Board of Directors in accordance with the resolution of the Board dated 20 August 2012.

Frank Herd



Robert Constable



At Sydney, New South Wales this 20 August 2012

B. P. WOODWARD & ASSOCIATES

CHARTERED ACCOUNTANTS

ABN 60 404 704 504

Bernice Bolton B. Compt. Hons., C.A. • Anthony J. Woodward B. Bus., C.A. • Andrew C. Rigney B. Com., C.A.

Australian Meat Industry Council Independent Auditor's Report to the Members

Report on the financial report

We have audited the accompanying financial report of Australian Meat Industry Council which comprises the balance sheet as at 30 June 2012, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report and are appropriate to meet the requirements of Part 3 of Chapter 8 and Schedule 1 of the Fair Work (Registered Organisations) Act 2009 and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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



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Liability limited by a scheme approved under Professional Standards Legislation

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

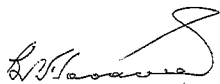
Independence

In conducting our audit, we have complied with the Independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Australian Meat Industry Council on 20th August 2012, would be in the same terms if provided to the directors as at the date of the auditor's report.

Auditor's opinion

In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

B.P. Woodward & Associates
Chartered Accountants



B.P. Woodward
Registered Company Auditor
SYDNEY

Dated this 28th August 2012

FORM OF PROXY

I, _____
of _____

being a member or a representative of a member of the Australian Meat Industry Council, do hereby appoint:

THE CHAIRMAN OF THE MEETING

As my proxy vote for me on my behalf at the **Annual General Meeting** to be held on **Monday 3 December 2012** and at any adjournment thereof.

I am, or the corporation, company or trust which I represent, is a financial member of AMIC and is an employer member of AMIC. **Note: Only financial employer members of AMIC are entitled to vote.**

As witnessed my hand this day of, 2012

Signed by the said

In the presence of.....

This form must be in the hands of the: National Secretary/Treasurer
2nd Floor,
460 Pacific Highway
ST LEONARDS NSW 2065
Fax: 02 9086 2201

NO LATER THAN 5:00 PM ON FRIDAY, 30 November 2012

Where the Member appointing the proxy is a corporation, company or trust, the proxy shall be under the hand of the Secretary of the corporation or company or anyone authorised by him to appoint a proxy or anyone authorised by the trustee to appoint a proxy.

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