

**“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED
INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING
WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH**

FINANCIAL REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**OPERATING REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

The State Council, being the Committee of Management for the purposes of the *Fair Work (Registered Organisations) Act 2009*, presents its operating report of the “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU) – Queensland Branch for the financial year ended 30 September 2016.

The operational name for the Automotive Food Metals Engineering Printing and Kindred Industries Union (AFMEPKIU) is the Australian Manufacturing Workers’ Union (AMWU). The Union is a ‘not for profit’ entity, a registered organisation under *Fair Work Act (Registered Organisations) Act 2009*.

Review of the State’s Principal Activities

The AFMEPKIU’s principal industrial objectives are aimed at the improvement of wages and working conditions for members throughout industry. This has been done primarily by way of industrial awards and enterprise agreements. The AFMEPKIU has also been active in trying to influence governments at all levels on a wide range of political issues.

Significant Changes in Principal Activities

There were no significant changes in the nature of the Branch’s principal activities during the financial year.

Results of Principal Activities

During the year to 30 September 2016 the AFMEPKIU negotiated and registered 250 enterprise bargaining agreements nationally, 75 of which were from Queensland.

The AFMEPKIU’s National Office is responsible for applying to improve industrial awards covering our members. During the year ended 30 September 2016 the National Office improved award minimum rates for all workers, gained a significant increase for apprentices, and inserted new classifications, allowances and pay rates in some of the modern awards covering our members. The State Branch is responsible for advising members in their State of these gains and ensuring members receive the appropriate wage.

The AFMEPKIU Queensland Branch’s principal activities resulted in a deficit for the financial year of \$20,249.

Significant Changes in Financial Affairs

There were no significant changes in the financial affairs of the Branch during the financial year.

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**OPERATING REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

The Right of Members to Resign

Rule 43(8) of the AFMEPKIU Rules states that a member may resign his/her membership by notifying his/her State Secretary in writing, addressed and delivered to that officer.

A notice of resignation from membership takes effect:

- (a) Where the member ceases to be eligible to become a member of the organisation:
 - (i) On the day on which the notice is received by the organisation; or
 - (ii) On the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later; or

- (b) In any other case:
 - (i) At the end of two weeks, after the notice is received by the organisation; or
 - (ii) On the day specified in the notice;

whichever is later.

Any dues payable but not paid by a former member of the organisation, in relation to a period before the member’s resignation from the organisation took effect, may be sued for and recovered in the name of the organisation, in a court of competent jurisdiction, as a debt due to the organisation.

A notice delivered to the State Secretary shall be taken to have been received by the organisation when it is delivered.

A notice of resignation that has been received by the organisation is not invalid because it was not addressed and delivered to the State Secretary.

A resignation from membership is valid even if it is not effected in accordance with this Rule if the member is informed in writing by or on behalf of the organisation that the resignation has been accepted.

Nothing in Rule 43(8) of the AFMEPKIU Rules interferes with a member’s right to resign from the union as set out under section 174(1) of the *Fair Work (Registered Organisations) Act 2009*. In accordance with section 174(1) of the *Fair Work (Registered Organisations) Act 2009* a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**OPERATING REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

Statement of Salaries, Board Fees, Associated Entities, Key Relationships & Disclosure Statements

Salaries

The Queensland Branch’s top five salary rates are as follows:

| Level | Position | Per Annum |
|-------|---|--------------|
| 4 | Organiser | \$83,441.80 |
| 5 | Senior Organiser | \$87,609.60 |
| 6 | Team Leader/Assistant State Secretary Level 1 | \$92,024.40 |
| 7 | Assistant State Secretary Level 2 | \$98,438.60 |
| 8 | State Secretary | \$104,205.40 |

Note: AFMEPKIU base superannuation is paid at a range of between 10.5% and 12.5%, and annual leave loading is calculated at 17.5%. A maximum service increment of \$4,000 is payable to Officers with over 16 years of service.

The identity of the officers of the Queensland Branch who are the two highest paid in terms of relevant remuneration for the year ended 30 September 2016, are as follows:

| Position | Name | Salary, Super & Service Increment | Travel & Other Allowances | Non-Cash Benefits |
|---------------------------|---------------|-----------------------------------|---------------------------|------------------------------|
| State Secretary | Rohan Webb | \$116,940 | \$2,928 | Provision of a Motor Vehicle |
| Assistant State Secretary | Terry Bradley | \$114,537 | \$4,003 | Provision of a Motor Vehicle |

The following Officers left the employment of the Queensland Branch during the year ended 30 September 2016 and, in addition to their base salary and allowances for the period worked, they received payment for their accrued Long Service Leave and/or Annual Leave entitlements and/or a separation package consistent with National Council policy:

| Position | Name | Relevant Remuneration | Non-Cash Benefits |
|--------------------------------|---------------|-----------------------|------------------------------|
| Organiser/State Council member | Richard Finch | \$172,728 | Provision of a Motor Vehicle |

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**OPERATING REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

Board Fees

Board Fees received by the Queensland Branch on behalf of employees who are members of external boards, are as follows:

| Organisation | Amount received |
|---------------------|------------------------|
| Australian Super | \$13,426 |
| QLeave | \$2,449 |
| NT WorkSafe | \$304 |

Associated Entities

The AFMEPKIU Queensland Branch is not involved with any associated entity over which it has controlling or significant influence.

Key Relationships

The AFMEPKIU Queensland State Branch has developed key relationships over a long period with a number of suppliers of various goods and services. These relationships are conducted on normal commercial terms, and are periodically tested against market price:

| Supplier | |
|---|--|
| Building Services | Printing & Publicity Services |
| INITAL | OFFICEWORKS |
| Financial Services | G&G TRADE PUBLISHING & DISTRIBUTION |
| MGI AUDIT (Q) PTY LTD | LIFESTYLE AUSTRALIA |
| WARREN SAUNDERS INS BROKERS | HOWARD WILLIAM & CO P/L |
| IT & Communications Services | Travel Services |
| TELSTRA | AMERICAN EXPRESS |
| COTEL | FCM Travel Solutions |
| Legal Services | QANTAS |
| MAURICE BLACKBURN LAWYERS | Vehicle Services |
| | SUMMIT |

Officers’ Material Personal Interests

For the year ended 30 September 2016, the Officers of the AFMEPKIU Queensland State Branch have declared no material personal interests.

Payments to related parties or declared persons

For the year ended 30 September 2016, the AFMEPKIU Queensland State Branch has made no reportable payments to any related party or declared person or body of the Union.

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**OPERATING REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

State Officers or Members who are Trustees of a Superannuation Entity

The details of each officer or member of the Queensland Branch who is a trustee of a superannuation entity or an exempt public sector superannuation scheme or 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, are as follows:

| Name of officer or member | Superannuation Fund | Position Held |
|----------------------------------|----------------------------|----------------------|
| Rohan Webb | Australian Super | Director |

Other Relevant Information

The Queensland Branch is not aware of any other relevant information.

Prescribed Information Required Under the Fair Work (Registered Organisations) Regulations 2009

- (a) The number of persons who were recorded in the register of members on 30 September 2016 was 14,245 (2015: 15,721).
- (b) The number of persons who were employees of the reporting unit on 30 September 2016 was 0.0 (2015: 0.0).
- (c) The name of each person who has been a member of State Council, at any time during the reporting period, and the period for which he or she held such a position is as follows:

| Name | Period Position Held |
|---------------------|-----------------------------|
| Ann-Marie Allan | 27/05/2016 to 30/09/2016 |
| Anthony Head | 01/10/2015 to 30/09/2016 |
| Antonino Crisafully | 01/10/2015 to 30/09/2016 |
| Ashley Blades | 01/10/2015 to 30/09/2016 |
| Bernard Misztal | 01/10/2015 to 30/09/2016 |
| Bill Thanas | 01/10/2015 to 30/09/2016 |
| Brad Hansen | 01/10/2015 to 28/10/2015 |
| Brian Devlin | 01/10/2015 to 30/09/2016 |
| Christopher Harper | 01/10/2015 to 30/09/2016 |
| Daniel Dougherty | 01/10/2015 to 30/09/2016 |
| Edward Couch | 01/10/2015 to 30/09/2016 |
| Geoff Lowry | 01/10/2015 to 30/09/2016 |
| Ian McComb | 01/10/2015 to 30/09/2016 |
| Ivan Reis | 01/10/2015 to 30/09/2016 |
| James Thompson | 01/10/2015 to 30/09/2016 |
| Jason Lund | 27/05/2016 to 30/09/2016 |
| Jeff Frew | 01/10/2015 to 30/09/2016 |

**AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING & KINDRED INDUSTRIES
UNION - QUEENSLAND BRANCH**

**OPERATING REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

| Name | Period Position Held |
|-------------------|-----------------------------|
| Kaela Lay | 01/10/2015 to 26/05/2016 |
| Katelyn Dougherty | 01/10/2015 to 30/09/2016 |
| Mark Johnstone | 01/10/2015 to 30/09/2016 |
| Maurice Veivers | 01/10/2015 to 26/05/2016 |
| Paul Ellis | 27/05/2016 to 30/09/2016 |
| Peta Devitt | 27/05/2016 to 30/09/2016 |
| Rick Finch | 01/10/2015 to 26/05/2016 |
| Rohan Webb | 01/10/2015 to 30/09/2016 |
| Steve Fainges | 01/10/2015 to 30/09/2016 |
| Steven Robertson | 27/05/2016 to 30/09/2016 |
| Terry Bradley | 01/10/2015 to 30/09/2016 |
| Timothy Frazer | 01/10/2015 to 26/05/2016 |
| Vladimir Nikolic | 01/10/2015 to 30/09/2016 |

Signed in accordance with a resolution of State Council


.....

Rohan Webb

State Secretary

24 November 2016

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

COMMITTEE OF MANAGEMENT’S STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2016

On 24 November 2016 the State Council of the “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU) – Queensland Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 September 2016.

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

- (a) the financial report and notes comply with the Australian Accounting Standards.
- (b) the financial report and notes comply with the reporting guidelines of the General Manager;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 30 September 2016;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 September 2016 and since the end of the financial year:
 - (i) meetings of the Branch committee of management were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
 - (iv) as the organisation consists of two or more reporting units, the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) no information has been sought in any request by a member of the Branch or General Manager duly made under Section 272 of the RO Act; and
 - (vi) no orders for inspection of financial records have been made by Fair Work Commission under section 273 of the RO Act.
- (f) during the financial year ended 30 September 2016 the Branch did not participate in any recovery of wages activity

This declaration is made in accordance with a resolution of the State Council:



.....
Rohan Webb

Queensland State Secretary

24 November 2016

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

| | Note | 2016 \$ | 2015 \$ |
|---|----------|------------------|------------------|
| INCOME | | | |
| Capitation Fees | | - | - |
| Levies | | - | - |
| Grants and/or Donations | | - | - |
| Membership Contribution | 1(a)(i) | - | - |
| Remittances from National Council General Fund | | 1,212,645 | 1,419,035 |
| Board Fees | | 16,179 | 18,350 |
| Interest Received | | 19 | 12 |
| Other Income (Legal fees reimbursement) | | 114,000 | - |
| TOTAL INCOME | | <u>1,342,843</u> | <u>1,437,397</u> |
| EXPENDITURE | | | |
| Affiliation fees | 4(a) | 143,634 | 141,046 |
| Bank charges | | 473 | 400 |
| Capitation fees | | - | - |
| Consideration to employers for payroll deductions | | - | - |
| Compulsory levies | | - | - |
| Fees and allowances | | - | - |
| Conference & meeting expenses | | 88,581 | 28,729 |
| Delegation/employee expenses – office holders | | 81,991 | 87,599 |
| Delegation/employee expenses – other employees | | 65,397 | 89,982 |
| Delegation expenses – members | | 101,487 | 116,779 |
| Employee expenses | 1(a)(v) | - | - |
| General office expenses | | 84,577 | 87,586 |
| Grants or donations | 4(b) | 32,668 | 38,759 |
| Insurance | | 19,672 | 19,806 |
| Motor vehicle expenses | | 106,219 | 124,008 |
| Newsletter expenses | | 5,691 | 11,787 |
| Payroll tax | | 178,967 | 186,706 |
| Penalties – via RO Act or RO Regulations | | - | - |
| Photocopying | | 4,006 | 3,699 |
| Postage | | 24,671 | 28,332 |
| Printing | | 460 | 4,477 |
| Publicity | | 197,855 | 140,907 |
| Professional services | 5 | 181,848 | 214,263 |
| Research | | 6,125 | 929 |
| Stationery | | 13,755 | 17,482 |
| Telephone | | 25,015 | 43,829 |
| TOTAL EXPENDITURE | | <u>1,363,092</u> | <u>1,387,105</u> |
| (DEFICIT)/SURPLUS BEFORE INCOME TAX | | <u>(20,249)</u> | <u>50,292</u> |
| Income tax expense | 1(a)(iv) | - | - |
| Deficit/ (surplus) for the year | | (20,249) | 50,292 |
| <i>Other comprehensive income</i> | | | |
| Other comprehensive income (net of income tax) | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>(20,249)</u> | <u>50,292</u> |

The above statement should be read in conjunction with the notes

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016**

| | Note | 2016 \$ | 2015 \$ |
|--------------------------------|-----------|---------------|---------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 6 | 13,112 | 28,226 |
| Receivables | 7 | <u>47,060</u> | <u>49,994</u> |
| Total Current Assets | | <u>60,172</u> | <u>78,220</u> |
| Non-current Assets | | <u>-</u> | <u>-</u> |
| TOTAL ASSETS | | <u>60,172</u> | <u>78,220</u> |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade and other payables | 8 | <u>32,086</u> | <u>29,885</u> |
| Non-current Liabilities | | | |
| Employee provisions | 1(a)(vii) | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES | | <u>32,086</u> | <u>29,888</u> |
| NET ASSETS | | <u>28,086</u> | <u>48,335</u> |
| MEMBERS EQUITY | | | |
| Retained earnings | | <u>28,086</u> | <u>48,335</u> |

The above statement should be read in conjunction with the notes

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS (LOSSES)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

| | Retained Earnings \$ | Total \$ |
|-------------------------------------|-------------------------------------|---------------------|
| Balance at 1 October 2014 | (1,957) | (1,957) |
| Surplus attributable to members | 50,292 | 50,292 |
| Other comprehensive income | <u>-</u> | <u>-</u> |
| Balance at 30 September 2015 | <u>48,335</u> | <u>48,335</u> |
| Balance at 1 October 2015 | 48,335 | 48,335 |
| Deficit attributable to members | (20,249) | (20,249) |
| Other comprehensive income | <u>-</u> | <u>-</u> |
| Balance at 30 September 2016 | <u>28,086</u> | <u>28,086</u> |

The above statement should be read in conjunction with the notes

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | Note | 2016 \$ | 2015 \$ |
|--|------|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Remittances from National Council | | 1,309,999 | 1,419,035 |
| Board Fees | | 16,179 | 15,176 |
| Interest received | | 19 | 12 |
| Receipts from other customers (legal fees reimbursement) | | 114,000 | - |
| Payments to suppliers and employees | | <u>(1,455,311)</u> | <u>(1,409,142)</u> |
| Net cash (used in)/ provided by operating activities | 9(b) | <u>(15,114)</u> | <u>25,081</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| | | - | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| | | - | - |
| NET (DECREASE)/ INCREASE IN CASH HELD | | <u>(15,114)</u> | <u>25,081</u> |
| Cash at the beginning of the year | | <u>28,226</u> | <u>3,145</u> |
| CASH AT THE END OF THE YEAR | 9(a) | <u>13,112</u> | <u>28,226</u> |

The above statement should be read in conjunction with the notes

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGE ACTIVITY FOR THE YEAR ENDED 30 SEPTEMBER 2016

| | Notes | 2016 \$ | 2015 \$ |
|---|-------|------------|------------|
| Cash assets in respect of recovery money at beginning of year | | | |
| Receipts | | | |
| Amount recovered from employers in respect of wages etc. | | - | - |
| Interest received on recovered money | | - | - |
| Total Receipts | | - | - |
| Payments | | | |
| Deductions of amounts due in respect of membership for: | | | |
| - 12 months or less | | - | - |
| - greater than 12 months | | - | - |
| Deductions of donations or other contributions to accounts or funds of | | | |
| - the Branch | | - | - |
| - other entity | | - | - |
| Deductions of fees or reimbursements of expenses | | - | - |
| Payments to workers in respect of recovered money | | - | - |
| Total Payments | | - | - |
| Cash assets in respect of recovery money at end of year | | - | - |
| Number of workers to which the monies recovered relates | | - | - |
| Aggregate payables to workers attributable to recovered monies but not yet distributed | | | |
| Payable balance | | - | - |
| Number of workers the payable relates to | | - | - |

The above statement should be read in conjunction with the notes

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

1. SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisations) Act 2009* (the RO Act). For the purpose of preparing the general purpose financial statements, the “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU) – Queensland Branch is a not-for-profit entity.

Australian Accounting Standards set out accounting policies that AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the presentations of these financial statements are present below and have been consistently applied unless stated otherwise.

The financial report is for the “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU) – Queensland Branch. The “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU) is an organisation registered under the RO Act. “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU) Queensland Branch is a Branch of the registered organisation. In accordance with the RO Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Branch are not subject to the *Corporations Act 2001*.

The financial report has been prepared, except for cash flow information on an accrual basis, except for cash flow information and in accordance with historical cost. Historical cost is generally 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 the financial position. The financial statements are presented in Australian dollars.

The Financial Statements were authorised for issued on 24 November 2016 by state council.

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following is a summary of the significant accounting policies adopted by the Queensland Branch in the preparation of the financial report.

a) (i) Revenue

Revenue is measured at fair value of the consideration received or receivable after taking into account any trade discounts and rebates allowed.

Interest revenue is recognised on an accrual basis using the effective interest method.

(ii) Gains

Sale of assets

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

(iii) Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

(iv) Membership Contributions

All members’ contributions are paid direct to National Council. Remittances from National Council are the amounts reimbursed by the National Council to cover Branch expenses and are recognised when received by the Branch.

(v) Expenditure

Expenses represent amounts paid directly by the Branch for operational costs. Expenditure relating to salaries which relate to the Branch are paid by National Council and are properly disclose in their financial statements. Salaries include but not limited to wages, allowances and superannuation expenses.

(vi) Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(vii) Employee Entitlements

Provision for employee benefits in the form of Long Service Leave and Accrued Annual Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment in the financial report of the National Council.

(viii) Property, Plant and Equipment

All fixed assets are recorded in the financial reports of the National Council and the depreciation regarding those assets is charged in the National Council accounts.

(ix) Income Tax

No provision for income tax is necessary, as Trade Unions are exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*. The Union still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

(x) Goods and Services Tax (GST)

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

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

Cash flows are included in the statement of cash flows on a gross basis.

(xi) Financial instruments

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(xii) Fair value measurement

The Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 12.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Branch determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(xiii) Fair value measurement (Continued)

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy

(xiv) Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

(xv) Comparative amounts

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

b) Going concern basis of accounting

The financial report has been prepared on the basis that the Branch is a going concern, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The State Council believes it is appropriate to adopt the going concern basis for preparing the report on the grounds that the National Council has made an undertaking to provide financial support to the Branch.

The Branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

c) Adoption of New Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year and have not been impacted by any new standards adopted in the current financial year.

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Future Australian Accounting Standard requirements

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted for the annual reporting period ended 30 September 2016. These are outlined in the table below.

| Reference | Title | Summary | Application date of standard | Impact on financial report | Application date for the Branch |
|--------------------------------|---------------------------------------|--|--|--|---------------------------------|
| AASB 15 | Revenue from contracts with customers | This standard provides a single comprehensive framework for determining whether, how much and when revenue is recognised. The core principle of the standard is that an entity will recognise revenue when control of goods or services is transferred rather than on transfer of risks and rewards as is currently the case under AASB118: Revenue. | For financial years commencing after 1 January 2018 | The Branch is yet to assess its full impact. | 1 July 2017 |
| AASB 16 (issued February 2016) | Leases | This standard eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It requires the entity to bring most leases onto its balance sheet in a similar way to how existing leases are treated under AASB117. An entity will be required to recognise a lease liability and a right of use of the asset in its balance sheet. There are some exemptions such as leases with a period of 12 months or less and low value leases are exempted. | For financial years commencing on or after 1 January 2019. | The Branch is yet to assess its full impact. | 1 July 2018 |

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Queensland Branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(b) Critical judgments in applying the Queensland Branch’s accounting principles

There are no critical judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK COMMISSION

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of Section 272 of *Fair Work (Registered Organisations) Act 2009* which read as follows:

- 1) A member of a reporting unit, or the General Manager of Fair Work Commission, 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)

| | 2016 | 2015 |
|--|----------------|----------------|
| | \$ | \$ |
| 4a. Affiliation Fees | | |
| Union Shopper | 39,175 | 40,062 |
| Queensland Council of Unions | 103,859 | 100,452 |
| Labour History | 100 | 50 |
| APAN | 200 | 182 |
| Qld Asbestos Related Disease Support Association | 300 | 300 |
| | <u>143,634</u> | <u>141,046</u> |

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

| | 2016 | 2015 |
|---|-----------------------|-----------------------|
| | \$ | \$ |
| 4b. Grants or Donations | | |
| Grants: | | |
| Total paid that were \$1,000 or less | - | - |
| Total paid that exceeded \$1,000 | - | - |
| Donations: | | |
| Total paid that were \$1,000 or less | 12,621 | 7,753 |
| Total paid that exceeded \$1,000 | <u>20,047</u> | <u>31,006</u> |
| Total grants or donations | <u>32,668</u> | <u>38,759</u> |
| 5. PROFESSIONAL SERVICES | | |
| Auditors - Auditing the financial report | 19,299 | 9,800 |
| - Other Services | - | - |
| | <u>19,299</u> | <u>9,800</u> |
| Legal Costs | | |
| Litigation | 143,817 | 144,804 |
| Other Legal Matters | 18,732 | 59,659 |
| | <u>162,549</u> | <u>204,463</u> |
| | <u>181,848</u> | <u>214,263</u> |
| 6. CASH AND CASH EQUIVALENTS | | |
| Cash at Bank | <u>13,112</u> | <u>28,226</u> |
| 7. RECEIVABLES | | |
| Receivable from other reporting units | - | - |
| Other Receivables | | |
| Sundry debtors | <u>47,060</u> | <u>49,994</u> |
| Total receivables | <u>47,060</u> | <u>49,994</u> |
| 8. TRADE AND OTHER PAYABLES | | |
| Trade and other payables | 28,148 | 8,239 |
| Other payables – legal costs | | |
| Litigation | - | - |
| Other legal matters | 3,938 | 21,646 |
| Consideration to employers for payroll deductions | - | - |
| Payables to other reporting units | <u>-</u> | <u>-</u> |
| | <u>32,086</u> | <u>29,885</u> |

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

| | 2016 \$ | 2015 \$ |
|---|------------------|------------------|
| 9. CASH FLOW | | |
| For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks and other financial institutions. | | |
| (a) Cash at bank | <u>13,112</u> | <u>28,226</u> |
| Reconciliation of cash flow from operations with Net Surplus (Deficit) | | |
| Net Surplus (Deficit) | (20,249) | 50,292 |
| (b) Changes in Assets and Liabilities: | | |
| (Increase)/ decrease in receivables | 2,934 | (24,766) |
| Increase/ (decrease) in payables | 2,201 | (445) |
| | <u>(15,114)</u> | <u>25,081</u> |
| CASH FLOW FROM OPERATIONS | | |
| (c) CASH FLOW INFORMATION – Reporting Units | | |
| Cash inflows | | |
| Remittances from National Council | <u>1,309,999</u> | <u>1,419,035</u> |
| | <u>1,309,999</u> | <u>1,419,035</u> |
| Cash outflows | | |
| Payments to other reporting units | - | - |
| (d) CREDIT STAND BY ARRANGEMENTS | | |
| The Branch does not have any credit stand by arrangements at 30 September 2016 (2015: Nil). | | |
| (e) NON-CASH TRANSACTIONS | | |
| There were no non-cash transactions at the Branch during the 30 September 2016 year (2015: Nil). | | |
| 10. RELATED PARTY TRANSACTIONS | | |
| (a) The aggregate amount of remuneration paid to officers during the financial year is included in the National Council’s Financial Report. | | |
| (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officials is included in the National Council’s Financial Report. | | |
| (c) There have been no other transactions between the officers and the Union other than those relating to their membership of the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length. | | |

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

| | | |
|---------------------------------------|-------------|-------------|
| 10. RELATED PARTY TRANSACTIONS | 2016 | 2015 |
| | \$ | \$ |

(d) The ultimate controlling entity of the Branch is the “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU), National Council.

- (e) Transactions with Ultimate Controlling Entity
- (i) Remittances from National Council are disclosed in the statement of comprehensive income.
 - (ii) Net Amounts Receivable from the National Office are as follows:

Transactions with other branches/ National Office of the “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU) are on terms and conditions no more favourable than those available to other parties unless otherwise stated.

| | | |
|---------------------------------------|-----------|-----------|
| (a) AFMEPKIU – National Office | | |
| Remittances from National Council | 1,212,645 | 1,419,035 |
| (b) AFMEPKIU – National Office | | |
| Net amount receivable | - | - |

All amounts are exclusive of GST.

11. 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 Branch. Key management personnel comprise of all elected officials as well as those members of the committee of management. During the year, the key management personnel of the Branch were remunerated as follows:

| | Short-Term Benefits | Post-Employment Benefits | Termination Benefits | Total |
|--------------------|------------------------|-----------------------------|-------------------------|-------|
| 2016 | | | | |
| Total compensation | - | - | - | - |
| 2015 | | | | |
| Total compensation | - | - | - | - |

The amounts paid in 2016 relate to payments made by the Branch to State Council members as delegation/ meeting allowance.

Other key management personnel employed for the Branch (elected officials) were paid by National Office of the “Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union” known as the Australian Manufacturing Workers’ Union (AMWU). Consequently, no compensation as defined in AASB 124: Related Parties has been paid by the Branch to other key management personnel.

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

12. FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

The Branch is exposed to risks that arise from its use of financial instruments. This note describes the Branch’s objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the Branch’s exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Branch’s financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The State Council has overall responsibility for the determination of the Branch’s risk management objectives and policies.

(b) Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Branch.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

| | 2016 | 2015 |
|---|---------------|---------------|
| | \$ | \$ |
| Cash and cash equivalents | <u>13,112</u> | <u>28,226</u> |
| The cash and cash equivalents are held in a high quality Australian financial institution | | |
| Net amount receivable - National Council | - | - |
| Sundry Debtors | <u>47,060</u> | <u>49,994</u> |
| Total receivables | <u>47,060</u> | <u>49,994</u> |

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) *Liquidity risk*

Liquidity risk is the risk that the Branch may encounter difficulties raising funds to meet commitments associated with financial instruments.

The Branch is not significantly exposed to this risk; as at 30 September 2016 it had \$13,112 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 September 2016 totaled \$32,086.

The Branch manages liquidity risk by monitoring cash flows. Further the National Council has made an undertaking to provide financial support to the Branch.

(d) *Market risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) *Interest rate risk*

The Branch’s exposure to interest rate risk, which is the risk that a financial instrument’s value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

| 30 September 2016 | Floating interest rate | Non-interest Bearing | Total |
|--------------------------------|---------------------------------------|---------------------------------|---------------|
| | \$ | \$ | \$ |
| Financial Assets | | | |
| Cash and cash equivalents | 13,112 | | 13,112 |
| Receivables | - | 47,060 | 47,060 |
| | <u>13,112</u> | <u>47,060</u> | <u>60,172</u> |
| Weighted average Interest rate | .001% | | |
| Financial Liabilities | | | |
| Payables | - | 32,086 | 32,086 |
| | <u>-</u> | <u>32,086</u> | <u>32,086</u> |
| Net Financial Assets | <u>13,112</u> | <u>14,974</u> | <u>28,086</u> |

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

12. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Interest rate risk (Continued)

| 30 September 2015 | Floating interest rate | Non-interest bearing | Total |
|--------------------------------|-------------------------------|-----------------------------|---------------|
| Financial Assets | | | |
| | \$ | \$ | \$ |
| Cash and cash equivalents | 28,226 | - | 28,226 |
| Receivables | - | 49,994 | 49,994 |
| | <u>28,226</u> | <u>49,994</u> | <u>78,220</u> |
| Weighted average Interest rate | .001% | | |
| Financial Liabilities | | | |
| Payables | - | 29,885 | 29,885 |
| | <u>-</u> | <u>29,885</u> | <u>29,885</u> |
| Net Financial Assets | <u>28,226</u> | <u>20,109</u> | <u>48,335</u> |

Sensitivity Analysis

| 2016 | Carrying Amount | +50% (50 basis points) Profit | -50% (50 basis points) Loss |
|-------------|------------------------|--------------------------------------|------------------------------------|
| | \$ | \$ | \$ |
| Cash Assets | <u>13,112</u> | <u>6</u> | <u>6</u> |
| 2015 | | | |
| Cash Assets | <u>28,226</u> | <u>14</u> | <u>14</u> |

(f) Other Price Risks

The Branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(g) Foreign Exchange Risk

The Branch is not directly exposed to foreign exchange rate risk.

“AUTOMOTIVE, FOOD, METALS, ENGINEERING, PRINTING AND KINDRED INDUSTRIES UNION” KNOWN AS THE AUSTRALIAN MANUFACTURING WORKERS’ UNION (AMWU) - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

13. SUBSEQUENT EVENTS

There were no events that occurred after 30 September 2016, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

14. CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

There were no contingent liabilities, assets or commitments at 30 September 2016 (2015: Nil).

15. ADDITIONAL BRANCH INFORMATION

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

Union House
Level 1
366 Upper Roma Street
BRISBANE QLD 4000

INDEPENDENT AUDITOR'S REPORT

To the members of "Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU), Queensland Branch

Report on the Financial Report

We have audited the accompanying financial report of "Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU), Queensland, which comprises the statement of financial position as at 30 September 2016, the statement of comprehensive income, statement of changes in accumulated losses and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and committee of management statement.

Committee of Management and the Branch Secretary's Responsibility for the Financial Report

The Committee of Management and the Branch Secretary are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of *the Fair Work (Registered Organisations) Act 2009* and is appropriate to meet the needs of the members.

The Committee of Management and the Branch Secretary's responsibility also includes such internal control as they determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit 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 company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management and Branch Secretary, 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 Accounting Professional and Ethical Standards Board as well as the *Fair Work (Registered Organisations) Act 2009*.

Opinion

In our opinion:

- (a) the general purpose financial report of "Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU), Queensland Branch is in accordance with the *Fair Work (Registered Organisations) Act 2009*, including:
 - (i) presenting fairly the entity's financial position as at 30 September 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*.
- (b) management's use of the going concern basis of accounting in the preparation of the financial report of "Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union" known as the Australian Manufacturing Workers' Union (AMWU), Queensland Branch is appropriate.

Report on the recovery of wages activity

The Committee of management and the Branch Secretary are responsible for the preparation and presentation of the recovery of wages activity in accordance with section 253(2)(c) of the *Fair Work (Registered Organisations) Act 2009*. Our responsibility is to express an opinion on the recovery of wages activity within the financial report, based on our audit conducted in accordance with Australian Accounting Standards.

We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management and Branch Secretary to include within the scope of the audit any recovery of wages activity.

Auditor's qualification

We confirm that Graeme Ian Kent:

- (a) is an approved auditor;
- (b) is a person who is a member of The Institute of Chartered Accountants in Australia; and
- (c) holds a current Public Practice Certificate.

M.G.I

MGI Audit (Q) Pty Ltd



G I Kent

Director – Audit & Assurance

24 November 2016

Brisbane