



6 January 2016

Mr Frank Herd  
Chairman  
Australian Meat Industry Council  
Level 2, 460 Pacific Highway  
ST LEONARDS NSW 2065

via email: [admin@amic.org.au](mailto:admin@amic.org.au)

Dear Mr Herd

**Australian Meat Industry Council Financial Report for the year ended 30 June 2015 - [FR2015/226]**

I acknowledge receipt of the financial report of the Australian Meat Industry Council. The documents were lodged with the Fair Work Commission (FWC) on 16 December 2015.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2016 may be subject to an advanced compliance review.

**Reporting Requirements**

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

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03) 8656 4681 or by email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch

Mr S Gallichio  
Regulatory Compliance Branch  
Fair Work Commission  
GPO Box 1994  
MELBOURNE, VIC 3001

16 December 2015

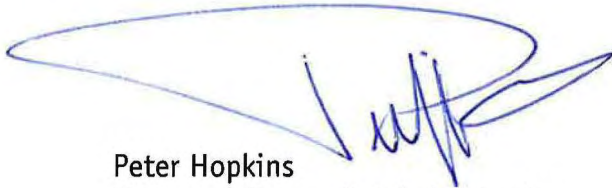
Dear Mr Gallichio,

**Annual Report and Accounts for the year ended 30 June 2015**

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,



Peter Hopkins  
Manager Finance & Administration

## AUSTRALIAN MEAT INDUSTRY COUNCIL

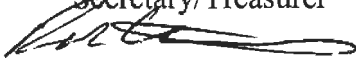
### SECRETARY'S CERTIFICATE

I, Robert Constable, being the Secretary/Treasurer of the Australian Meat Industry Council certify:

- that the documents lodged herewith are copies of the full report of the Australian Meat Industry Council for the year ended 30 June 2015 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- were provided to members free of charge on 16 October 2015; and
- were presented to a general meeting of members of the Australian Meat Industry Council on 8<sup>th</sup> December 2015 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009 .

Robert Constable,

Secretary/Treasurer



Dated ..... 14.12.15 .....

16 October 2015

TO ALL MEMBERS OF AMIC

Dear Member,

In accordance with the requirements of Section 265 of the Fair Work (Registered Organisations) Act 2009, the report and accounts of the Australian Meat Industry Council for the year ended 30 June 2015, which appear on the following pages, are hereby circulated to all members.

The report and accounts will be submitted for adoption by members attending the Annual General Meeting of the organisation to be held at 10.00 am on Tuesday, 8th December 2015. The meeting will be held at the offices of AMIC, Level 2, 460 Pacific Highway, St Leonards, NSW.

The report and 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:** Tuesday, 8 December 2015 at 10.00 am

**BUSINESS:**

1. Confirmation of Minutes of Annual General Meeting held on 24 November 2014;
2. Presentation of the Operating Report on the affairs of the AMIC for the year ended 30 June 2015;
3. Presentation of Audited Accounts and Statements of AMIC for the year ended 30 June 2015;
4. Presentation of Report of the Auditor for the year ended 30 June 2015.

Dated at Sydney  
16 October 2015  
Level 2  
460 Pacific Highway  
ST LEONARDS NSW 2065



Chief Executive Officer

## **AUSTRALIAN MEAT INDUSTRY COUNCIL**

ABN: 65 990 653 488

### **OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2015**

#### **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 functions 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 2014–2015 the Council has continued to promote the interests of the Independent Local Butchers with emphasis on submissions to Government on a range of technical issues and reform. AMIC also works closely with Meat and Livestock Australia and Australian Pork on industry promotion.

Food safety knowledge by Independent Local Butchers has continued to be a major focus. AMIC provides advice to members in complying with food safety plans and 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.

AMIC represents members in many state and national forums. Issues relating to improved Workplace Health and Safety outcomes, food safety regulation, knowledge 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 2015–2016 will see a continuation of the above operations and the further linking of AMIC issues to other stakeholders. Food safety, efficient processing and knowledge improvements 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 2015 is a surplus of \$30,692 as against \$250,785 for the prior year. The following detail financial statements give a comprehensive picture of the performance for the year and at balance date and include comparatives to the prior year.

Accumulated funds are therefore some \$19.4 million at 30 June 2015 – maintaining a very solid financial base for the future with some \$22.4 million of total assets (including cash of some \$6 million) against just \$3 million of liabilities and provisions.

## 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	1584
Processor	178
Smallgoods	58
Associate (non-voting)	48
Total	1868

## 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 2015
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	4 Full time and 1 Part time – 4.5 full time equivalents
Totals	23 Full time and 2 Part time – 24 full time equivalents

## 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 the last election took place in 2011.

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

Name	Capacity	Industry Sector Represented
Frank Herd*	Director, continuing, Appointed Chairman December 2011	Processors
Terry Nolan	Director/Chairman, retired November 2011 and reappointed Director December 2011	Processors
James Ralph	Director, continuing, retired as Deputy Chairman November 2011,	Processors
Bradley Thomason	Director, continuing, appointed Deputy Chairman November 2011	Smallgoods
Kerry Melrose	Director, continuing	Retail & General
Raymond Kelso	Director, continuing	Retail & General
Robert Constable	Director, continuing, appointed Secretary/Treasurer December 2011	Retail & General
Franz Knoll	Director, appointed November 2011	Smallgoods
Brian James **	Director, appointed December 2011	Processors
David Larkin*	Director, continuing, appointed June 2012	Processors
Rodney Sellers	Director, appointed March 2014	Retail & General

\*At the date of this report, Frank Herd and David Larkin are directors of the Red Meat Advisory Council Ltd (RMAC) by reason of their being nominated for those positions because they are directors of the Australian Meat Industry Council. RMAC is the peak industry council (PIC) through which all PICs, including AMIC, formulate red meat industry policy, advise government, develop and revise the Meat Industry Strategic Plan and interact with levy-funded bodies including Australian Livestock Export Corporation, Australian Meat Processor Corporation Ltd and Meat and Livestock Australia.

\*\*At the date of this report, Brian James is a director of Australian Meat Processor Corporation Ltd (AMPC), but not as a nominee of AMIC. AMPC supports Marketing, Research, Development and Extension initiatives that are directed at improving sustainability and efficiency of the red meat processing industry.

At the date of this report, Kevin Cottrill, the Chief Executive Officer of AMIC, is a director of the National Meat Industry Training Advisory Council Ltd (MINTRAC) as a nominee of AMIC. MINTRAC represents the industry on training matters and its role is to improve the skills of workers in the industry through the provision of recognised and accredited training.

## Directors, members and employees 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, no longer 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 (no longer a member of AMIC)
- Frank Raeside (not a member of AMIC)
- Geoffrey Yarham, an employee of Australian Country Choice (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.



**F Herd – Chairman**

29 September 2015

# AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

## STATEMENT OF FINANCIAL POSITION As at 30 June 2015

	Note	2015 \$	2014 \$
<b>CURRENT ASSETS</b>			
Cash in Hand		2,743	2,745
Cash at Bank, At Call and Short Term Deposits maturing in less than three months		4,095,605	16,220,123
Bank Deposits and Bank Bills maturing in more than three months		1,968,084	1,636,275
Interest Receivable on Term Deposits		48,495	228,375
Receivables & Sundry Debtors	3	546,553	460,729
GST Recoverable		57,912	28,470
Inventories	4	14,359	14,780
Prepayments		91,790	58,760
Advance Project Expenses	18a,18b	312,562	611,487
		7,138,103	19,261,744
<b>NON-CURRENT ASSETS</b>			
Real Property	5	2,935,273	2,935,273
Other	5	325,620	318,679
Investment Property - Real Property	6	414,249	414,249
Investments Other - Managed Investment Portfolio	20	11,594,357	-
		15,269,499	3,668,201
<b>TOTAL ASSETS</b>		22,407,602	22,929,945
<b>Less:</b>			
<b>CURRENT LIABILITIES AND PROVISIONS</b>			
Employee Provisions	14b	716,031	690,664
Payroll Tax payable/provided	15	267,357	249,219
Trade Accounts Payable		98,079	67,363
Subscription Income Received in Advance relating to next year		27,893	30,258
Members Special Funds	16	206,687	206,402
Sundry Creditors, Accruals and Provisions	17	708,828	1,120,374
Advance Project Income	18a,18b	336,051	601,694
		2,360,926	2,965,974
<b>NON-CURRENT LIABILITIES AND PROVISIONS</b>			
Property Provisions	19	554,716	497,107
Employee Provisions	14b	62,674	68,270
		617,390	565,377
<b>TOTAL LIABILITIES</b>		2,978,316	3,531,351
<b>NET ASSETS</b>		19,429,286	19,398,594
<b>EQUITY</b>			
Retained earnings		19,429,286	19,398,594
See Statement of Changes in Equity		19,429,286	19,398,594

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 2015

	Retained Profits	Reserves	Total
	\$	\$	\$
<b>Balance at 1 July 2013</b>	19,147,809	-	19,147,809
Surplus attributable to members year ended 30/6/14	250,785	-	250,785
<b>Balance at 1 July 2014</b>	19,398,594	-	19,398,594
Surplus attributable to members year ended 30/6/15	30,692	-	30,692
<b>Balance at 30 June 2015</b>	19,429,286	-	19,429,286

Notes: There were no retrospective adjustments to accumulated funds resulting from the adoption of the Australian equivalent of International Reporting Standards. Other than funds included at Note 16, there were no other funds apart from the general fund.

# AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

## STATEMENT OF COMPREHENSIVE INCOME Year Ended 30 June 2015

	Note	2015 \$	2014 \$
<b>INCOME</b>			
Membership Subscriptions		2,378,227	2,472,596
Industry Consultation (Red Meat Advisory Council Ltd)		767,530	767,472
Interest Received from Bank & Term Deposits		603,995	673,586
Property Rent & Recoveries (Investment and Non-Investment)		131,775	130,710
Other Income	9	64,504	82,815
Proceeds from sale of Fixed Assets		13,391	-
Commissions from Member Insurance Agent		45,018	48,666
Project, Event and Promotional Income	18a	667,995	1,175,281
Food Safety Plan Audit Income		465,076	452,515
		<u>5,137,511</u>	<u>5,803,641</u>
<b>EXPENDITURE</b>			
Director & Staff Remuneration incl. On-Costs	14a	2,767,862	2,782,546
Auditor and Accountant's Remuneration	10a	21,959	19,990
Depreciation and Amortisation		126,057	131,626
Written Down Value of Assets Sold/Scrapped		2,439	-
Provision for Doubtful Debts		1,468	4,106
Consultants and Professional Fees	10b	440,763	350,856
Meeting Expenses	11a	202,170	280,195
Motor Vehicle Expenses		132,561	138,927
Property Expenses (Investment and Non-Investment)	19	268,713	249,248
Staff Travel and Accommodation		178,503	183,444
Telecommunications		59,181	67,607
Project and Event Expenses	11b, 18a	487,595	900,035
Cost of Brochures and Saleable items		7,077	8,845
Data Processing & Internet Expenses		95,730	124,444
Legal and Debt Collection Costs	12	11,676	23,325
Fringe Benefits Tax		17,500	20,550
Finance Costs/Bank Charges		8,774	8,358
Staff Recruitment & Training (after rebates received)		(1,848)	15,694
Insurances		35,718	34,956
Business Subscriptions & Information Services		46,096	44,529
Postage Freight & Couriers		44,181	44,867
Printing & Stationery		48,875	61,555
Newsletter and Promotional Expenses		33,519	33,400
Donations (individual amounts \$1,000 or less)		1,000	455
Sundry expenses	13	22,607	23,298
Managed Investment Portfolio - Adjustment to Market Value	20	46,643	-
		<u>5,106,819</u>	<u>5,552,856</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>30,692</u>	<u>250,785</u>

# AUSTRALIAN MEAT INDUSTRY COUNCIL

## STATEMENT OF CASH FLOWS Year Ended 30 June 2015

	2015	2014
	\$	\$
<b>Cash Flows from Operating Activities</b>		
<b>Cash Inflows</b>		
Membership Subscriptions	2,612,024	2,729,410
Industry Consultation (Red Meat Advisory Council Ltd)	769,596	694,826
Interest Received on Cash at Bank	21,447	41,422
Project & Event Income	441,658	1,381,154
Food Safety Plan Income	513,008	493,675
All Other Income	39,372	193,622
Receipts from other reporting units/controlled entity(s)	-	-
	<u>4,397,105</u>	<u>5,534,109</u>
<b>Cash Outflows</b>		
Wages & Salaries	(2,697,385)	(2,676,530)
Project & Event Expenditure	(720,027)	(902,037)
Food Safety Plan Expenditure	(392,801)	(377,570)
All Other Payments	(1,459,163)	(1,680,549)
Payments to other reporting units/controlled entity(s)	-	-
	<u>(5,269,376)</u>	<u>(5,636,686)</u>
<b>Net Cash Flows From Operating Activities</b>	<u>(872,271)</u>	<u>(102,577)</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of Non-Current Assets	(135,437)	(45,205)
Cash on Deposit for more than three months	(331,809)	13,190,725
Managed Investment Portfolio	(11,641,000)	-
Interest Received from Investment Deposits	762,428	581,907
Rents from Investment Properties	118,459	97,864
Proceeds from sale of Non-Current Assets	13,391	-
Outgoings on Investment Properties	(38,281)	(35,852)
<b>Net Cash Flows from Investing Activities</b>	<u>(11,252,249)</u>	<u>13,789,439</u>
<b>Net Cash Increase / (Decrease) in Cash Held</b>	(12,124,520)	13,686,862
<b>Balance of Cash at Beginning of Year</b>	16,222,868	2,536,005
<b>Balance of Cash at End of Period</b>	<u>4,098,348</u>	<u>16,222,868</u>

See Notes to Statement of Cash Flows at Note 21

**THE AUSTRALIAN MEAT INDUSTRY COUNCIL 65 990 653 488**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

**Note 1 Statement of Significant Accounting Policies**

The financial statements and report of the Australian Meat Industry Council for the year ended 30 June 2015 were authorised for issue by the Board of Directors (Committee of Management) on 29 September 2015.

This financial report is a general purpose financial report for the Australian Meat Industry Council as an individual entity and has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and Fair Work (Registered Organisations) Act 2009. In this respect, the Australian Meat Industry Council (Council) is a not-for-profit entity.

The financial statements have been prepared on an accruals basis (except where stated) and are based on historical costs and do 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. Except where stated, no allowance is made for the effect of changing prices on the results or financial position. The financial statements are presented in Australian dollars.

The accounting policies adopted have been consistently applied to all years presented and no accounting standard has been adopted earlier than the application date set in the standard.

No accounting assumptions or estimates have been identified that may have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period. There are no new Australian Accounting Standards, amendments or interpretations issued prior to the date of this report that are expected to have a material future financial impact on the Council.

**Accounting Policies where applicable to the financial statements:**

**a. Taxation**

The Australian Meat Industry Council is classified as an "Employer Association" and as such is exempt from Income Tax under Section 50.1 of the Income Tax Assessment Act 1997; however, it still has an obligation for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Income, Expenditure and Assets and Liabilities are recognised net of GST, except where the GST incurred is not recoverable and for Receivables and Payables where invoiced amounts include GST.

Cash Flows from Operating Activities in the Cash Flow Statement include GST. Cash Flows from Investing activities in the Cash Flow Statement exclude GST and this component is included within cash flows from Operating Activities.

**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 & Equipment, Furniture & Fittings and Intangibles**

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

**Property**

Strata Title land and buildings are measured on the cost basis and held for the Council's own use and for rental income and for capital appreciation and are held as Non-Current Assets.

**Plant and Equipment, Furniture & Fittings and Intangibles**

All are measured on the cost basis less depreciation and any impairment losses.

The carrying amount of these assets 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 depreciated on a straight line basis (apart from assets with a Net Book Value at 30 June 2015 of \$4,846 which are depreciated on a reducing balance 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 depreciated.

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%
Intangibles	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 Statement of Comprehensive Income.

**e. Employee Entitlements**

A liability is recognised for benefits accruing to employees in respect of wages, salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being reliably measured. Such entitlements have been measured at their nominal amount. It is considered that the nominal value of non-current 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**

Cash is recognised at its nominal amount. Cash includes cash in hand, at call deposits with banks or similar financial institutions, highly liquid investments in money market instruments maturing within less than three months, net of any bank overdrafts.

**g. Financial Instruments**

Financial Assets and Financial Liabilities are recognised when the Council becomes a party to the contractual provisions of the instrument. Costs attributable to the creation of the asset or liability are added to or deducted from the fair value of the asset or liability.

**h. Financial Liabilities**

Trade Payables are stated at book value at the end of each reporting period.

**i. Financial Assets**

Cash, Bank Deposits held to maturity and Trade Receivables are stated at book value, less any provision for impairment assessed at the end of each reporting period. For, the Managed Investment Portfolio, the asset is carried at its fair market value and any gain or provision for impairment is reflected in the Statement of Comprehensive Income.

**j. Contingent Liabilities and Future Contractual Commitments**

Contingent Liabilities and Future Contractual Commitments are not recognised in the Statement of Financial Position, but are reported in the relevant notes.

**k. Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from the sale of goods or services is recognised upon the delivery of goods to customers or the completion of the service and where it is probable that payment will be received..

Income from Subscriptions, Food Safety Plan, Industry Consultation (Red Meat Advisory Council), Property Rental and Commissions is recognised on an accrual basis in the financial year to which it relates. Income from Projects, Events and Promotions is recognised in the financial year when the Project, Event or Promotion is completed - as are the related Project, Event and Promotional Expenses.

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

**l. Government Grants**

Government grants are not recognised until there is reasonable assurance that the Council will comply with the conditions attached to them and the grants will be received. Where Government Grants are receivable as compensation for expenditure by the Council specifically related to the purpose of the grant, any net surplus or loss is only recognised on completion of the grant expenditure program and all expense amounts paid and grants received.

**m. Operating Leases**

Lease payments are expensed as paid over the term of the relevant lease.

**n. Comparative Figures**

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

**o. Sale of Assets**

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

**p. 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**

	2015	2014
	\$	\$
Trade Debtors	162,788	77,648
Amounts receivable from members for Subscriptions and Dues	-	-
Industry Consultation Funding receivable from Red Meat Advisory Council Ltd	383,765	385,831
Less: Provision for doubtful debts (other than other Reporting Units)	-	(2,750)
	<u>546,553</u>	<u>460,729</u>
Amounts Receivable from other Reporting Units	-	-
	<u>546,553</u>	<u>460,729</u>

Management believes that the amounts net of any provisioning for doubtful debts are all collectible.

**Note 4 Inventories**

	2015	2014
	\$	\$
Finished Goods at cost	14,359	14,780
	<u>14,359</u>	<u>14,780</u>

**Note 5 Property, Plant, Equipment and Intangibles**

	2015	2014
	\$	\$
Land and Buildings		
Strata title properties at cost:	2,935,273	2,935,273
Less accumulated depreciation	-	-
Total Property	<u>2,935,273</u>	<u>2,935,273</u>
Furniture & Fittings at cost	703,816	692,010
Less accumulated depreciation	<u>(580,352)</u>	<u>(514,437)</u>
	<u>123,464</u>	<u>177,573</u>
Office Equipment at cost	503,688	463,043
Less accumulated depreciation	<u>(430,292)</u>	<u>(416,269)</u>
	<u>73,396</u>	<u>46,774</u>
Motor Vehicles at cost	175,842	178,475
Less accumulated depreciation	<u>(95,982)</u>	<u>(92,679)</u>
	<u>79,860</u>	<u>85,796</u>
Intangibles at cost - computer software purchased	193,966	148,012
Less accumulated depreciation	<u>(145,066)</u>	<u>(139,476)</u>
	<u>48,900</u>	<u>8,536</u>
Total Other Non-Current Assets	<u>325,620</u>	<u>318,679</u>
Total Property and Other Non-Current Assets	<u>3,260,893</u>	<u>3,253,952</u>

**Movements in Carrying Amounts**

	Land & Buildings 2015	Furniture & Fittings 2015	Office Equipment 2015	Motor Vehicles 2015	Intangibles 2015	Total 2015
	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	2,935,273	177,573	46,774	85,796	8,535	3,253,951
Additions	-	11,806	53,067	24,609	45,955	135,437
Disposals	-	-	(2,439)	-	-	(2,439)
Depreciation expense	-	(65,915)	(24,007)	(30,545)	(5,590)	(126,057)
Carrying amount at the end of year	<u>2,935,273</u>	<u>123,464</u>	<u>73,395</u>	<u>79,860</u>	<u>48,900</u>	<u>3,260,891</u>
	2014	2014	2014	2014	2014	2014
	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	2,935,273	250,036	34,270	117,122	3,454	3,340,155
Additions	-	500	36,037	-	8,668	45,205
Disposals	-	(3,526)	(5,880)	-	-	(9,406)
Depreciation expense	-	(69,437)	(17,652)	(31,326)	(3,587)	(122,002)
Carrying amount at the end of year	<u>2,935,273</u>	<u>177,574</u>	<u>46,775</u>	<u>85,796</u>	<u>8,535</u>	<u>3,253,953</u>

**Note 6 Investment Property**

	2015	2014
	\$	\$
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 at cost	56,619	56,619
Less accumulated depreciation	<u>(56,619)</u>	<u>(56,619)</u>
	<u>-</u>	<u>-</u>
Total Investment Property	<u>414,249</u>	<u>414,249</u>
Rental Income and Recoveries from Investment Property	118,459	97,864
Expenses incurred on Investment Property	<u>(38,281)</u>	<u>(35,852)</u>
Net Surplus from letting Investment Property	<u>80,178</u>	<u>62,012</u>



**Note 6 continued****Movements in Carrying Amounts**

	Land & Buildings 2015	Furniture & Fittings 2015	Total 2015
	\$	\$	\$
Balance at the beginning of year	414,249	219	414,468
Depreciation expense	-	-	-
Carrying amount at the end of year	<u>414,249</u>	<u>219</u>	<u>414,468</u>
	2014	2014	2014
	\$	\$	\$
Balance at the beginning of year	414,249	219	414,468
Depreciation expense	-	-	-
Carrying amount at the end of year	<u>414,249</u>	<u>219</u>	<u>414,468</u>

**Note 7 Segment Reporting**

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

**Note 8 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:

88 Albert Road, Melbourne, Vic 3025 - 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 9 Other Income**

	2015	2014
	\$	\$
Advertising	28,423	31,775
Members Saleable Items and Services	35,068	44,002
Bad Debts Recovered	-	6,855
Sundry Income	1,013	183
Capitation Fees	-	-
Levies	-	-
	<u>64,504</u>	<u>145,369</u>

**Note 10 Auditors Remuneration, Consultants & Professional Fees**

	2015	2014
	\$	\$
<b>10a</b>		
Remuneration of Auditors for audit of Financial Statements	21,959	19,990
Other Services	-	-
	<u>21,959</u>	<u>19,990</u>
<b>10b</b>		
Food Safety Audits for members	362,838	350,165
Other Consultants and Contractors	77,925	691
	<u>440,763</u>	<u>350,856</u>

**Note 11 Meetings and Conference Expenses**

	2015	2014
	\$	\$
<b>11a</b>		
Councillor Attendance Per Diems	87,285	94,893
Councillor Travel Costs to attend meetings	84,973	122,170
Meeting Expenses	29,912	63,132
Totals including Directors and Councillors	<u>202,170</u>	<u>280,195</u>
<b>11b</b>		

The Council periodically arranges an industry conference attended by members and others at their own cost. The costs to the Council as reported in the total of Trade Projects and Events are Nil for 2015 and \$445,292 for 2014. Income received covers the costs.

**Note 12 Legal and Debt Collection Costs**

	2015	2014
	\$	\$
Legal Expenses re Federal Meat Industry Award 2010 review and amendments	10,500	9,000
Less charged against provision created in prior years	0	0
	<u>10,500</u>	<u>9,000</u>
Debt Collection Costs	1,176	14,205
Other Legal Costs	0	120
	<u>11,676</u>	<u>23,325</u>

**Note 13 Sundry Expenses**

	2015	2014
Capitation Fees	-	-
Compulsory Levies	-	-
Consideration to Employers for payroll deductions	-	-
Penalties - via Registered Organisation Act or Regulations	-	-
Operating Lease payments - Office Equipment	14,300	14,734
Other	8,307	8,564
	<u>22,607</u>	<u>23,298</u>

**Note 14a Office Bearer (Director) and Employee Remuneration**

	2015	2015	2015	2014	2014	2014
	Directors	Staff	Total	Directors	Staff	Total
	\$	\$	\$	\$	\$	\$
Wages, Salaries and Directors Honorariums	85,479	2,146,143	2,231,622	85,117	2,114,025	2,199,142
Annual Leave Accrued	-	167,757	167,757	-	179,014	179,014
Separation & Redundancy Payments	-	-	-	-	-	-
Other Employee Expenses	-	4,011	4,011	-	3,370	3,370
Total Short Term Benefits	85,479	2,317,911	2,403,390	85,117	2,296,409	2,381,526
Post Employment Benefit - Superannuation	521	209,127	209,648	566	201,553	202,119
Long Service Leave Accrued	-	25,681	25,681	-	58,501	58,501
	<u>86,000</u>	<u>2,552,719</u>	<u>2,638,719</u>	<u>85,683</u>	<u>2,556,463</u>	<u>2,642,146</u>
Payroll Tax			109,829			120,936
Workers Compensation Insurance			19,314			19,464
			<u>2,767,862</u>			<u>2,782,546</u>
Key Management Staff Remuneration within the above Staff Remuneration			2015			2014
			\$			\$
Staff Salaries Incl, Annual Leave taken			723,631			723,631
Annual Leave Entitlements net accrued/(taken)			9,725			4,431
Life Assurance Premiums			4,011			3,370
Total Short Term Benefits			<u>737,367</u>			<u>731,432</u>
Post Employment Benefit - Superannuation			61,487			61,487
Long Term Benefit - Long Service Leave Accrued			12,061			16,624
			<u>810,915</u>			<u>809,543</u>

There were no separation, redundancy or other provisions or payments applicable.

**Note 14b Employee Provisions**

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

	2015	2014
	\$	\$
Employee Benefits - Directors	-	-
Provisions for Annual Leave - Staff (Current Liability)	409,310	407,700
Provisions for Long Service Leave - Staff (Current Liability)	306,721	282,964
	<u>716,031</u>	<u>690,664</u>
Provisions for Long Service Leave - Staff (Non-Current Liability)	62,674	68,270
	<u>778,705</u>	<u>758,934</u>

There are no separation, redundancy or other provisions applicable to either Directors or Employees.

**Note 15 Payroll tax payable/provided**

Payroll Tax payable/provided includes a provision of \$136,891 (\$136,891 in 2014) made in prior years against the possibility of additional Payroll Tax being retrospectively assessed.

## Note 16 Special Funds

The Council periodically has operated 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 Statement of Comprehensive Income and the balance of funds is not included in the Council's own Accumulated Funds.

Fund	Balance 30/6/14	Received during year	Extinguished/ Expensed during year	Balance 30/6/15
Retail Promotions Fund	206,402	7,430	(7,145)	206,687
<b>Total</b>	<b>206,402</b>	<b>7,430</b>	<b>(7,145)</b>	<b>206,687</b>

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.

## Note 17 Sundry Creditors, Accruals & Provisions

	2015	2014
<b>Current Liabilities</b>	\$	\$
General Creditors and Accruals	371,290	374,729
Legal Expenses	-	7,500
Energy Information Grant Costs Accrued	See Note 18b	465,900
Provision - Promotions, Consultancy and other projects	182,524	134,615
Payables to other Reporting Units	-	-
Consideration to employers for payroll deductions	-	-
Property Maintenance Expenditure	See Note 19	32,000
Fringe Benefits Tax Accrual	50,761	33,945
Workers Compensation Premiums	37,341	31,458
Payroll related clearing accounts, principally PAYG	66,912	40,227
	<u>708,828</u>	<u>1,120,374</u>
<b>Non-Current Liabilities</b>		
Property Maintenance Sinking Fund Provisions	See Note 19	497,107
	<u>554,716</u>	<u>497,107</u>

## Note 18 Advance Project Income and Advance Project Expenditure

### 18a

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

### 18b

In year ended 30 June 2013, the Council had entered into a project under of a grant from the Department of Energy Resources and Tourism (now Department of Industry & Science) under an agreement where those funds were to be wholly expended on a project for the Engagement, Extension and Education Program for Small-Medium Enterprises of the Red Meat Industry, its Supply Chain and related communities. At 30 June 2014, the project had not been completed. No part of this grant formed an element of income to the Council required to maintain it as a going concern. The Council had also committed to contribute up to \$134,649 to the costs of the project and had placed this amount in the bank account designated for this project. At 30 June 2015, the project was completed and taken to account, with the Council's contribution being \$5,344 and the balance of funds was released.

	2015	2014
	\$	\$
Advance Project Income - EEIG	-	438,303
Advance Project Income - Other	336,051	163,391
Advance Project Income - Total	<u>336,051</u>	<u>601,694</u>
Advance Project Expenditure - EEIG	-	466,801
Advance Project Expenditure - Other	312,562	144,686
Advance Project Expenditure - Total	<u>312,562</u>	<u>611,487</u>

## Note 19 Property Sinking Fund Provisions

	2015	2014
	\$	\$
Property Expenses include Sinking Fund Provisions for future refurbishment/restoration		
Balance at beginning of year	529,107	494,169
Amounts Provided during year included within Property Expenses	45,000	45,000
Amounts Expended during year	(19,391)	(10,062)
Balance at end of year	<u>554,716</u>	<u>529,107</u>
Current Liability accrued to be expensed in following year	See Note 17	32,000
Non-Current Liability	See Note 17	497,107
	<u>554,716</u>	<u>529,107</u>

<b>Note 20</b>	<b>Managed Investment Portfolio managed by a third party</b>	2015	2014
		\$	\$
	Investment at Cost during year	11,641,000	-
	Market Value at end of Year	11,594,357	-
	Increase/(Decrease) in carrying value	<u>(46,643)</u>	<u>-</u>

In April 2015, the Board determined to place funds in a long-term diversified investment portfolio managed by Minchin Moore Private Wealth Pty Ltd with the objective of the fund to provide a regular distribution to the Council, whilst maintaining the real value of the investment base. The costs of managing and maintaining the portfolio are expensed within the portfolio itself. To 30 June 2015, underlying income from investments was all reinvested within the portfolio and no distribution was included in the Statement of Comprehensive Income. At 30 June 2015, the quoted value of the portfolio was less than cost and an adjustment was made to market value.

See also Note 27a.

<b>Note 21</b>	<b>Statement of Cash Flows</b>	2015	2014
		\$	\$
	<b>Reconciliation of Cash</b>		
	For the purpose of the Statement of Cash Flow, Cash includes cash on hand in bank and investments maturing less than three months from balance sheet date.		
	Cash in Hand	2,743	2,745
	Cash at Bank and on short term deposit (less than 3 months)	4,095,605	16,220,123
		<u>4,098,348</u>	<u>16,222,868</u>

#### **Reconciliation of Net Cash provided by Operating Activities to Total Comprehensive Income**

Operating Surplus (Deficit)	30,692	250,785
Depreciation and Amortisation	126,057	131,626
(Profit)/Loss on Sale of Non-Current Assets	(10,952)	-
Investment Income/Expense Net	(662,726)	(694,176)
Revaluation of Investments	46,643	-

#### **Changes in Assets and Liabilities giving rise to Operating Activity Cash Flows**

(Increase)/Decrease in Prepayments/Advance Project Costs	265,895	(140,841)
(Increase)/Decrease in Receivables/Sundry Debtors	(115,266)	180,027
(Increase)/Decrease in Inventory	421	(7,416)
Increase/(Decrease) in Creditors/Accruals/Advance Project Income	(648,553)	66,727
Increase/(Decrease) in Provisions	95,518	110,691
<b>Net cash provided by operating activities</b>	<u>(872,271)</u>	<u>(102,577)</u>

There are no other reporting units and/or controlled entities of the Council that are a source of cash inflow or outflow.

#### **Note 22**      **Commitments & Contingencies**

The Council leases premises as under:

88 Albert Road, South Melbourne, Vic from 11 August 2014 until 10 August 2019 - at 30 June 2015 at \$46,500 pa (excl GST), including landlord's outgoings, with a further two three year options available at 11 August 2019 and 11 August 2022.

100 Greenhill Road, Unley, SA on a monthly tenancy under holding over arrangements - at 30 June 2015 at \$1,146 pcm (excl GST), including landlord's outgoings.

5 Darlot Road, Lansdale, WA until 30 April 2016 - at 30 June 2015 at \$1150 pcm pa (excl GST), including landlord's outgoings.

	2015	2014
	\$	\$
At 30 June 2014, the Council had committed to contribute up to \$134,649 towards the costs of the energy efficiency information project referred to under Note 18b. The actual amount to be contributed in the finality had then not yet been determined. In the year to 30 June 2015, \$5,344 was expended and no further liability exists.	-	134,649

	2015	2014
	\$	\$
The Council leases office equipment under operating leases		
Future minimum rentals payable under non-cancellable operating leases are:		
Within one year	14,300	11,889
After one year, but not more than five years	35,645	40,889
	<u>49,945</u>	<u>52,778</u>

#### **Note 23**      **Going Concern and Events after reporting period**

The Council is not reliant on agreed financial support from another reporting entity to ensure the Council continues as a going concern. The Council has not agreed to provide financial support to another reporting entity to ensure that other entity continues as a going concern. The Council has not acquired an asset or a liability during the year as a result of an amalgamation, restructure, business combination, determination by the General Manager of the Fair Work Commission or revocation thereof. There were no events that occurred after the end of the reporting period and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Council.

## Note 24 Income

Other than as already disclosed in the Income and Statement of Comprehensive Income or Notes to the Financial Statements, there has been no income received from another reporting unit of the Council or members or others in respect of financial support, voluntary contributions, levies, capitation fees, donations or grants and, no recovery of wages activity has occurred.

## Note 25 Expenses

Other than as already disclosed in the Statement of Comprehensive Income or Notes to the Financial Statements, there have been no expenses incurred or paid as a consideration for employers making deductions of membership subscriptions; capitation fees; fees or periodic subscriptions in respect of any affiliation to any political party federation congress council or group of organisations or any international body having an interest in industrial matters; compulsory levies imposed on the Council; grants or donations; employee expenses related to holders of office of the Council; employee expenses related to employees of the Council; fees and/or allowances incurred in connection with holding meetings of members of the Council, conferences or meetings of council, committees, panels or other bodies for the holding of which the Council was wholly or partly responsible; legal costs; penalties imposed on the Council under the Fair Work (Registered Organisations) Act 2009 and, no recovery of wages activity has occurred.

## Note 26 Statement of Financial Position

There are no amounts receivable from or payable to another reporting unit of the Council as the Council is the sole reporting unit.

Other than as disclosed in the Statement of Financial Position or Notes to Financial Statements, there are no amounts payable to employers as consideration for the employers making payroll deductions of membership subscriptions; payables in respect of legal costs; employee provisions in respect of the officers or employees of the Council, or wages recovery activity.

## Note 27 a Financial Instruments and Risk Management

The Council actively manages the collection of receivables so as to minimise the risk of non-payment.

Until May 2015, the Council only deposited funds with recognised banks and financial institutions of good standing and actively sought to deposit those funds at the best available interest rates from those selected. Significant amounts of cash and term deposits were maintained to ensure continuing liquidity at all times. However, there is an exposure to varying interest rates, see 27b below. In May 2015, significant funds were placed in a Managed Investment Portfolio, but still providing access to sufficient liquidity at all times.

The objective of the Managed Investment Portfolio, once fully implemented, is to provide for a regular distribution to the Council to fund its operations, whilst maintaining the real value of the fund. The strategy therefore is to place 50% of the investment portfolio in Growth Assets (principally quoted shares and real estate investment trusts) and 50% in Income Assets (principally fixed interest). However, at all times, the income streams and quoted asset values are subject to market fluctuations.

All financial assets are disclosed in the Balance Sheet, however, the Term Deposits held to maturity and their related interest income streams are also set out below.

	2015	2014
	\$	\$
Balance of Term Deposits at balance date (including those with less than three months to maturity at balance date)	5,783,199	16,894,364
Interest Received/Receivable from Term Deposits for the reporting period	582,548	632,164

Prior to the commencement of each financial year, the Council prepares budgets for the next following year taking into account current conditions relating to its income streams, services it provides and the costs thereof. The Council's Constitution & Rules require that the budget demonstrates that the Council can operate within income budgeted to be received for that financial year.

## Note 27b 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	
	2015	2014	2015	2014
			\$	\$
Cash at Bank	2.00%	2.95%	280,491	962,035
Bank Term deposits & At Call	3.07%	4.19%	5,783,199	16,894,364
Total Financial Assets			<u>6,063,690</u>	<u>17,856,399</u>

## Note 28 Related Party Transactions

Control of the Council rests with the Board of Directors. The Directors on the Board are elected from the Council's general membership. It is therefore determined that transactions between the Council and the Directors are related party transactions.

### Revenue Received

All Directors or the businesses that they represent are members of the Council and are charged Subscriptions and may be charged other amounts from time to time at the same rates and on the same terms as for other members and receive the same range of goods and services as they may require.

As members of the Council, Directors or the businesses they represent may voluntarily participate in Trade Events and are charged the same rates as for other members choosing to participate and receive the same benefits and may also sponsor Trade Events.

### Expenses Paid

All Directors receive an Honorarium (Directors Fees), and are entitled to claim Travel Expenses and Per Diems (at set rates) for their attendance at Board Meetings, Council Meetings and Industry Meetings.

Board Honorariums and Superannuation are set out under Note 14a.

There were no other related party transactions.

# AUSTRALIAN MEAT INDUSTRY COUNCIL


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## STATEMENT OF THE BOARD OF DIRECTORS (COMMITTEE OF MANAGEMENT)

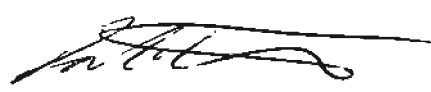
In accordance with a resolution of the Board of Directors we declare that in the opinion of the Board:

- (a) the accompanying financial statements, notes and cash flows comply with Australian Accounting Standards and the reporting guidelines of the General Manager of the Fair Work Commission, 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
  - (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 the Fair Work Commission 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 the Fair Work Commission under Section 273 of the Fair Work (Registered Organisations) Act 2009; and
  - (vii) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

Signed on behalf of the Board of Directors in accordance with the resolution of the Board dated 29 September 2015.



Frank Herd  
Chairman



Robert Constable  
Secretary/Treasurer

At Sydney, New South Wales this 29 September 2015

**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 Approved 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 2015, 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.

*Approved 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.



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 2<sup>nd</sup> October 2015, would be in the same terms if provided to the directors as at the date of the approved auditor's report.

*Approved Auditor's opinion*


In our opinion:

- (a) 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) Management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

*Approved Auditor's declaration*

We declare that we are approved auditor's as set out in regulation 4 of the Fair Work (Registered Organisations) Act 2009 and that we are members of The Institute of Chartered Accountants in Australia holding a current Public Practice Certificate.

B.P. Woodward & Associates  
Chartered Accountants

  
Anthony J. Woodward

Suite 501, 83 York Street, Sydney NSW 2000

Dated this 2<sup>nd</sup> day of October, 2015



**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 **Tuesday 8<sup>th</sup> December 2015** 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 ....., 2015

Signed by the said .....

In the presence of.....

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

**NO LATER THAN 5:00 PM ON MONDAY, 7th December 2015**

***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.***