



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition St, Melbourne Vic 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7990
Fax: (03) 9655 0410
andrew.schultz@air.gov.au

Mr Craig Cook
Secretary/Treasurer
Australian Meat Industry Council
2nd Floor, 25 - 27 Albany Street
CROWS NEST NSW 2065

By email - admin@amic.org.au

Dear Mr Cook,

Re: Financial Documents - Year ending 30 June 2007 - FR2007/475
Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)

I have received the Financial Report for the Australian Meat Industry Council for the year ending 30 June 2007. The documents were lodged on 24 December 2007.

A dated Auditor's Report was received on 10 March 2008.

The report has been filed. However the following improvements are required in future years:

All documents to be dated

It is noted that the following documents, when they were originally lodged on 24 December 2007, were not dated:

- Auditor's Report
- Operating Report
- Designated Officer's Certificate

All document prepared under the RAO Schedule should be dated as a matter of course.

In addition, the Auditor is expressly required to sign and date the Auditor's Report by s257(9) of the RAO Schedule.

This issue has been brought to the attention of AMIC in previous years (see attached).

If you have any queries please contact me on (03) 8661 7990.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Schultz', written over a horizontal line.

Andrew Schultz
Statutory Services Branch

11 March 2008



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition St, Melbourne Vic 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7990
Fax: (03) 9655 0410
andrew.schultz@air.gov.au

Mr Kevin Cottrill
Chief Executive Officer
Australian Meat Industry Council
Level 2, 25-27 Albany Street
CROWS NEST NSW 2065

By email - admin@amic.org.au

Dear Mr Cottrill,

Attention: Mr Peter Hopkins,

Re: Financial Documents – Y/E 30 June 2005 & 2006 - FR2005/419, FR2006/342
Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)

I have received the financial reports for the Australian Meat Industry Council for years ending 30 June 2005 and 2006. The documents were lodged in the Registry on 23 January 2007.

The financial reports have been filed.

The following comments may assist you when you next prepare financial reports. No further action is required regarding these issues with respect to the lodged documents.

Documents to be dated

It is noted that a number of reports and certificates (such as the Operating Report under s254 and the Designated Officer's Certificate under s268 (also known as the 'Secretary's Certificate')) were not dated.

All certificates and statements prepared under the relevant legislation should be dated as a matter of course.

Documents to be lodged in Registry within 14 days of meeting

The documents for year ending 30 June 2005 were presented to the Annual General Meeting on 12 December 2005 but were not lodged in the Registry until 23 January 2007.

In future financial years the documents should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented - see s268 of the RAO Schedule.

If you have any queries please contact me on (03) 8661 7990.

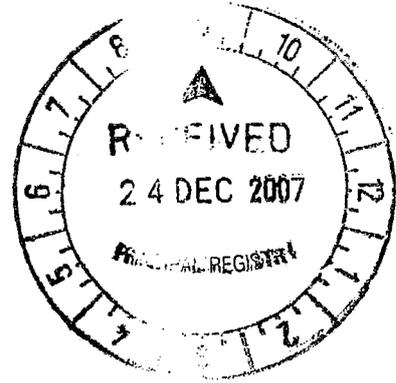
Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Schultz', with a long horizontal stroke extending to the right.

Andrew Schultz
Statutory Services Branch

25 January 2007

Mr A Schultz
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
MELBOURNE, VIC 3001



21 December 2007

Dear Mr Schultz,

Financial Documents for year ended 30 June 2007

Please find enclosed a copy of our Annual Report together with Secretary's Certificate.

If there are any outstanding lodgements, please let me know.

Yours sincerely,



Peter Hopkins
Manager Finance & Administration

AUSTRALIAN MEAT INDUSTRY COUNCIL

SECRETARY'S CERTIFICATE

I, Craig Cook, being the Secretary/Treasurer of the Australian Meat Industry Council, do hereby state that documents annexed hereto are copies of the reports and audited accounts and financial statements for the year ended 30th June 2007 that were:

Provided to members free of charge on or about 5th November 2007

Presented to a meeting of members of the Australian Meat Industry Council on 14 December 2007

I confirm that the documents have been supplied to members in accordance with subsection 279(1) and were presented to members in accordance with subsection 279/6.



Craig Cook,

Secretary/Treasurer



FR 2007/475

5 November 2007

TO ALL MEMBERS OF AMIC

Dear Member

In accordance with the requirements of Section 279 of the Industrial Relations Act, the accounts of the Australian Meat Industry Council for the year ended 30 June 2007, which appear on the following pages, are hereby circulated to all members.

These accounts will be submitted for adoption by members attending the Annual General Meeting of the organisation to be held at 10.00 am on Friday, 14 December 2007. The meeting will be held at AMIC House, 25-27 Albany Street, Crows Nest, NSW.

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

A handwritten signature in black ink, appearing to read 'K E Cottrill', is written over a horizontal line.

K E Cottrill
Chief Executive Officer

2nd Floor
25-27 Albany Street
Crows Nest NSW
Australia 2065
PO Box 1208
Crows Nest NSW 1585
T 02 9086 2200
F 02 9086 2201
ABN 65 990 653 488

NOTICE

ANNUAL GENERAL MEETING

Pursuant to Rule 13

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

WHERE: AMIC House
25-27 Albany Street
CROWS NEST NSW

WHEN: Friday, 14 December 2007 at 10.00am

BUSINESS:

1. Confirmation of Minutes of Annual General Meeting held on 18 December 2006;
2. Presentation of the Operating Report on the affairs of the AMIC;
3. Presentation of Audited Accounts and Statements of AMIC;
4. Presentation of Report of the Auditor for the year ended 30 June 2007.

Dated at Sydney
5 November 2007
25-27 Albany Street
CROWS NEST NSW 2065



K E Cottrill
Chief Executive Officer

AUSTRALIAN MEAT INDUSTRY COUNCIL
ABN: 65 990 653 488
OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2007

Review of principal activities

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

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

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

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

The National Retail Council represents independent retail outlets in the meat industry. During 2006–2007 further development has taken place on the Independent Local Butcher – the Fresh Meat Specialist program. This is a branding exercise intended to loosely bind the independent butchers into a strategic group and build on their common purpose – to be Fresh Meat Specialists. The program is supported by marketing and operating statements. The “Independent Local Butcher – Fresh Meat Specialist” theme is reproduced on all related documentation.

The National Retail Council has also addressed many specific issues including, but not limited to, sheep meat eating quality, food safety and training requirements for the retail trade. During the year the Retail Strategic Plan was updated and the inaugural National Retail Conference took place in June.

The National Retail Council is also the initiator of a number of events for the enhancement of members’ profile within the community. These include the National Sausage King and associated events in each state, Awards Nights where members are recognised for achievements and a National Trade Day, where exhibits specific to meat retailing are featured.

The Australian Processor Council also has a strategic direction which primarily includes greater access to world markets. This drives a strong focus on continuous improvements in processes and procedures to enhance the customers’ perception of the suitability of our products to satisfy their needs. The Australian Processor Council, together with its various National Councils, has therefore taken the National Livestock Identification System and Livestock Production Assurance system as a logical extension to the post farm gate product assurance systems.

The National Smallgoods Council represents the further processing meat industry sector. Specific issues relating to Country of Origin Labelling were addressed.

The Smallgoods Technical Committee under this Council has representatives from major companies and those with specific product knowledge. The Smallgoods Technical Committee is an interface between those who develop policies such as Food Standards Australia and New Zealand (FSANZ), state regulators and the industry at large.

AMIC represents members in many state and national forums. Issues relating to improved Occupational Health and Safety outcomes, a more equitable Workers' Compensation system, enhanced food safety objectives in at both domestic and international level, equality of production facilities under state and national regulation occupy much of the time of the National Councils and the work of the management and staff.

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

Central Services Administration provides accounting and member information to each of the sectors in relation to member visits, telephone contacts and subscriptions.

The year 2007-2008 will see a continuation of the above operations and the further linking of AMIC issues to other stakeholders. Food safety and efficient processing will underlie most of the programs in which AMIC is involved.

Financial Results

The financial result for the year to 30 June 2007 is a surplus of \$3,044,586, a significant increase over the prior year - primarily as a result of the surplus of \$2,591,118 on the sale of the organisation's freehold offices in Sydney in August 2006. Apart from the above sale, the surplus would have been \$453,468, which represents a modest increase over the result for the prior year at \$426,191. Excluding the property sale, income would have been slightly below the prior year level. However, again excluding the cost of the property sold, expenditure would also have been slightly below that for the prior year. The financial statements give a comprehensive picture of the performance for the year and at balance date.

The sale of the building is summarised as under. Note that the sale price included additional compensation components and is not reflective purely of the freehold value of the building.

Sale Price	\$5,000,000
Book Value	(\$2,388,336)
Selling Costs	(\$20,546)
Surplus	\$2,591,118

Accumulated funds are therefore some \$15.5 million at 30 June 2007 - maintaining a very solid financial base for the future with some \$17.2 million of assets (including cash of some \$15 million) and \$1.7 million of liabilities.

The Board is currently investigating the purchase of replacement offices, which will convert part of the cash on deposit into an alternative investment.

Members of the Board (Committee of Management)

AMIC operates under the control and direction of a Board of Non-Executive Directors (Committee of Management). The Board has been elected every two years with the last election held in November 2005, but will henceforth be elected for a term of four years as from November 2007.

The officeholders elected in November 2005 and in office from the date of the last report until the date of this report are:

Name	Capacity	Sector Represented	Number of Meetings held/attended 18 December 2006 to 5 September 2007
Terry Nolan	Director/Chairman	Processors	4/4
Allan Teys	Director	Processors	4/2
Roger Fletcher	Director	Processors	4/4
Ian Kennedy	Director, resigned June 2007	Processors	3/1
Grant Edmonds	Director, appointed February 2006	Processors	4/2
Ray Kelso	Director	Retail	4/4
Mike Beaumont	Director	Retail	4/4
Peter Hummerston	Director/Treasurer/Secretary	Retail	4/2
Kery Melrose	Director	Retail	4/4
Andrew Ridder	Director	Smallgoods	4/1

Directors and officers of the Council who are trustees or directors of Industry Superannuation Funds

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

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

- Kevin Cottrill (CEO of AMIC)
- Peter Greenham (Director of HW Greenham & Sons Pty Ltd, a member of AMIC)
- Gary Teys (Director of Teys Bros (Holdings) Pty Ltd, a member of AMIC)

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

"Member Directors" of the AMIST superannuation fund elected from the superannuation fund's membership are:

- Keith Haslem, an employee of Australia Meat Holdings Pty Ltd (a member of AMIC until 30 June 2007, but not thereafter)
- Frank Raeside, an employee of I.M.T. Processing Pty Ltd (a member of AMIC)
- David Burns, an employee of Top Cut Food Industries Pty Ltd (a member of AMIC)

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

Employees

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

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

Function	At 30 June 2006	At 30 June 2007
National Administration and Finance – incl. CEO	5 Full time	5 Full time
Industrial Relations and Human Resources services to members	4 Full time	4 Full time
Retail Member Services	11 Full time and 2 Part time – 12 Full time equivalents	9 Full time and 3 Part time – 10.5 full time equivalents
Processors, Exporters & Smallgoods Member Services	5 Full time and 1 Part time – 5.5 full time equivalents	5 Full time and 1 Part time – 5.5 full time equivalents
Totals	24 Full time and 2 Part time – 25 Full time equivalents	23 Full time and 4 Part time – 25 full time equivalents

Membership

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

Changes in membership numbers are set out below:

	30 June 2006	Admitted	Terminated/ Resigned	30 June 2007
Retail & General	1896	208	199	1905
Processor	281	10	19	272
Smallgoods	73	4	10	67
Associate (non voting)	74	10	17	67
Totals	2324	232	245	2311

T. W. Nolan.

T Nolan – Chairman

Financial Statements

30 June 2007

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

BALANCE SHEET

As at 30 June 2007

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Cash in Hand		2,745	2,745
Cash at Bank, At Call and Short Term Deposits maturing less than two months		1,439,330	622,274
Bank Deposits and Bank Bills maturing in more than two months		13,617,919	9,219,261
Receivables & Sundry Debtors	3	521,076	474,653
Inventory	4	6,688	8,937
Prepayments	5	54,290	71,219
Advance Project Expenses	5,19	269,166	75,628
		<u>15,911,214</u>	<u>10,474,717</u>
NON-CURRENT ASSETS			
Real Property	6	192,479	2,478,999
Other	6	297,093	348,828
Investment Property - Real Property	7	851,219	851,219
Investment Property - Other	7	10,924	17,071
		<u>1,351,713</u>	<u>3,696,117</u>
TOTAL ASSETS		<u>17,262,928</u>	<u>14,170,833</u>
Less:			
CURRENT LIABILITIES AND PROVISIONS			
Provision for Termination Pay		25,647	0
Provision for Long Service Leave		137,944	98,106
Accrued Annual Leave		283,528	262,215
Superannuation payable		454	0
Total Employee Entitlements	14	447,573	360,321
Payroll Tax payable/provided	16	163,010	160,529
Trade Accounts Payable		87,721	217,934
Members Subscriptions Received in Advance		22,762	17,736
GST Payable/(Recoverable)		(56,588)	(49,370)
Members Special Funds	17	242,264	232,599
Sundry Creditors, Accruals and Provisions	18	699,493	571,934
Advance Project Income	19	146,719	193,762
		<u>1,752,953</u>	<u>1,705,445</u>
NET ASSETS		<u>15,509,975</u>	<u>12,465,389</u>
ACCUMULATED FUNDS			
Retained earnings	8	15,509,975	12,465,389
		<u>15,509,975</u>	<u>12,465,389</u>

To be read in conjunction with the attached notes

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

INCOME STATEMENT Year Ended 30 June 2007

		2007	2006
	Note	\$	\$
INCOME			
Membership Subscriptions		2,472,411	2,528,965
Industry Consultation (Red Meat Advisory Council Ltd)		837,354	732,037
Interest Received		911,169	570,542
Dividends Received		0	1,395
Rent Received		143,101	140,745
Other Income	11	124,872	126,177
Proceeds from sale of fixed assets		5,009,273	4,818
Affinity Commissions		47,833	60,823
Project, Event and Promotional Income	19	578,593	1,127,790
Food Safety Plan Audit Income		368,658	319,811
		<u>10,493,264</u>	<u>5,613,103</u>
EXPENDITURE			
Audit Fees		12,800	13,600
Depreciation		92,973	87,363
Provision for Doubtful Debts		(2,408)	(6,841)
Consultants and Professional Fees	12	394,969	355,315
Written down value of assets sold		2,388,335	17,319
Employee Payroll Costs incl. superannuation and on costs		2,344,393	2,277,938
Employee benefits - Officer Bearers		74,502	70,407
Meetings and Conference Expenses	13	235,318	301,996
Motor Vehicle Expenses		113,176	86,214
Property Expenses		309,082	186,593
Staff Travel and Accommodation		180,182	171,246
Telecommunications		109,881	106,840
Project, Event and Promotional Expenses	12,19	754,252	1,041,165
Cost of Brochures and Saleable items		32,135	23,089
Data Processing Expenses		87,599	78,707
Debt Collection		(12,609)	14,623
Fringe Benefits Tax		17,222	15,742
Finance Costs/Bank Charges		8,556	10,820
Staff Recruitment & Training		30,787	27,561
Insurance		26,750	36,364
Business Subscriptions & Information Services		52,788	48,739
Postage Freight & Couriers		57,998	55,683
Printing & Stationery		70,383	65,539
Newsletter and Magazine Expenses		57,390	75,681
Repairs & Maintenance - Equipment		2,797	8,200
Council Election Expenses		0	8,130
Sundry expenses		9,428	8,879
		<u>7,448,679</u>	<u>5,186,912</u>
OPERATING SURPLUS		<u>3,044,586</u>	<u>426,191</u>

To be read in conjunction with the attached notes

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

STATEMENT OF CHANGES IN EQUITY

Year Ended 30 June 2007

	Retained Profits \$	Reserves \$	Total \$
Balance at 1 July 2005	12,039,198	-	12,039,198
Surplus attributable to members year ended 30/6/06	426,191	-	426,191
Balance at 1 July 2006	12,465,389	-	12,465,389
Surplus attributable to members year ended 30/6/07	3,044,586	-	3,044,586
Balance at at 30 June 2007	15,509,975	-	15,509,975

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

AUSTRALIAN MEAT INDUSTRY COUNCIL

STATEMENT OF CASH FLOWS

Year Ended 30 June 2007

	2007	2006
	\$	\$
Cash Flows from Operating Activities		
Membership Subscriptions	2,472,411	2,528,965
Interest Received	911,169	570,542
Dividends Received	0	1,395
Other Income	2,056,397	2,538,073
Wages Paid	(2,418,895)	(2,348,345)
Other Payments	(2,677,736)	(2,559,370)
Net Cash Flows From Operating Activities	<u>343,345</u>	<u>731,260</u>
Cash Flows from Investing Activities		
Purchase of Non-Current Assets	(136,905)	(148,097)
Cash on Deposit for more than two months	(4,398,657)	(207,385)
Proceeds from sale of Non-Current Assets	5,009,273	4,818
Net Cash Flows from Investing Activities	<u>473,711</u>	<u>(350,664)</u>
Net Cash Increase / (Decrease) in Cash Held	817,056	380,595
Balance of Cash at Beginning of Year	625,019	244,422
Balance of Cash at End of Period	<u><u>1,442,075</u></u>	<u><u>625,018</u></u>

NOTES TO THE STATEMENT OF CASH FLOW

	2007	2006
	\$	\$
Reconciliation of Cash		
For the purpose of the Statement of Cash Flow, Cash includes cash on hand in bank and investments maturing less than two months from balance sheet date.		
Cash in Hand	2,745	2,745
Cash at Bank and on short term deposit	1,439,330	622,274
	<u>1,442,075</u>	<u>625,019</u>
Reconciliation of Net Cash provided by Operating Activities to Operating Deficit		
Operating Surplus (Deficit)	3,044,586	426,191
Depreciation	92,973	87,363
(Profit)/Loss on Sale of Non-Current Assets	(2,620,937)	12,501
Changes in Assets and Liabilities		
(Increase)/Decrease in Prepayments/Advance Project Costs	(176,610)	213,103
(Increase)/Decrease on Accounts Receivable	(46,423)	23,849
(Increase)/Decrease in Inventory	2,249	(2,332)
Increase/(Decrease) in Accounts Payable	(42,225)	(61,687)
Increase/(Decrease) in Provisions	89,733	32,273
Net cash provided by operating activities	<u><u>343,345</u></u>	<u><u>731,261</u></u>

THE AUSTRALIAN MEAT INDUSTRY COUNCIL 65 990 653 488
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

Note 1 Statement of Significant Accounting Policies

The financial statements of the Australian Meat Industry Council for the year ended 30 June 2007 were authorised for issue by the Committee of Management on 5 September 2007

This financial report is a general purpose financial report and has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Industrial Registrar's reporting guidelines under s255 of Schedule 1 of the Workplace Relations Act 1996.

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

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

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

Basis of Preparation

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

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

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

Accounting Policies

a. Income Tax

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

b. Inventories

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

c. Property, Plant and Equipment

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

Property

Freehold land and buildings are measured on the cost basis.

Strata Title land and buildings are measured on the cost basis

Plant and equipment

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

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

Depreciation

The depreciable amount of all fixed assets excluding land and buildings are generally depreciated on a straight line basis over their useful lives to the entity commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge.

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

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

d. Impairment of Assets

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

e. Employee Entitlements

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

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

f. Cash

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

g. Revenue

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

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

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

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 Services Tax (GST)

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

i. Comparative figures

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

j. Critical accounting estimates and judgements

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

Key estimates - Impairment

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

Note 2 Notice required under Workplace Relations Act

In accordance with the requirements of the Workplace Relations Act, 1996, as amended, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 272 which read as follows:-

(1) A member of an organisation, or a Registrar, may apply to the organisation, for specified prescribed information in relation to the organisation.

(2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or registrar in such manner, and within such time, as prescribed.

(3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

Note 3 Receivables

	Note	2007	2006
		\$	\$
Trade debtors		40,635	65,308
Amounts receivable from members		41,396	4,120
Bank Interest Receivable, including Bills not yet matured		28,874	55,166
Industry Consultation Funding receivable from Red Meat Advisory Council Ltd		407,502	342,757
Other Debtors & Cash Advances		2,668	13,105
Less: Provision for doubtful debts		-	(5,802)
		<u>521,076</u>	<u>474,653</u>

Note 12 Consultants & Professional Fees

	2007	2006
	\$	\$
Legal Expenses - Industrial Relations Advice and Services to members	26,467	13,357
Legal Expenses - Miscellaneous	2,121	0
Legal Expenses - Pork importation issue (refund)	(4,302)	0
Legal Expenses - Sale of property	13,546	0
Valuations re property sale	7,000	0
Food Safety Audits	293,703	260,545
Other Consultants and Contractors	56,433	81,412
	<u>394,969</u>	<u>355,315</u>
Legal Fees included in Project, Event and Promotional Expenses	<u>135,178</u>	<u>0</u>

Note 13 Meetings and Conference Expenses

	2007	2006
	\$	\$
Councillor Attendance Allowances	63,600	109,470
Councillor Travel Costs to attend meetings	114,721	127,547
Meeting Expenses	56,996	64,978
	<u>235,318</u>	<u>301,996</u>

Note 14 Employee Entitlements

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

	2007	2006
	\$	\$
Employee Benefits (Superannuation) - Directors	454	0
Employee Benefits - Staff	447,119	360,321
	<u>447,573</u>	<u>360,321</u>

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

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

Note 16 Payroll tax payable/provided

Payroll Tax payable/provided includes a provision of \$150,245 made in prior years against the possibility of additional Payroll Tax being retrospectively assessed.

Note 17 Special Funds

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

Fund	Balance 30/6/06	Received during year	Expensed during year	Balance 30/6/07
Qld Meatworks Association	11,759			11,759
Q Promotions *	167,774	9,144		176,918
Vic Processors Fighting Fund	9,723	0		9,723
CAPAA Engineers Fund	43,343	521		43,864
Total	232,599	9,665	0	242,264

* Includes amounts raised from industry as well as members.

The Qld Meatworks Association has not operated since 1993/94 and its remaining funds have been transferred voluntarily to the Council on the basis that they may be spent on matters particular to Queensland meatworks members of the Council.

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

The Victorian Processor Fighting Fund was contributed voluntarily to fund special projects to further Victorian Processor members' general industry interests as directed by them from time to time. The funds all belong to members and the Council itself has no equity in the fund.

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

Note 18 Sundry Creditors, Accruals & Provisions

	2007	2006
	\$	\$
General Creditors and Accruals	261,747	354,198
Provision - Promotion and other projects	169,460	100,000
Provision - website enhancement	10,000	11,000
Property Maintenance Sinking Fund Provision	120,000	46,803
Relocation provision	72,000	-
Legal Expenses - Pork importation matter	-	4,302
FBT Accrual	32,620	14,464
Provision Workers Compensation Premiums/(Refund due)	1,893	746
Payroll related clearing accounts, principally PAYG	31,773	40,422
	<u>699,493</u>	<u>571,934</u>

Note 19 Advance Project Income and Advance Project Expenditure

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

Note 20 Interest Rate Risks

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

	Weighted Average Effective Interest Rate		Floating Rate Principal at year end	
	2007	2006	2007	2006
			\$	\$
Cash at bank	5.75%	5.00%	62,568	153,209
At Call and short term deposits	6.41%	5.35%	5,553,827	469,065
Bank Bills maturing within 3 months	6.30%	5.61%	9,440,856	9,219,261
Total Financial Assets			<u>15,057,251</u>	<u>9,841,535</u>

Note 21 Office Premises Leases

The Council leases premises as under:

25-27 Albany Street, Crows Nest, NSW until 31 March 2008, at 30 June 2007 at \$100 pa until 15 September 2007 and then \$89,700 pa.
14 Queens Road, Melbourne, Vic until 31 July 2009, at 30 June 2007 at \$34,645 pa, with reviews of 4% each 1 August.

1862 Albany Highway, Maddington, WA until 1 April 2011, at 30 June 2007 at \$15,525 pa with reviews to CPI or 3%, whichever is the greater each 1 April.

Note 22 Third Party Bank Guarantee

The Council holds a bank guarantee for \$13,269 from a former tenant at 25-27 Albany Street, Crows Nest, NSW which is presently held in trust for the benefit of the new owners following the sale of the building by the Council.

AUSTRALIAN MEAT INDUSTRY COUNCIL

STATEMENT OF THE COMMITTEE OF MANAGEMENT

In accordance with a resolution of the Committee of Management we declare that in the opinion of the Committee:

- (a) the accompanying financial statements, notes and cash flows comply with Accounting Standards and the reporting guidelines of the Industrial Registrar, give a true and fair view of the financial performance, financial position and cash flows of the Council for the financial year to which they relate; and
- (b) there are reasonable grounds to believe that the Council will be able to pay its debts as and when they become due and payable; and
- (c) during the financial year to which the General Purpose Financial Report relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the Council; and
 - (ii) the financial affairs of the Council have been managed in accordance with the rules of the Council; and
 - (iii) the financial records of the Council have been kept and maintained in accordance with the Registration and Accountability of Organisations Schedule and Registration and Accountability of Organisations Regulations; and
 - (iv) the Council consist of only one reporting unit; and
 - (v) any information sought in any request of a member of the Council or a Registrar duly made under section 272 of the Registration and Accountability of Organisations Schedule has been furnished to the member or the Registrar; and
 - (vi) there has been no order for inspection of financial records made by the Commission under section 273 of the Registration and Accountability of Organisations Schedule
- (d) the organisation has, in relation to the Auditor's report and the accounts and statements in respect of the immediately preceding year, complied with the provisions of Sec 279(1) and 279(6) of the Workplace Relations Act 1996.

Signed on behalf of the Committee of Management in accordance with the resolution of the Committee date 5 September 2007:



Terry Nolan



Peter Hummerston

At Main Beach, Queensland, this 5 September 2007.

AUSTRALIAN MEAT INDUSTRY COUNCIL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

SCOPE

The Financial Report and Committee of Management's Responsibility

The financial report comprises income statement, balance sheet, statement of changes in equity, statement of cash flows, accompanying notes to the financial statements and statement of the committee of management for Australian Meat Industry Council, for the year ended 30 June 2007.

The committee of management of the Australian Meat Industry Council is responsible for the preparation and true and fair presentation of the financial report in accordance with section 253 and section 255 determination of reporting guidelines of Schedule 1B (*Registration and Accountability of Organisations*) of the *Workplace Relations Act 1996*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Report

We have conducted an independent audit of the financial report in order to express an opinion on them to the members of the organisation. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements (Urgent Issues Group Consensus View) and section 253 and section 255 determination of reporting guidelines of Schedule 1B (*Registration and Accountability of Organisations*) of the *Workplace Relations Act 1996* so as to present a view which is consistent with our understanding of the organisation's financial position and the results of its operations and its cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- Examining on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit is not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of professional ethical pronouncements.

AUDIT OPINION

In our opinion:

- 1) There were kept by the organisation in relation to the year, satisfactory accounting records, including:
 - a) records of the transactions and financial position of the organisation (including income from members); and
 - b) financial records that enabled a general purpose financial report to be prepared; and
- 2) The attached accounts and statements, prepared in accordance with the Australian Accounting Standards, other mandatory professional reporting requirements and section 253 and section 255 determination of reporting guidelines of Schedule 1B (*Registration and Accountability of Organisations*) of the *Workplace Relations Act 1996* in relation to the year were properly drawn up so as to give a true and fair view of:
 - a) the financial position of Australian Meat Industry Council as at 30 June 2007; and
 - b) the results of its operations and cash flows for the year then ended; and

All information and explanations required for the purposes of our audit were supplied.

SPECIAL PROVISIONS

Without qualification to the opinion expressed above, attention is drawn to the following matter.

- In Note 18 to the financial statements, the Australian Meat Industry Council has made special provisions for Retail promotions and Property sinking funds based on estimates of costs to be expended amounting to \$336,500.00

B. P. Woodward & Associates
Chartered Accountants



B. P. Woodward
Partner
Registered Company Auditor

SYDNEY



FORM OF PROXY

I, _____

of _____

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

THE CHAIRMAN OF THE MEETING

As my proxy vote for me on my behalf at the **Annual General Meeting** to be held on **Friday, 14 December 2007** and at any adjournment thereof.

I am, or the corporation, company or trust which I represent, is a financial/an unfinancial member of AMIC and is an employer/is not an employer member of AMIC (delete words not applicable).

As witnessed my hand this _____ day of _____, 2007

Signed by the said _____

In the presence of _____

This form must be in the hands of the: National Secretary/Treasurer
2nd Floor,
25-27 Albany Street
CROWS NEST, NSW 2065
Fax: 02 9086 2201

NO LATER THAN 5.00 PM ON WEDNESDAY, 12 DECEMBER 2007

Only financial members of AMIC are entitled to vote.

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

2nd Floor
25-27 Albany Street
Crows Nest NSW
Australia 2065
PO Box 1208
Crows Nest NSW 1585
T 02 9086 2200
F 02 9086 2201
ABN 65 990 653 488

AUSTRALIAN MEAT INDUSTRY COUNCIL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

SCOPE

The Financial Report and Committee of Management's Responsibility

The financial report comprises income statement, balance sheet, statement of changes in equity, statement of cash flows, accompanying notes to the financial statements and statement of the committee of management for Australian Meat Industry Council, for the year ended 30 June 2007.

The committee of management of the Australian Meat Industry Council is responsible for the preparation and true and fair presentation of the financial report in accordance with section 253 and section 255 determination of reporting guidelines of Schedule 1B (*Registration and Accountability of Organisations*) of the *Workplace Relations Act 1996*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Report

We have conducted an independent audit of the financial report in order to express an opinion on them to the members of the organisation. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements (Urgent Issues Group Consensus View) and section 253 and section 255 determination of reporting guidelines of Schedule 1B (*Registration and Accountability of Organisations*) of the *Workplace Relations Act 1996* so as to present a view which is consistent with our understanding of the organisation's financial position and the results of its operations and its cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- Examining on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit is not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of professional ethical pronouncements.

AUDIT OPINION

In our opinion:

- 1) There were kept by the organisation in relation to the year, satisfactory accounting records, including:
 - a) records of the transactions and financial position of the organisation (including income from members); and
 - b) financial records that enabled a general purpose financial report to be prepared; and
- 2) The attached accounts and statements, prepared in accordance with the Australian Accounting Standards, other mandatory professional reporting requirements and section 253 and section 255 determination of reporting guidelines of Schedule 1B (*Registration and Accountability of Organisations*) of the *Workplace Relations Act 1996* in relation to the year were properly drawn up so as to give a true and fair view of:
 - a) the financial position of Australian Meat Industry Council as at 30 June 2007; and
 - b) the results of its operations and cash flows for the year then ended; and

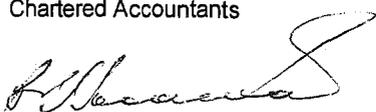
All information and explanations required for the purposes of our audit were supplied.

SPECIAL PROVISIONS

Without qualification to the opinion expressed above, attention is drawn to the following matter:

- In Note 18 to the financial statements, the Australian Meat Industry Council has made special provisions for Retail promotions and Property sinking funds based on estimates of costs to be expended amounting to \$336,500.00

B. P. Woodward & Associates
Chartered Accountants


B. P. Woodward
Partner
Registered Company Auditor

SYDNEY

7 September 2007