



FAIR WORK  
AUSTRALIA

23 February 2010

Mr Craig Cook  
Secretary/Treasurer  
Australian Meat Industry Council  
PO Box 1208  
Crows Nest NSW 1585

Dear Mr Cook,

**Re: Fair Work (Registered Organisations) Act 2009 (RO Act)  
Financial Report for year ended 30 June 2009 – FR2009/10112**

Thank you for your financial report of the Australian Meat Industry Council for the year ended 30 June 2009. The documents were lodged with Fair Work Australia on 7 December 2009.

The documents have been filed.

You are required to attend to the following matters when you next prepare the organisation's financial report:-

### **1) Auditor's Report**

As was drawn to your attention in our letter dated 8 January 2009 (FR2008/236), the wording of the auditor's opinion in the Auditor's Report should comply with section 257(5) of the Fair Work (Registered Organisations) Act 2009.

Section 257(5) states

*"An auditor must, in his or her report, state whether in the auditor's opinion the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:*

- a) the Australian Accounting Standards;*
- b) any other requirements imposed by this Part.*

*If not of that opinion, the auditor's report must say why."*

A form of words which in our view meets this requirement is:

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

A copy of this letter has been forwarded to your auditor B.P. Woodward. Please ensure the above request is complied with before the lodgement of next year's financial return.

## 2) Committee of Management Statement

Part (c)(iii) of the Committee of Management Statement states that “the financial records of the Council have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009..” In addition to reference to the RO Act, in future please also make reference to the Fair Work (Registered Organisations) Regulations 2009.

If you have any questions in relation to this matter, I may be contacted on (03) 8661 7775 or by email at [sokwei.ho@fwa.gov.au](mailto:sokwei.ho@fwa.gov.au)

Yours sincerely,



Sokwei Ho  
Tribunal Services and Organisations

Cc: Mr Peter Hopkins  
Manager Finance and Administration  
By email: [phopkins@amic.org.au](mailto:phopkins@amic.org.au)

Cc: B.P. Woodward & Associates  
Auditor  
By email: [woodwards@woodwards.com.au](mailto:woodwards@woodwards.com.au)



Ms C Lo-Booth  
Tribunal Services & Organisations  
Australian Industrial Registry  
GPO Box 1994  
MELBOURNE, VIC 3001

1 December 2009

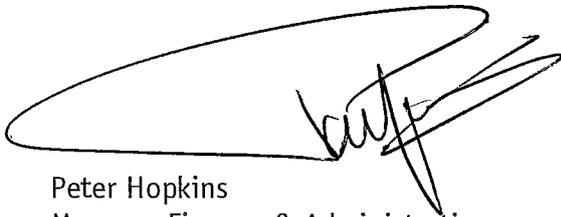
Dear Ms Lo-Booth,

**Annual Report and Accounts for the year ended 30 June 2009**

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

Please acknowledge receipt in due course.

Yours sincerely,



Peter Hopkins  
Manager Finance & Administration

## AUSTRALIAN MEAT INDUSTRY COUNCIL

### SECRETARY'S CERTIFICATE

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

Provided to members free of charge on or about 3 November 2009

Presented to a meeting of members of the Australian Meat Industry Council on 1 December 2009.

A handwritten signature in black ink, appearing to read 'Craig Cook', written in a cursive style.

Craig Cook,

Secretary/Treasurer

1 December 2009

3 November 2009

TO ALL MEMBERS OF AMIC

Dear Member,

In accordance with the requirements of Section 265 of the Fair Work (Registered Organisations) Act 2009, the accounts of the Australian Meat Industry Council for the year ended 30 June 2009, 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 Tuesday, 1 December 2009. The meeting will be held at the offices of AMIC, Level 2, 460 Pacific Highway, St Leonards, NSW.

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



K E Cottrill  
Chief Executive Officer

**NOTICE**

**ANNUAL GENERAL MEETING**

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

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

**WHERE:** Level 2  
460 Pacific Highway  
ST LEONARDS NSW

**WHEN:** Tuesday, 1 December 2009 at 10.00am

**BUSINESS:**

1. Confirmation of Minutes of Annual General Meeting held on 4 December 2008;
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 2009.

Dated at Sydney  
3 November 2009  
Level 2  
460 Pacific Highway  
ST LEONARDS NSW 2065



Chief Executive Officer

**NOTICE**

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Chief Executive Officer

**Review of principal activities**

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

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

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

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

The National Retail & General Council represents independent retail outlets in the meat industry. During 2008-2009 the Council has continued to promote the interests of the Independent Local Butcher network. The Fresh Meat Specialists are ideally placed to provide information to customers on a personal basis including the benefits of red meat and the preparation required to utilise the full cuts from the carcass.

Food safety training for Independent Local Butchers has been a major initiative. The introduction of a strict testing regime for ready to eat packaged meat was supported by training seminars and individual assistance conducted by AMIC. Food Safety Plans were extended into the retail sector in Tasmania and revisions were made ensure compliance with current regulations in other states.

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

The Australian Processor Council also has a strategic goal of greater access to world markets. This drives a strong focus on continuous improvements in processes and procedures to enhance the customers' perception of the suitability of our products to satisfy their needs. The Government decision to move to full cost recovery for meat inspection has advanced the process of bringing to fruition projects which will reduce the cost of compliance without compromising food safety and the image of Australian meat products.

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

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

The Central Services Human Resources group provide assistance to members on a range of issues - from wage calculations, advice in relation to workplace agreements, to submissions and representation to governments on a range of people related issues. AMIC has successfully applied to the Australian Industrial Relations Commission for a Modern Meat Award which ensures that the employment benefits gained for members over a long period of time will be maintained and not lost in a general modern award for manufacturing or food processing.

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

The year 2009-2010 will see a continuation of the above operations and the further linking of AMIC issues to other stakeholders. Food safety, efficient processing and the implementation of the Modern Meat Award will underlie most of the programs in which AMIC is involved.

#### Financial Results

The financial result for the year to 30 June 2009 is a surplus of \$42,119 and a significant decrease over the prior year - primarily as a result of falling interest rates on the Council's significant bank deposits, but coupled with lower funding received from the Red Meat Advisory Council Ltd, due to lower sharemarket returns on their own underlying investments. The following detail financial statements give a comprehensive picture of the performance for the year and at balance date.

Accumulated funds are therefore some \$16.2 million at 30 June 2009 - maintaining a very solid financial base for the future with some \$18.3 million of total assets (including cash of some \$12.8 million) against just \$2.1 million of liabilities and provisions.

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

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

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

- Kevin Cottrill (CEO 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 Swift Australia Pty Ltd (not a member of AMIC)
- 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.

#### Members of the Board (Committee of Management)

AMIC operates under the control and direction of a Board of Non-Executive Directors (Committee of Management). Since November 2007, the Board is elected for a term of four years.

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

Name	Capacity	Sector Represented	Number of Meetings held/attended subsequent to 15 September 2008 and up to and including 23 September 2009
Terry Nolan	Director/Chairman, continuing	Processors	4/3
Roger Fletcher	Director, continuing	Processors	4/3
Kerry Melrose	Director, continuing	Retail & General	4/4
Andrew Ridder	Director, continuing	Smallgoods	4/3
Garry Burrige	Director, continuing	Processors	4/2
Craig Cook	Director/Treasurer/Secretary, continuing	Retail & General	4/3
James Ralph	Director, continuing	Processors	4/4
Ronald Stapleton	Director, continuing	Retail & General	4/4
Brendon Watts	Director, continuing	Retail & General	4/3*
Bradley Thomason	Director, continuing	Smallgoods	4/2
Grant Edmonds	Director, continuing	Processors	4/4

\*For one meeting, Brendon Watts was represented by an alternate, Robert Retallick

## 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:

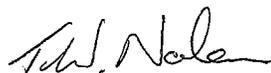
Function	At 30 June 2009
National Administration and Finance – incl. CEO	5 Full time
Industrial Relations and Human Resources services to members	4 Full time
Retail & General Member Services	10 Full time and 2 Part time – 11 full time equivalents
Processors, Exporters & Smallgoods Member Services	5 Full time and 1 Part time – 5.5 full time equivalents
Totals	24 Full time and 3 Part time – 25.5 full time equivalents

## Membership

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

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

Industry Sector	Number of Members
Retail & General	1851
Processor	239
Smallgoods	63
Associate (non voting)	57
Totals	2210



T Nolan – Chairman

23 September 2009

## AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

### BALANCE SHEET

As at 30 June 2009

	Note	2009 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash in Hand		2,745	2,745
Cash at Bank, At Call and Short Term Deposits maturing less than two months		321,401	5,933,950
Bank Deposits and Bank Bills maturing in more than two months		12,424,518	6,451,567
Receivables & Sundry Debtors	3	673,601	770,247
Inventory	4	9,572	12,665
Prepayments	5	26,296	28,051
Advance Project Expenses	5,19	210,406	240,180
		<u>13,668,539</u>	<u>13,439,406</u>
<b>NON-CURRENT ASSETS</b>			
Real Property	6	2,935,273	2,935,273
Other	6	801,010	884,872
Investment Property - Real Property	7	851,219	851,219
Investment Property - Other	7	4,719	5,845
		<u>4,592,221</u>	<u>4,677,209</u>
<b>TOTAL ASSETS</b>		<u>18,260,760</u>	<u>18,116,615</u>
Less:			
<b>CURRENT LIABILITIES AND PROVISIONS</b>			
Provision for Long Service Leave		168,119	141,865
Accrued Annual Leave		369,971	323,190
Superannuation payable		-	-
Total Employee Entitlements	14	538,090	465,055
Payroll Tax payable/provided	16	157,185	169,700
Trade Accounts Payable		78,362	138,995
Members Subscriptions Received in Advance		25,997	10,361
GST Payable/(Recoverable)		(47,825)	(22,246)
Members Special Funds	17	247,301	245,079
Sundry Creditors, Accruals and Provisions	18	856,634	684,732
Advance Project Income	19	222,730	284,774
<b>TOTAL LIABILITIES</b>		<u>2,078,476</u>	<u>1,976,450</u>
<b>NET ASSETS</b>		<u>16,182,284</u>	<u>16,140,165</u>
<b>ACCUMULATED FUNDS</b>			
Retained earnings	8	16,182,284	16,140,165
		<u>16,182,284</u>	<u>16,140,165</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 2009

	Note	2009 \$	2008 \$
<b>INCOME</b>			
Membership Subscriptions		2,348,869	2,380,803
Industry Consultation (Red Meat Advisory Council Ltd)		796,140	1,001,144
Interest Received		794,344	982,256
Rent Received		193,397	153,347
Other Income	11	104,871	112,423
Proceeds from sale of fixed assets		5,000	13,364
Affinity Commissions		59,289	44,284
Project, Event and Promotional Income	19	1,016,677	930,628
Food Safety Plan Audit Income		399,671	392,753
		<u>5,718,258</u>	<u>6,011,003</u>
<b>EXPENDITURE</b>			
Audit Fees		37,792	20,981
Depreciation		188,974	148,786
Provision for Doubtful Debts		1,432	12,354
Consultants and Professional Fees	12	425,869	355,169
Written down value of assets sold		-	1,597
Employee Payroll Costs incl. superannuation and on costs		2,537,859	2,477,283
Employee benefits - Officer Bearers		80,360	75,308
Meetings and Conference Expenses	13	243,131	273,752
Motor Vehicle Expenses		141,848	128,451
Property Expenses	20	289,201	258,812
Staff Travel and Accommodation		179,791	183,356
Telecommunications		127,574	120,589
Project, Event and Promotional Expenses	12,19	921,344	870,671
Cost of Brochures and Saleable Items		13,141	16,796
Data Processing Expenses		120,988	97,665
Debt Collection Costs		6,177	7,075
Fringe Benefits Tax		20,362	11,748
Finance Costs/Bank Charges		8,159	13,066
Staff Recruitment & Training		18,731	20,858
Insurance		35,773	32,268
Business Subscriptions & Information Services		49,438	47,962
Postage Freight & Couriers		62,430	57,133
Printing & Stationery		87,634	76,725
Newsletter and Magazine Expenses		68,833	52,826
Repairs & Maintenance - Equipment		1,011	672
Council Election Expenses		-	9,866
Sundry expenses		8,287	9,044
		<u>5,676,139</u>	<u>5,380,813</u>
<b>OPERATING SURPLUS</b>		<u>42,119</u>	<u>630,190</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 2009

	Retained Profits \$	Reserves \$	Total \$
Balance at 1 July 2007	15,509,975	-	15,509,975
Surplus attributable to members year ended 30/6/08	630,190	-	630,190
Balance at 1 July 2008	16,140,165	-	16,140,165
Surplus attributable to members year ended 30/6/09	42,119	-	42,119
Balance at 30 June 2009	<u>16,182,284</u>	-	<u>16,182,284</u>

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 2009

	2009	2008
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Membership Subscriptions	2,348,869	2,380,803
Interest Received	794,344	982,256
Other Income	2,665,259	2,373,054
Wages Paid	(2,618,219)	(2,552,592)
Other Payments	(2,730,866)	(2,392,737)
<b>Net Cash Flows From Operating Activities</b>	<b>459,387</b>	<b>790,781</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Non-Current Assets	(103,984)	(3,475,878)
Cash on Deposit for more than two months	(5,972,951)	7,166,352
Proceeds from sale of Non-Current Assets	5,000	13,364
<b>Net Cash Flows from Investing Activities</b>	<b>(6,071,935)</b>	<b>3,703,838</b>
<b>Net Cash Increase / (Decrease) in Cash Held</b>	<b>(5,612,548)</b>	<b>4,494,620</b>
Balance of Cash at Beginning of Year	5,936,695	1,442,075
<b>Balance of Cash at End of Period</b>	<b>324,146</b>	<b>5,936,695</b>

NOTES TO THE STATEMENT OF CASH FLOW

	2009	2008
	\$	\$
<b>Reconciliation of Cash</b>		
For the purpose of the Statement of Cash Flow, Cash includes cash on hand in bank and investments maturing less than two months from balance sheet date.		
Cash in Hand	2,745	2,745
Cash at Bank and on short term deposit (less than 2 months)	321,401	5,933,950
<b>1</b>	<b>324,146</b>	<b>5,936,695</b>
<b>Reconciliation of Net Cash provided by Operating Activities to Operating Surplus</b>		
Operating Surplus (Deficit)	42,119	630,190
Depreciation	188,974	148,786
(Profit)/Loss on Sale of Non-Current Assets	(5,000)	(11,767)
<b>Changes in Assets and Liabilities</b>		
(Increase)/Decrease in Prepayments/Advance Project Costs	31,529	55,225
(Increase)/Decrease in Receivables/Sundry Debtors	96,646	(249,171)
(Increase)/Decrease in Inventory	3,093	(5,977)
Increase/(Decrease) in Accounts Payable	41,506	199,325
Increase/(Decrease) in Provisions	60,520	24,173
<b>Net cash provided by operating activities</b>	<b>459,387</b>	<b>790,781</b>

**Note 1 Statement of Significant Accounting Policies**

The financial statements of the Australian Meat Industry Council for the year ended 30 June 2009 were authorised for issue by the Board of Directors (Committee of Management) on 23 September 2009.

This financial report is a general purpose financial report and has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the General Manager of Fair Work Australia's reporting guidelines pursuant to Section 253 of the Fair Work (Registered Organisations) Act 2009 - which replaced 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 at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

g. **Revenue**

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

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

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

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

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

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

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

i. **Comparative figures**

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

j. **Critical accounting estimates and judgements**

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

*Key estimates - Impairment*

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

**Note 2 Notice required under the Fair Work (Registered Organisations) Act 2009**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 which read as follows:-

(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

**Note 3 Receivables**

	Note	2009	2008
		\$	\$
Trade debtors		126,955	194,461
Amounts receivable from members		57,229	29,244
Bank Interest Receivable, including Bills not yet matured		92,789	43,156
Industry Consultation Funding receivable from Red Meat Advisory Council Ltd		397,780	500,282
Other Debtors & Cash Advances		1,315	6,139
Less: Provision for doubtful debts		(4,467)	(3,035)
		<u>673,601</u>	<u>770,247</u>

**Note 4 Inventories**

	2009	2008
	\$	\$
CURRENT		
At cost		
Finished goods	9,572	12,665
	<u>9,572</u>	<u>12,665</u>

**Note 5 Other Assets**

	2009	2008
	\$	\$
Prepayments	26,296	28,051
Advance project costs	210,406	240,180
	<u>236,702</u>	<u>268,231</u>

**Note 6 Property, Plant and Equipment**

	2009	2008
	\$	\$
Land and Buildings		
Strata title properties at:		
— cost	2,935,273	2,935,273
Less accumulated depreciation	-	-
	<u>2,935,273</u>	<u>2,935,273</u>
Furniture & Fittings	914,510	905,132
Less accumulated depreciation	(412,485)	(345,107)
	<u>502,025</u>	<u>560,025</u>
Office Equipment	1,453,585	1,409,928
Less accumulated depreciation	(1,263,683)	(1,171,196)
	<u>189,902</u>	<u>238,730</u>
Motor Vehicles	163,310	144,542
Less accumulated depreciation	(54,227)	(58,424)
	<u>109,083</u>	<u>86,118</u>
Total Other Non-Current Assets	<u>801,010</u>	<u>884,872</u>
Total Property and Other Non-Current Assets	<u>3,736,283</u>	<u>3,820,145</u>

**Movements in Carrying Amounts**

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

	Land & Buildings	Furniture & Fittings	Office Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Balance at the beginning of year	2,935,273	560,024	238,730	86,117	3,820,144
Additions	-	9,378	43,657	50,952	103,987
Disposals	-	-	-	-	-
Depreciation expense	-	(67,377)	(92,485)	(27,986)	(187,848)
Carrying amount at the end of year	<u>2,935,273</u>	<u>502,025</u>	<u>189,902</u>	<u>109,083</u>	<u>3,736,283</u>

**Note 7 Investment Property**

	2009	2008
	\$	\$
Land and Buildings		
Strata title properties at:		
— cost	851,219	851,219
Total Land and Buildings	<u>851,219</u>	<u>851,219</u>
Furniture & Fittings	56,619	56,619
Less accumulated depreciation	(51,900)	(50,774)
	<u>4,719</u>	<u>5,845</u>
Total Investment Property	<u>855,938</u>	<u>857,064</u>

**Movements in Carrying Amounts**

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

	Land & Buildings	Furniture & Fittings	Total
	\$	\$	\$
Balance at the beginning of year	851,219	5,945	857,064
Depreciation expense	-	(1,126)	(1,126)
Carrying amount at the end of year	<u>851,219</u>	<u>4,719</u>	<u>855,938</u>

**Note 8 Retained Surpluses**

	2009	2008
	\$	\$
Retained surpluses at the beginning of the financial year	16,140,165	15,509,975
Net operating surplus/(deficit) for the year	42,119	630,190
Retained surpluses at the end of the financial year	<u>16,182,284</u>	<u>16,140,165</u>

**Note 9 Segment Reporting**

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

**Note 10 Corporate/Council Details**

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

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

Level 2 460 Pacific Highway St Leonards NSW 2065

Offices are also maintained at:

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

100 Greenhill Road, Unley, SA 5061 - 61 Mulgool Road, Malaga, WA 6090 - 343 Elizabeth Street, Hobart, Tas 7000

The principal activity of the Council is an industry association.

**Note 11 Other Income**

	2009	2008
	\$	\$
Advertising	38,961	39,562
Members Saleable Items and Services	58,993	65,830
Bad Debts Recovered	5,306	4,683
Sundry Income	1,611	2,348
	<u>104,871</u>	<u>112,423</u>

**Note 12 Consultants & Professional Fees**

	2009	2008
	\$	\$
Legal Expenses - Industrial Relations Advice and Services to members	93,621	28,400
Legal Expenses - Miscellaneous	6,294	329
Food Safety Audits	314,003	312,844
Other Consultants and Contractors	11,951	13,596
	<u>425,869</u>	<u>355,169</u>
Legal Fees included in Project, Event and Promotional Expenses	0	5,463

**Note 13 Meetings and Conference Expenses**

	2009	2008
	\$	\$
Councillor Attendance Per Diems	73,721	81,514
Councillor Travel Costs to attend meetings	123,499	99,909
Councillor Overseas Travel	0	6,912
Meeting Expenses	45,911	85,417
	<u>243,131</u>	<u>273,752</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:

	2009	2008
	\$	\$
Employee Benefits (Superannuation) - Directors	-	-
Employee Benefits - Staff	538,090	465,055
	<u>538,090</u>	<u>465,055</u>

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

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

**Note 16 Payroll tax payable/provided**

Payroll Tax payable/provided includes a provision of \$136,891 (\$150,245 in 2008) 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 30/6/08	Received during year	Expensed during year	Balance 30/6/09
Qld Meatworks Association	11,759			11,759
Q Promotions *	176,918			176,918
Vic Processors Fighting Fund	9,723			9,723
CAPAA Engineers Fund	46,679	2,222		48,901
<b>Total</b>	<b>245,079</b>	<b>2,222</b>	<b>0</b>	<b>247,301</b>

\* 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**

	2009	2008
	\$	\$
General Creditors and Accruals	334,470	288,815
Provision - Promotion and other projects	98,740	136,096
Provision - Awards Modernisation Project	90,000	-
Property Maintenance Sinking Fund Provisions	271,000	205,000
FBT Accrual	17,609	10,508
Provision Workers Compensation Premiums	7,694	4,066
Payroll related clearing accounts, principally PAYG	37,121	40,246
	<u>856,634</u>	<u>684,732</u>

**Note 19 Advance Project Income and Advance Project Expenditure**

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

**Note 20 Property Expenses**

	2009	2008
	\$	\$
Property Expenses includes Sinking Fund Provisions for future refurbishment/restoration	<u>66,000</u>	<u>39,000</u>

**Note 21 Interest Rate Risks**

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

	Weighted Average Effective Interest Rate		Principal at year end	
	2009	2008	2009	2008
			\$	\$
Cash at bank	2.50%	6.75%	107,626	153,259
Term deposits & At Call	3.68%	7.63%	12,638,293	12,232,259
<b>Total Financial Assets</b>			<u>12,745,919</u>	<u>12,385,518</u>

**Note 22 Office Premises Leases**

The Council leases premises as under:

14 Queens Road, Melbourne, Vic until 31 July 2012 - at 30 June 2009 at \$36,881 pa (excl GST), but including landlord's outgoings, with reviews of 4% each 1 August 2010 and 2011.

1862 Albany Highway, Maddington, WA until 1 April 2011 - at 30 June 2009 at \$15,162 pa (excl GST), plus landlord's outgoings, with reviews to CPI or 3%, whichever is the greater each 1 April.

100 Greenhill Road, Unley, SA - at 30 June 2009 at \$11,721 pa (excl GST) on a month-to-month tenancy including landlord's outgoings.

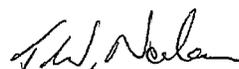
61 Mulgool Road, Malaga, WA until 24 February 2010 - at 30 June 2009 at \$10,000 pa (excl GST), including landlord's outgoings.

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

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

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

Signed on behalf of the Board of Directors in accordance with the resolution of the Board dated 23 September 2009.



Terry Nolan



Craig Cook

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

**Report on the financial report**

We have audited the accompanying financial report of Australian Meat Industry Council which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

*Directors' responsibility for the financial report*

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

*Auditor's responsibility*

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

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

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

*Independence*

In conducting our audit, we have complied with the Independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Australian Meat Industry Council on 25 September 2009, would be in the same terms if provided to the directors as at the date of the auditor's report.

*Auditor's opinion*

In our opinion the financial report of Australian Meat Industry Council is in accordance with the Fair Work (Registered Organisation) Act 2009, including

- a. giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the Fair Work (Registered Organisation) Act 2009.

B.P. Woodward & Associates  
Chartered Accountants



B.P. Woodward  
Registered Company Auditor  
SYDNEY

Dated this Twenty-fifth day of September, 2009

## FORM OF PROXY

I, \_\_\_\_\_

of \_\_\_\_\_

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

*THE CHAIRMAN OF THE MEETING*

As my proxy vote for me on my behalf at the *Annual General Meeting* to be held on **Tuesday 1 December 2009** and at any adjournment thereof.

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

As witnessed my hand this ..... day of ....., 2009

Signed by the said .....

In the presence of.....

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

**NO LATER THAN 5.00 PM ON MONDAY, 30 NOVEMBER 2009**

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

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Crows Nest NSW 1585  
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