

9 November 2013

Mr Ron Lynch
Secretary
The Breweries and Bottleyards Employees Industrial Union of Workers
of Western Australia
sent to: beu@rts.com.au



Dear Mr Lynch,

Re: Lodgement of Financial Statements and Accounts - The Breweries and Bottleyards Employees Industrial Union of Workers of Western Australia - for year ended 30 June 2012 (FR2012/466)

I refer to the above financial statements and accounts which were lodged with the Fair Work Commission on 23 January 2013. I apologise for the delay in corresponding in relation to this matter.

There were several reporting requirements drawn to your attention in correspondence related to the previous year's report which were not addressed in this report. They are technical but must be complied with. I attach a table setting out these items as well as a clarification of an item that does not appear to have previously mentioned and several requirements for next year's report.

You will be aware that new Reporting Guidelines ("RGs") (see copy attached) were issued on 26 June this year and will apply to the next report. They set out a number of additional requirements to those for previous years and I particularly draw your attention to the following:

Prescribed category statement(s)

A new requirement is that a statement must be included in the notes if any of the prescribed "activities" (i.e. transaction categories) did not occur during the reporting period. This requirement is set out in RGs 14, 16, 18, 20, 22, 24, 26 and 33, and I explain how it applies in the second table attached. A similar requirement in relation to non-disclosure of officers or employees holding positions as directors of companies is set out in RG 38.

Auditor declarations

The auditor's report will have to include a declaration that she has concluded the management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate, as required by RG 45 (i.e. where the going concern is used). The auditor will also have to include a declaration as set out in RG 44.

The documents have been filed.

Yours sincerely



Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

Table 1 - particular provisions

Provision	What it says	Explanation
Regulation 159(b)	<p>“The following information is prescribed: The number of persons who were, at the end of the financial year to which the report relates, employees of the reporting unit, where the number of employees includes both full-time and part-time employees measured <u>on a full-time equivalent basis</u>”</p>	<p>This means that it must be clear what the full-time equivalent is. This year, the total number of employees was simply reported as 6 employees. It was not possible to ascertain the full-time equivalent figure.</p>
<p>s252(3)</p> <p>s253(4)</p> <p>s253(1)</p> <p>AASB 101(27)</p>	<p>“Financial records of an organisation may.....be kept on a cash basis or accrual basis....”</p> <p>“...it may keep the financial records for its membership subscriptions on a cash basis”</p> <p>“...a reporting unit must cause a general purpose financial report to be prepared in accordance with the Australian Accounting Standards...”</p> <p>“An entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting”</p>	<p>These references need to be read together. A distinction exists between <i>keeping</i> records and <i>reporting</i>. This distinction has been overlooked by a number of organisations but is now being clarified and corrected by FWC.</p> <p>It means that membership subscriptions (i.e. membership contributions) should be <i>reported</i> on the accrual basis even if, during the year, the original records are <i>kept</i> on a cash basis.</p> <p>Your report states that membership subscription are recognised on a cash receipts basis as permitted by the RO Act. In fact, the RO Act makes the distinction above. Future reports should make clear that membership subscription revenue is reported on the accrual basis.</p>
S254(2)(d)	<p>“The operating report must....give details (including details of the position held of any officer or member of the reporting unit who is (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and Where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation”</p>	<p>This was omitted. Nor was there a statement that there was no officer or member in this position.</p> <p>The new Reporting Guidelines (36 and 37) refer to “officers or employees”, and require disclosure, and Guideline 38 requires a statement to be made if there is no officer or employee in the positions described.</p>
		<p>The Committee of Management Statement contained references to “the RAO Schedule”. Future Statements must refer to the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations.</p>

Table 2 - Explanatory Note - Statements as to non-occurrence or no information to be disclosed

<i>Where a statement to this effect is required</i>	<i>New RG references</i>
If the organisation's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit	RGs 10,14
If the organisation has not agreed or does not have an agreement to provide financial support to another reporting unit to ensure its ability to continue as a going concern	RGs 11,14
If the organisation has not acquired an asset or liability as a result of an amalgamation, restructure, or alternative reporting unit determination or revocation	RGs 12,14
If the organisation has not acquired assets or liabilities as part of a business combination	RGs 13,14
If the organisation has not received revenue from particular prescribed revenue (i.e. income actually received) categories	RGs 15,16
If the organisation has not paid out particular prescribed expense (i.e. amounts actually paid) categories	RGs 17,18
If the organisation does not have a receivable (i.e. expected revenue due) or payable (i.e. amount owing) relating to another reporting unit	RGs19,20
If the organisation does not have liabilities for particular prescribed liability categories	RGs 21,22
If the organisation does not have funds or accounts for compulsory levies raised or voluntary contributions collected, or does not have funds or accounts (other than the general fund) required by the rules, or has not made any transfers or withdrawals to special purpose funds or accounts (RG23);	RGs 23,24
If the organisation has not received a cash inflow from another reporting unit or made one to another reporting unit	RGs 25,26
If the organisation has not engaged in recovery of wage activity	RG 33
If none of the officers (i.e. members of the committee) or employees are trustees of superannuation entities or directors of any company that is a trustee of a superannuation scheme *	RGs36, 38
If none of the officers or employees are directors of any (other) company	RGs 37,38

Other explanatory notes

The prescribed categories/activities that did not occur or apply should be individually identified or it should be otherwise clear that only those categories/activities that occurred have been itemized. In future, it is acceptable to itemize all prescribed categories and record nil (zero) balances for those which did not occur during the period, in lieu of a separate statement(s).

Note also that where two (or more) persons sign the Operating Report, each signatory must separately date the document.

BREWERIES EMPLOYEES UNION

The Breweries & Bottleyards Employees
Industrial Union of Workers of Western Australia
(registered under the Fair Work (Registered Organisations) Act 2009
and the Industrial Relations Act 1979). ABN 73 507 364 966

Unit 11, 64 Bannister Rd,
Canning Vale WA 6155
PO Box 1455
Canning Vale WA 6970

Phone: 9455 4633
Fax: 9455 4733
Email: beu@rts.com.au

Designated Officer's Certificate

s268 Fair Work (Registered Organisations) Act 2009

I Ronald James Murphy being the Secretary of The Breweries & Bottleyards Employees' Industrial Union of Workers of Western Australia certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 21st November, 2012; and
- that the full report was presented to a General Meeting of Members of the reporting unit on 15th December, 2012; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.


Ronald James Murphy

18th January, 2013





ACCOUNTANTS AUSTRALIA

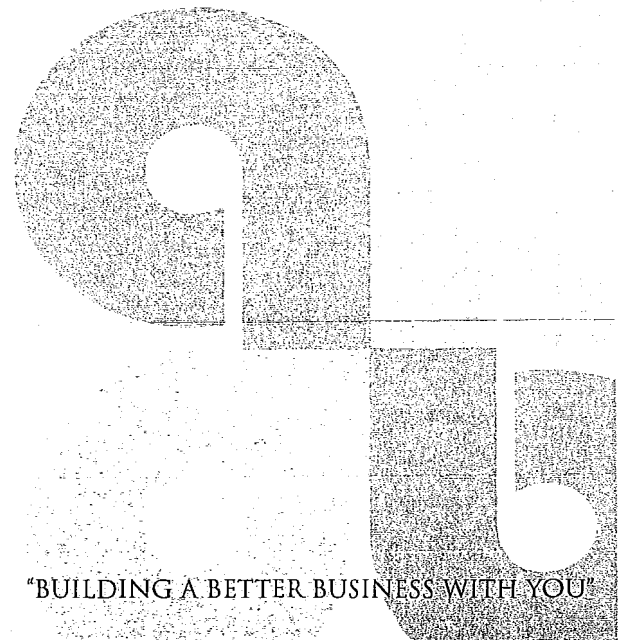
Breweries And Bottleyards Employees' Industrial Union Of

Workers Of WA

ABN 73 507 364 966

Financial Statements

For the period from 1 October 2011 to 30 June 2012



ACCOUNTANTS AUSTRALIA PTY LTD ABN 87 098 369 067

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Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
ABN 73 507 364 966

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Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
ABN 73 507 364 966

Committee of Management's Operating Report

For the period from 1 October 2011 to 30 June 2012

Operating Report

In accordance with section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act") the Committee of Management ("the Committee") presents its Operating Report on the Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA for the period ended 30 June 2012.

Principal Activities

The principal activity of the Union is to act to uphold the rights of organisational labour and to improve, protect and foster the best interests of its members, and to subscribe to and /or operate with a policy of improving the conditions of employment of its members.

Operating Results

The profit for the financial period amounted to \$871,975. (2011: \$200,452). The exceptional increase in profit is due to changes in outstanding liabilities within the Dudley Trust.

As a result of providing services to Members the Union established and/or maintained agreements with its Member's employers which delivered increases in wages and/or conditions to all Members.

Review of Operations

There were no significant changes in the nature of activities or of the results of operations. There were no significant changes in the financial affairs of the Union during the financial period.

After Balance Date Events

The Swan Brewery has advised the Union that it will cease production by 31st March, 2013. Swan Brewery further advised that this will result in the loss of employment of 41 of the Union's Members who are employed by the Swan Brewery. Further to this the Union is aware that Swan Brewery has given notice to Dudley Pty Ltd (Industrial Alliance) that it will cease using its services coinciding with the end of production in March, 2013.

The above is likely to result in subscriptions from Members and income from The Dudley Trust to the Union being significantly decreased in subsequent financial periods.

It is likely that the above will significantly affect the operations of the Union, the results of those operations and the state of affairs of the Union.

Future Developments

The Union will review its operations within the 2012/13 financial period.

Environmental Issues

The Union's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Members Right to Resign

Subject to the provisions of any Act a member may resign by giving notice in writing to the Secretary of the Union.

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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Membership of the Union

Number of members as at 30th June 2012 is 88. (2011: 95)

Employees of the Union

Number of employees as at 30th June 2012 is 6. (2011: 6)

Members of the Committee of Management

The following persons were Members of the Committee of Management for the entire financial period (1/10/2011 to 30/06/2012):

President	Robert George Bunce
Vice President	Charles Edward Dooley
Secretary	Ronald James Murphy
Treasurer	Vanessa Louise Donald
Committee Member	Russell Wayne Bonner
Committee Member	Frederick Maroni
Committee Member	Clifford Charles Baughen

The following person was a member of the Committee of Management from 1/10/2011 until 9/12/2011:

Warren John Mews

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial period, to any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of Union


No person has applied for leave of Court to bring proceedings on behalf of the Union or intervene in any proceedings to which the Union is a party for the purpose of taking responsibility on behalf of the Union for all or any part of those proceedings. The Union was not a party to any such proceedings during the period.

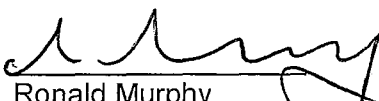
Auditors Independence Declaration

A copy of the auditor's independence declaration is set out on page 4.

This operating report is hereby signed on behalf of the committee of management of the Union in accordance with a resolution passed by the committee of management on 19 November, 2012.

Dated this 19 of November, 2012


Robert Bunce
President


Ronald Murphy
Secretary

Committee of Management Statement

On 19 November 2012, the Committee of Management of the Union passed the following resolution to the General Purpose Financial Statements of the Union for the period ended 30 June 2012.

The Committee of Management declares in relation to the General Purpose Financial Statements that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards and other mandatory professional reporting requirements;
- b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial period to which they relate;
- d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- e) during the financial period to which the general purpose financial statements relate and since the end of that period.
 - i. meetings of the Committee of Management were held in accordance with the rules of the organization including the rules of the branch concerned; and
 - ii. the financial affairs of the Union have been managed in accordance with the rules of the organization including the rules of the branch concerned; and
 - iii. the financial records of the Union have been kept and maintained in accordance with the *Registration And Accountability of Organizations (RAO) Schedule* and the *RAO Regulations*; and
 - iv. the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organization; and
 - v. the information sought in any request of a member of the Union or the General Manager duly made under section 272 of the *RAO Schedule* has been furnished to the member or the General Manager; and
 - vi. no orders have been made by the Commissioner under section 273 of the *RAO Schedule* during the period.

For the Committee of Management

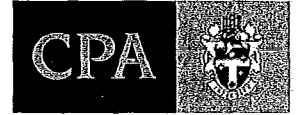


Robert Bunce

President

Principal/Director:
S.K. (Jim) Lim
B.Comm CPA

JIM LIM & CO
CERTIFIED PRACTISING ACCOUNTANT



Jim Lim & Co Pty Ltd
is a CPA Practice

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE COMMITTEE OF MANAGEMENT OF
BREWERIES AND BOTTLEYARDS EMPLOYEES' INDUSTRIAL
UNION OF WORKERS OF WESTERN AUSTRALIA**

As lead auditor of the audit of the Breweries and Bottleyards Employees' Industrial Union of Workers of Western Australia for the 9 months' period ended 30 June 2012, I declare that, to the best of my knowledge and belief, during the period ended 30 June 2012 there have been:

- i. no contraventions of any applicable code of professional conduct in relation to the audit.

Dated the 19th day of November 2012

A handwritten signature in black ink, appearing to be 'S. Lim', written over a circular scribble.

SIM KWONG LIM
Registered Company Auditor
Registration Number: 14053

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
ABN 73 507 364 966

Statement of Comprehensive Income
For the period ended 30 June 2012

	Notes	2012	2011
		\$	\$
Revenue	2	1,316,889	763,168
Employee Benefit Expense	3(a)	(344,637)	(412,934)
Other expenses from ordinary activities	3	(100,277)	(149,782)
Profit before income tax		<u>871,975</u>	<u>200,452</u>
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Net profit attributable to members of the Union		<u>871,975</u>	<u>200,452</u>

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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	Notes	2012 \$	2011 \$
Current Assets			
Cash and cash equivalents	4	642,102	404,784
Receivables	5	47,705	44,349
Other	4	2,904,811	2,774,107
Total Current Assets		3,594,618	3,223,240
Non-Current Assets			
Receivables	5	3,522,512	3,115,004
Other financial assets	6	1,657,036	1,571,317
Property, plant and equipment	7	156,474	164,006
Total Non-Current Assets		5,336,022	4,850,328
Total Assets		8,930,640	8,073,568
Current Liabilities			
Payables	8	105,475	114,622
Current tax liabilities	9	3,175	2,973
Provisions	10	7,499	20,167
Total Current Liabilities		116,149	137,764
Non-Current Liabilities			
Provisions	10	75,642	68,930
Total Non-Current Liabilities		75,642	68,930
Total Liabilities		191,791	206,694
Net Assets		8,738,849	7,866,874
Equity			
Reserves		515,084	515,084
Retained profits		8,223,765	7,351,790
Total Members' Funds		8,738,849	7,866,874

The accompanying notes form part of these financial statements

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
ABN 73 507 364 966

Statement of Changes in Equity

	Retained Earnings	Total
	\$	\$
Balance at 1 Oct 2010	7,151,338	7,151,338
Profit for the year	200,452	200,452
Total other comprehensive income	0	0
Balance at 30 Sept 2011	<u>7,351,790</u>	<u>7,351,790</u>
Balance at 1 Oct 2011	7,351,790	7,351,790
Profit for the period	871,975	871,975
Total other comprehensive income	0	0
Balance at 30 June 2012	<u>8,223,765</u>	<u>8,223,765</u>

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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Statement of Cash Flows	Note	2012	2011
		\$	\$
Cash Flow From Operating Activities			
Receipts from customers		1,143,506	572,590
Payments to Suppliers and employees		(451,041)	(503,416)
Interest received		145,633	183,820
Dividend and distributions		23,149	31,820
Net cash provided by (used in) operating activities	11(b)	<u>861,247</u>	<u>284,814</u>
Cash Flow From Investing Activities			
Payment for:			
Loans to other related companies		(407,507)	(186,519)
Shares in other companies/other investments		(85,718)	149,387
Net cash provided by (used in) investing activities		<u>(493,225)</u>	<u>(37,132)</u>
Net increase (decrease) in cash held		368,022	247,682
Cash at the beginning of the period		3,178,891	2,931,209
Cash at the end of the period	11(a)	<u>3,546,913</u>	<u>3,178,891</u>

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
ABN 73 507 364 966

Notes to the Financial Statements
For the period ended 30 June 2012

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Fair Work (Registered Organisations) Act 2009 (the 'Act'). In accordance with generally accepted accounting principles for organisations having members, membership contributions are brought into account on a cash receipts basis.

The financial report covers Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA ('Union') as an individual entity. Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA is an association incorporated in Western Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in the financial statements containing relevant and reliable information about transactions, events and conclusions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards.

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

The financial report was authorised for issue on 19 November 2012 by the Committee of Management of the Union.

Basis of Preparation

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, and financial assets and financial liabilities. As allowable by the Fair Work (Registered Organisations) Act 2009, membership income is recognised on a cash basis.

(a) Income tax

The Union is exempt from income tax by virtue of s50-45 of the Income Tax Assessment Act 1997.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown with short-term borrowings in current liabilities on the statement of financial position.

(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.

i) Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arms length transaction), based on periodic,

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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Notes to the Financial Statements
For the period ended 30 June 2012

Note 1: Statement of Significant Accounting Policies (Continued)

but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

ii) Plant and equipment

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

The carrying amount of plant and equipment is reviewed annually 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 that 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 amounts.

The cost of fixed assets constructed within Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA includes the cost of materials, direct labor, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each period the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the assets original cost is transferred from the revaluation reserve to retained earnings.

iii) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An assets carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Notes to the Financial Statements
For the period ended 30 June 2012

Note 1: Statement of Significant Accounting Policies (Continued)

(d) Financial Instruments

i) Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

ii) Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in fair value of these assets are included in the income statement in the period in which they arise.

iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are stated at amortised cost using the effective interest rate method.

iv) Held-to-maturity investments

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments are stated at amortised cost using the effective interest rate method.

v) Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

vi) Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(e) Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one period have been measured at the amount expected to be paid when the liability is settled, plus related on-costs. Employee entitlements payable later than one period have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

(f) Provisions

Provision are recognised when Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA has a legal or constructive obligation, as a result of past events, for which it is probable that the outflow of economic benefit will result and that the outflow can be measured reliably.

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
ABN 73 507 364 966

Notes to the Financial Statements
For the period ended 30 June 2012

Note 1: Statement of Significant Accounting Policies (Continued)

(g) Revenue

Revenue from members is recognized on a cash basis.

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

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

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

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

(h) Goods and Service 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 Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(i) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Union during the reporting period which remain unpaid. The balance is recognized as a current liability with the amounts normally paid within 30 days of the recognition of the liability.

(j) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial period.

(k) Critical accounting estimates and judgments

The committee members 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 internally.

Key estimates – Impairment

The committee members assesses impairment at each reporting date by evaluating conditions specific to the Union 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.

No impairment has been recognised in respect of the current period

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
ABN 73 507 364 966

Notes to the Financial Statements
For the period ended 30 June 2012

Note 1: Statement of Significant Accounting Policies (Continued)

(l) Adoption of the New and Revised Accounting Standards

During the current period, the Union has adopted all new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

There have been no new and revised Australian Accounting Standards and Interpretations that have come into effect during the current period which have impacted the financial statements of the Union.

(m) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Union has decided not to early adopt. A discussion of those future requirements and their impact on the Union is as follows:

AASB 9: Financial Instruments (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013)

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Union has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortized cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortized cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognized in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarge, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011)

This standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a 'related party' to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the Union.

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
ABN 73 507 364 966

Notes to the Financial Statements
For the period ended 30 June 2012

Note 1: Statement of Significant Accounting Policies (Continued)

AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements {AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and interpretations 2, 4, 5, 15, 17, 127, 129 & 1052} (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements.

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements

Tier 2 of the framework comprises the recognition, measurement and presentation of requirements of Tier 1, but contains significantly fewer disclosure requirements.

The following entities are required to apply Tier 1 reporting requirement (ie full IFRS):

- for-profit private sector entities that have public accountability; and
- The Australian Government and state, territory and local governments.

(m) New Accounting Standards for Application in Future Periods (continued)

Subject to AASB 1049, general government sectors of the Australian Government and state and territory governments would also apply Tier 1 reporting requirements

The following entities can elect to apply Tier 2 of the framework when preparing general purpose financial statements:

- for-profit private sector entities that do not have public accountability;
- not-for-profit private sector entities; and
- public sector entities, whether for-profit or not-for-profit, other than the Australian Government and state territory and local governments.

AASB 2010-2: makes amendments to Australian Accounting Standards and Interpretations to give effect to the reduced disclosure requirements for Tier 2 entities. It achieves this by specifying the disclosure paragraphs that a Tier 2 entity need not comply with as well as adding specific "RDR" disclosures.

AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011)

This standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purpose of certain operating segment disclosures. The amendments are not expected to impact the Union.

AASB 2009-14: Amendments to Australian Interpretation-Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan. This Standard is not expected to impact the Union.

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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Notes to the Financial Statements
For the period ended 30 June 2012

Note 1: Statement of Significant Accounting Policies (Continued)

AASB 2010-4: Further amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard details numerous non-urgent but necessary changes to Accounting Standards arising from the IASBs annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian Accounting Standards financial statements;
- adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;

amending AASB 101 to the effect that disaggregation of changes in each component of equity arising from transactions recognized in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;

- adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and
- making sundry editorial amendments to various Standards and Interpretations

This Standard is not expected to impact the Union.

AASB 2010-5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1402] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

AASB 2010-6: Amendments to Australian Accounting Standards – Disclosure of Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the Union.

AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9.

As noted above, the Union has not yet determined any potential impact on the financial statements from adopting AASB 9.

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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Notes to the Financial Statements
For the period ended 30 June 2012

	2012	2011
	\$	\$
Note 2 - Revenue		
Subscriptions	33,256	46,639
Interest Revenue	145,634	183,820
Investment Revenue	1,121,359	500,666
Rental Income	1,638	2,184
Other Revenue	15,002	29,859
Total	<u>1,316,889</u>	<u>763,168</u>

Note 3 - Other Expenses from Ordinary Activities

Expenses		
- Audit & Accountancy	33,900	23,750
- Depreciation	7,532	13,467
- Other ordinary activities	58,845	112,565
Total	<u>100,277</u>	<u>149,782</u>

(a) Employee Benefits Expense

Office Holders

Salary and Wages	170,603	190,009
Annual Leave	7,522	14,113
Long Service Leave	3,939	3,095
Superannuation	77,036	92,582
Total Office Holders	<u>259,100</u>	<u>299,799</u>

Non - Office Holders

Salary and Wages	74,191	95,649
Annual Leave	3,725	4,170
Long Service Leave	944	4,682
Superannuation	6,677	8,634
Total Non-Office Holders	<u>85,537</u>	<u>113,135</u>

Note 4 - Cash and Cash Equivalent

Cash at Bank	642,102	404,784
Term Deposits	2,904,811	2,774,107
Total	<u>3,546,913</u>	<u>3,178,891</u>

Note 5 - Receivables

Current

Trade debtors	42,864	38,265
Prepayments	4,841	6,084
Total	<u>47,705</u>	<u>44,349</u>

Non-Current

Amounts receivable from		
- Related parties	3,522,512	3,115,005
Total	<u>3,522,512</u>	<u>3,115,005</u>

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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Notes to the Financial Statements
For the period ended 30 June 2012

Note 6 – Other Financial Asset	2012	2011
	\$	\$
Shares in other companies - at cost		
- Listed on a prescribed stock exchange	863,612	770,982
- Unlisted	6	6
	<u>863,618</u>	<u>770,988</u>
Options in other companies - at cost		
- Unlisted	793,416	800,327
	<u>793,416</u>	<u>800,327</u>
Shares in related parties - at cost		
- Shares in unlisted associated companies	2	2
	<u>2</u>	<u>2</u>
Total	<u><u>1,657,036</u></u>	<u><u>1,571,317</u></u>

Note 7 - Property, Plant And Equipment And Motor Vehicles

Buildings:		
At cost	122,353	122,353
Plant and Equipment		
At cost	48,209	48,209
Accumulated Depreciation	(42,877)	(41,975)
Total Plant and Equipment	<u>5,332</u>	<u>6,234</u>
Motor Vehicles		
At cost	76,534	76,534
Accumulated Depreciation	(47,745)	(41,115)
Total Motor Vehicles	<u>28,789</u>	<u>35,419</u>
Total Property, plant and Equipment	<u><u>156,474</u></u>	<u><u>164,006</u></u>

(a) Movements In Carrying Amounts

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial period.

	Buildings	Plant and Equipment	Motor Vehicles	Total
Balance at beginning of period	122,353	6,234	35,419	164,006
Additions	0	0	0	
Disposals	0	0	0	
Depreciation Expense	0	(902)	(6,630)	(7,532)
Carrying Amount at end of Period	<u>122,353</u>	<u>5,332</u>	<u>28,789</u>	<u>156,474</u>

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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Notes to the Financial Statements
For the period ended 30 June 2012

	2012	2011
	\$	\$
Note 8 – Payables		
Unsecured:		
- Other creditors	105,475	114,622
Total	<u>105,475</u>	<u>114,622</u>
Note 9 - Current Tax Liabilities		
GST payable control account	1,810	1501
Input tax credit control account	(1,283)	(1,102)
Amounts withheld from salary and wages	2,648	2,574
Total	<u>3,175</u>	<u>2,973</u>
Note 10 - Provisions		
Current		
Provision for Sick Leave - Office Holders	1,220	15,362
Provision for Sick Leave - Non - Office Holders	6,279	4,805
Total	<u>7,499</u>	<u>20,167</u>
Non- Current		
Provision for Long Service Leave - Office Holders	61,570	56,489
Provision for Long Service Leave - Non - Office Holders	14,072	12,441
Total	<u>75,642</u>	<u>68,930</u>

A provision has been recognized for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1 (e)

Note 11 – Cash Flow Information

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash equivalents includes cash on hand, at banks and on deposit or any other cash held that can be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value. Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at Bank	642,102	404,784
Term Deposits	2,904,811	2,774,107
Total	<u>3,546,913</u>	<u>3,178,891</u>

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Notes to the Financial Statements
For the period ended 30 June 2012

	\$	\$
(b) Reconciliation of Net Cash Provided by Operating Activities to Net Profit after Income Tax		
Operating profit (loss) after tax	871,975	200,452
Depreciation	7,532	13,467
(Profit) / Loss on sale of property, plant and equipment		(11,820)
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(4,599)	36,882
(Increase) decrease in prepayments	1,243	366
Increase (decrease) in other creditors	(9,147)	17,683
Increase (decrease) in employee entitlements	(5,958)	27,945
Increase (decrease) in sundry provisions	201	(161)
Net cash provided by operating activities	861,247	284,814

Note 12 – Contingent Liabilities

The Committee of Management is not aware of any contingent liabilities that are likely to have a material effect on the result of the Union

Note 13 – Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favorable than those available to other parties unless otherwise stated.

Transactions with related parties:

Loan

Amounts receivable from Dudley Trust - Related party	3,522,512	3,115,005
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Agreement

The Union has an agreement with Dudley Trust that should the requirement arise, the Union will assist with the costs of the Dudley Trust's employee accruals, maintenance and improvement of asset base and research and development, limited to the amount of the distribution of income to the Union combined with existing loan funds.

The Union has also agreed to assist Dudley Trust with costs of redundancies should their current labour Contract be cancelled. The liability for redundancy and other payouts is estimated to be \$2,000,000 and \$637,189 as at 30 June 2012 and 30 June 2011, respectively. Accordingly the repayment of the balance of the loan with Dudley Trust is not assured. The increase in this liability has been made to ensure it meets Fair Work Australia standards and to bring the provision in line with the loan agreement between the Union and the Dudley Trust. A provision for non-recovery has not been made in these accounts as no present obligation existed in relation to employee redundancy.

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Notes to the Financial Statements
For the period ended 30 June 2012

Note 14 – Key Management Personnel Compensation

Key Management personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Union. During the year, the key management personnel of the Council were remunerated as follows:

	Short Term Benefit s	Post- Employe nt Benefits	Total
2012			
Total compensation	405,380	0	405,308
2011			
Total compensation	299,799	0	299,799

Note 15 – Auditors' Remuneration

	2012	2011
	\$	\$
Remuneration of the auditor of the Union for:		
(a) auditing or reviewing the financial statements	5,200	4,800
(b) other services	0	0

Note 16 – Events After The Reporting Date

The Swan Brewery has advised the Union that it will cease production by 31st March, 2013. Swan Brewery further advised that this will result in the loss of employment of 41 of the Union's Members who are employed by the Swan Brewery. Further to this the Union is aware that Swan Brewery has given notice to Dudley Pty Ltd (Industrial Alliance) that it will cease using its services coinciding with the end of production in March, 2013.

The above is likely to result in subscriptions from Members and income from The Dudley Trust to the Union being significantly decreased in subsequent financial years.

It is likely that the above will significantly affect the operations of the Union, the results of those operations and the state of affairs of the Union.

Note 17 - Operating Segments

The Union operates solely in one operating segment being the provision of trade union services. The Union operates from W Australia only.

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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Notes to the Financial Statements
For the period ended 30 June 2012

Note 18 - Financial Risk Management

	Note	2012 \$	2011 \$
Financial assets			
Cash & cash equivalents	4	642,102	404,784
Trade and other receivables	5	42,864	38,265
Other - term deposits	4	2,904,811	2,774,107
Total		<u>3,589,777</u>	<u>3,217,156</u>
Financial liabilities			
Trade and other payables	8	105,475	114,622
Tax Liabilities	10	3,175	2,973
Total		<u>108,650</u>	<u>117,595</u>

(a) Financial Risk Management Policies

The Committee of Management monitors the Union's financial risk management policies and exposures and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, financing risk and interest rate risk. The Committee of Management meets regularly to review the financial exposure of the Union.

The Union's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and accounts payable.

The main purpose of non-derivative financial instruments is to raise finance for the Union's operations. The Union does not have any derivative instruments at 30 June 2012.

- (i) **Financial Risk exposures and management**
The main risk is the Union is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed through utilizing floating interest bearing instruments, with reputable banking institutions. The Union had no debt as at 30 June 2012.

Foreign currency risk

The Union is not exposed to fluctuations in foreign currencies.

Liquidity risk

The Union manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilized borrowing facilities are maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognized financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

There are no material amounts of collateral held as security at 30 June 2012.

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Notes to the Financial Statements
For the period ended 30 June 2012

Credit risk is managed and reviewed regularly by the Committee of Management. It arises from exposures to members as well as through certain derivatives financial instruments and deposits with financial institutions.

The Committee of Management monitors credit risk by actively assessing the rating quality and liquidity of counter parties, only banks and financial institutions with a strong rating are utilized.

The Union does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Union.

Price risk

The Union is not exposed to any material commodity price risk.

(b) Financial Instrument Composition and Maturity Analysis

	Floating Interest Rate		Fixed Interest Rate Maturing				Non-interest Bearing		Total	
			Within 1 period		1 to 5 periods					
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Financial Assets	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash & Cash equivalents	3,546,913	3,178,891							3,546,913	3,178,891
Trade and other receivables							47,705	44,349	47,705	44,349
Total Financial Assets	3,546,913	3,178,891					47,705	44,349	3,594,618	3,223,240
Financial Liabilities										
Trade & other Payables							105,475	114,622	105,475	114,622
Tax Liabilities							3,175	2,973	3,175	2,973
Total Financial Liabilities							108,650	117,595	108,650	117,595
	2012	2011								
	\$	\$								
Trade and Other Payables are expected to be paid as follows:										
Less than 6 months	108,650	117,595								
	108,650	117,595								

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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Notes to the Financial Statements
For the period ended 30 June 2012

(c) Net Fair Values

The Union's financial assets and liabilities included in the statement of financial position are carried at amounts that approximate net fair value. There are no material variations between fair value and carrying value in the Union's financial Instruments.

(d) Sensitivity Analysis

Market risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognized at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Union is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed using a mix of fixed and floating rate financial instruments. The effective interest rate exposures to interest rate financial instruments are as follows:

	Note	Weighted Average Effective Interest Rate		2012	2011
		2012 %	2011 %	\$	\$
Floating rate instruments					
Cash and cash equivalents		5.16	6.01	3,546,913	3,178,891

(e) Sensitivity Analysis

Interest Rate Risk

The Union has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current period results and equity which could result from a change in this risk.

Interest Rate Sensitivity Analysis:

At 30 June 2012, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2012	2011		
	\$	\$		
Change in profit				
Increase in interest rate by 1%	35,469	31,788		
Decrease in interest rate by 1%	(35,469)	(31,788)		
Change in Members Equity				
Increase in interest rate by 1%	35,469	31,788		
Decrease in interest rate by 1%	(35,469)	(31,788)		

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remained unchanged.

No sensitivity analysis has been performed on foreign exchange risk, as the Union is not exposed to foreign currency fluctuations.

Breweries And Bottleyards Employees' Industrial Union Of Workers Of WA
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Notes to the Financial Statements
For the period ended 30 June 2012

Note 19 – Union Details

The principal of business of the Union is:

Canning Vale Commerce Centre
Unit 11/ 64 Bannister Road
Canning Vale WA 6155

Note 20 – Notice Required Under The Fair Work (Registered Organisation) Act 2009

In accordance with the requirements of the Fair Work (*Registered Organizations*) Act 2009, the attention of members is drawn to the following provision of subsections (1), (2) and (3) of Section 272, which reads as follows:

- (1) A member of a reporting unit, or a Register, 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).
-



INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BREWERIES AND BOTTLEYARDS EMPLOYEES' INDUSTRIAL UNION OF WORKERS OF WESTERN AUSTRALIA

Report on the Financial Statements

I have audited the accompanying financial statements of the Breweries and Bottleyards Employees' Industrial Union of Workers of Western Australia ("the Union"), which comprises the statement of financial position as at 30 June 2012 and the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the 9 months' period ended on that date, a summary of significant accounting policies and other explanatory notes and the Committee of Management's operating report and statement.

Committee's Responsibility for the Financial Statements

The Committee of Management is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009 ("Act"). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements 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.

In Note 1, the Committee Members also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial statements, comprising the financial statements and notes, comply with IFRS.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 committee members, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian professional ethical pronouncements. I confirm that the independence declaration provided to the Committee of Management would be in the same terms if provided to the Committee of Management as at the date of this auditors report.

Auditor's Opinion

In my opinion;

- (1) the financial statements of the Breweries and Bottleyards Employees' Industrial Union of Workers of Western Australia is in accordance with
 - (a) 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) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.
 - (2) the Union has kept satisfactory accounting records for the financial period including records of:
 - (i) the sources and nature of the Union's income, including membership subscriptions and other income from members; and
 - (ii) the nature of and reasons for the Union's expenditure.
 - (3) All the information and explanations that officers and employees of the Union were required to provide have been provided; and
 - (4) There was no deficiency, failure or shortcoming in any matters referred to in (1) to (3) above.
-

Dated the 19th day of November 2012



SIM KWONG LIM
Registered Company Auditor
Registration Number: 14053



FAIR WORK
COMMISSION

22 January 2013

Mr Ron Murphy
Secretary
The Breweries and Bottleyards Employees' Industrial
Union of Workers of Western Australia

Sent by email: beu@rts.com.au

Dear Mr Murphy,

Failure to lodge audited financial report - [FR2012/466]

Our records indicate that The Breweries and Bottleyards Employees' Industrial Union of Workers of Western Australia (the reporting unit) has failed to lodge its audited financial report for the financial year ended 30 June 2012 despite Fair Work Australia (as it was) reminding the reporting unit of its obligation to do so by letter dated 6 August 2012.

As you have previously been advised, section 268 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires reporting units to lodge an audited financial report with the Fair Work Commission within a maximum of 6 months and 14 days of the end of their financial year (that is, no later than 14 January 2013).

Paragraph 7.4 of the FWC Regulatory Compliance Policy (a copy of which is attached) states as follows:

- 7.4 *Where the possible contravention involves failure by an organisation, branch or reporting unit to lodge a matter with FWC in accordance with the timeframes specified in the RO Act, RO Regulations or the rules of the organisation, branch or reporting unit:*
- a. *The Regulatory Compliance Branch will contact the organisation, branch or reporting unit, by telephone and/or in writing, within two weeks to advise that lodgement is overdue;*
 - b. *If lodgement has not occurred within one month of the timeframe specified in the RO Act, RO Regulations or rules, the Regulatory Compliance Branch will advise the organisation, branch or reporting unit that it is seeking voluntary compliance within a specified timeframe and that, in the absence of such voluntary compliance without cause, FWC will commence an inquiry or investigation or initiate court proceedings; and*
 - c. *If lodgement has not occurred within the timeframe specified in the correspondence referred to in paragraph b and the organisation, branch or reporting unit has not been able to show cause regarding why it should not do so, FWC will commence an inquiry or investigation or initiate court proceedings in accordance with this policy as soon as reasonably practicable.*

Section 331 of the RO Act empowers the General Manager of the Fair Work Commission to investigate compliance by a reporting unit (such as The Breweries and Bottleyards Employees' Industrial Union of Workers of Western Australia), its officers, employees and auditor(s) with:

- Part 3 of Chapter 8 of the RO Act;
- the reporting guidelines made under that Part;
- the regulations made for the purposes of that Part;
- the The Breweries and Bottleyards Employees' Industrial Union of Workers of Western Australia rules regarding finances and financial administration; and
- civil penalty provisions of the RO Act (see s.305).

In accordance with the processes specified in paragraph 7.4(b) of the *FWC Regulatory Compliance Policy* which are set out above, the reporting unit is required to lodge its outstanding audited financial report with the Fair Work Commission by no later than 14 February 2013.

Should the reporting unit fail to do so without reasonable cause, the Fair Work Commission may commence an investigation under s.331 of the RO Act without further notice.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au.

Yours sincerely,



Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch



FAIR WORK
AUSTRALIA

6 August 2012

Mr Ron Murphy
Secretary
The Breweries and Bottleyards Employees' Industrial Union of Workers of Western Australia

beu@rts.com.au

Dear Mr Murphy,

**Lodgement of Financial Documents for year ended 30 June 2012 [FR2012/466]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the The Breweries and Bottleyards Employees' Industrial Union of Workers of Western Australia (the "reporting unit") has recently ended. This is a courtesy letter to remind you of the obligation to prepare and process the reporting unit's financial documents. The full financial report must be lodged with Fair Work Australia within a period of 6 months and 14 days of the end of the financial year.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. The attached *Timeline/Planner* summarises these requirements.

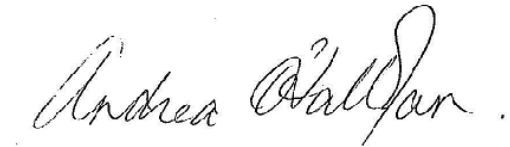
Failure to comply with these requirements is subject to a civil penalty provision - see s305 of the RO Act.

In addition, financial reporting fact sheets and sample documents can be found on our Fair Work Australia website. The information can be viewed at www.fwa.gov.au – under *Registered Organisations – Overview – Fact sheets*. This site also contains the Financial Reporting Guidelines.

This office encourages you to lodge all financial reports electronically (e.g. as pdf files) at orgs@fwa.gov.au. Alternatively, you can forward the documents by fax to (03) 9655 0410.

Please do not hesitate to contact me on (03) 8661 7787 or by email at Andrea.O'HALLORAN@fwa.gov.au if you wish to discuss the requirements outlined in this correspondence.

Yours sincerely,

A handwritten signature in black ink that reads "Andrea O'Halloran". The signature is written in a cursive style with a large, looped initial 'A'.

Andrea O'Halloran
Organisations, Research & Advice
Fair Work Australia

TIMELINE/ PLANNER

Financial reporting period ending:	/ /
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Prepare financial statements and Operating Report.
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(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /
(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	

As soon as practicable after end of financial year

Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /
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*Within a reasonable time of having received the GPFR
(NB: Auditor's report must be dated on or after date of Committee of Management Statement*

Provide full report free of charge to members – s265 The full report includes:	/ /
<ul style="list-style-type: none"> • the General Purpose Financial Report (which includes the Committee of Management Statement); • the Auditor's Report; and • the Operating Report. 	

(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,

or

(b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year.*

Present full report to:	/ /
(a) General Meeting of Members - s266 (1),(2); OR	
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /

Within 6 months of end of financial year

Within 6 months of end of financial year

Lodge full report with Fair Work Australia, together with the #Designated Officer's certificate** – s268	/ /
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Within 14 days of meeting

* *the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.*

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ *The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.*