



FAIR WORK
AUSTRALIA

16 December 2010

Mr Terry Nolan
Chairman
Australian Meat Industry Council
PO Box 1208
CROWS NEST NSW 1585

Attn: Mr Peter Hopkins
Manager Finance & Administration
phopkins@amic.org.au

Dear Mr Nolan

**Fair Work (Registered Organisations) Act 2009 – (RO Act)
Financial report for year ended 30 June 2010 – FR2010/2738**

I acknowledge receipt of the full report for the Australian Meat Industry Council for the year ended 30 June 2010. The document was lodged with Fair Work Australia on 6 December 2010.

The full report has been filed.

If you have any queries please do not hesitate to contact me on (03) 8661 7989 (Tuesday – Friday) or by email at cynthia.lobooth@fwa.gov.au

Yours sincerely

Cynthia Lo-Booth
Tribunal Services and Organisations



Ms C Lo-Booth
Tribunal Services & Organisations
Fair Work Australia
GPO Box 1994
MELBOURNE, VIC 3001

1 December 2010

Dear Ms Lo-Booth,

Annual Report and Accounts for the year ended 30 June 2010

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 2010 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 2010

Presented to a meeting of members of the Australian Meat Industry Council on 29 November 2010.

Craig Cook,

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

Secretary/Treasurer

1 December 2010

3 November 2010

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 2010, 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 Monday, 29 November 2010. 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: Monday, 29 November 2010 at 10.00 am

BUSINESS:

1. Confirmation of Minutes of Annual General Meeting held on 1 December 2009;
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 2010.

Dated at Sydney
3 November 2010
Level 2
460 Pacific Highway
ST LEONARDS NSW 2065



Chief Executive Officer

AUSTRALIAN MEAT INDUSTRY COUNCIL
ABN: 65 990 653 488
OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2010

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 2009–2010 the Council has continued to promote the interests of the Independent Local Butcher network. In conjunction with Meat and Livestock Australia it has ensured that there is adequate funding for sales promotion and issues related to meat nutrition.

Truth in labelling of beef at the point of sale has been the subject of legislation in New South Wales. On behalf of its retail members, the Fresh Meat Specialists, AMIC has engaged with AUS-MEAT to ensure that a clear guideline is available to prevent mislabelling or misrepresentation of retail terminology.

Food safety training for Independent Local Butchers has continued to be a major focus. Food Safety Plans successfully implemented into the retail sector in Tasmania have now been independently audited 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 while enhancing both food safety and the image of Australian meat products. These projects are now being implemented.

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 successfully applied to the Australian Industrial Relations Commission for a Modern Meat Award which came into force in January 2010 and this 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 2010-2011 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 to a wider range of members will underlie most of the programs in which AMIC is involved.

Financial Results

The financial result for the year to 30 June 2010 is a surplus of \$263,974 and a significant increase over the prior year - primarily as a result of increasing interest rates on the Council's significant bank deposits. The following detail financial statements give a comprehensive picture of the performance for the year and at balance date.

Accumulated funds are therefore some \$16.4 million at 30 June 2010 - maintaining a very solid financial base for the future with some \$19.2 million of total assets (including cash of some \$13.4 million) against just \$4.5 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 (Chief Executive Officer of AMIC)
- Gary Teys (Director of Teys Bros (Holdings) Pty Ltd, a member of AMIC)
- Gary Hardwick (Director of Hardwicks Meat Works Pty Ltd, a member of AMIC)

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

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

- Keith Haslem, an employee of 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 (not 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 23 September 2009 and up to and including 1 September 2010
Terry Nolan	Director/Chairman, continuing	Processors	4/4
Roger Fletcher	Director, continuing	Processors	4/3
Kerry Melrose *	Director, continuing	Retail & General	4/4
Andrew Ridder	Director, continuing	Smallgoods	4/2
Garry Burrige	Director, continuing	Processors	4/3
Craig Cook	Director/Treasurer/Secretary, continuing	Retail & General	4/3
James Ralph	Director/Deputy Chairman, continuing	Processors	4/4
Ronald Stapleton	Director, continuing	Retail & General	4/4
Brendon Watts	Director, retired May 2010	Retail & General	2/1
Bradley Thomason	Director, continuing	Smallgoods	4/2
Grant Edmonds	Director, retired March 2010	Processors	1/1
Frank Herd	Director, appointed July 2010	Processors	1/1
Frank Russo	Director, appointed June 2010	Retail & General	2/1

*For one meeting, Kerry Melrose was represented by an alternate, Robert Constable.

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:

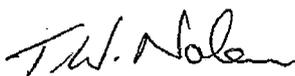
Function	At 30 June 2010
National Administration and Finance – incl. CEO	5 Full time
Industrial Relations and Human Resources services to members	4 Full time
Retail & General Member Services	10 Full time and 2 Part time – 11 full time equivalents
Processors, Exporters & Smallgoods Member Services	5 Full 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	1864
Processor	227
Smallgoods	62
Associate (non voting)	45
Totals	2198



T Nolan – Chairman

1 September 2010

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

BALANCE SHEET

As at 30 June 2010

		2010	2009
	Note	\$	\$
CURRENT ASSETS			
Cash in Hand		2,745	2,745
Cash at Bank, At Call and Short Term Deposits maturing in less than two months		762,345	321,401
Bank Deposits and Bank Bills maturing in more than two months		12,576,410	12,424,518
Receivables & Sundry Debtors	3	994,780	673,601
GST Recoverable		5,833	47,825
Inventories	4	18,563	9,572
Prepayments	5	35,639	26,296
Advance Project Expenses	5,19	285,608	210,406
		14,681,923	13,716,364
NON-CURRENT ASSETS			
Real Property	6	2,935,273	2,935,273
Other	6	710,544	801,010
Investment Property - Real Property	7	851,219	851,219
Investment Property - Other	7	3,594	4,719
		4,500,630	4,592,221
TOTAL ASSETS		19,182,553	18,308,585
Less:			
CURRENT LIABILITIES AND PROVISIONS			
Provision for Long Service Leave		200,572	168,119
Accrued Annual Leave		401,288	369,971
Total Employee Entitlements	14	601,860	538,090
Payroll Tax payable/provided	16	176,409	157,185
Trade Accounts Payable		63,878	78,362
Members Subscriptions Received in Advance		56,861	25,997
Members Special Funds	17	248,805	247,301
Sundry Creditors, Accruals and Provisions	18	978,475	856,634
Advance Project Income	19	610,007	222,730
		2,736,295	2,126,301
TOTAL LIABILITIES		2,736,295	2,126,301
NET ASSETS		16,446,258	16,182,284
ACCUMULATED FUNDS			
Retained earnings	8	16,446,258	16,182,284
		16,446,258	16,182,284

To be read in conjunction with the attached notes

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

INCOME STATEMENT

Year Ended 30 June 2010

	Note	2010 \$	2009 \$
INCOME			
Membership Subscriptions		2,378,954	2,348,869
Industry Consultation (Red Meat Advisory Council Ltd)		804,584	796,140
Interest Received		649,395	794,344
Rent Received		260,212	193,397
Other Income	11	99,362	104,871
Proceeds from sale of fixed assets		4,545	5,000
Affinity Commissions		50,449	59,289
Project, Event and Promotional Income	19	1,048,232	1,016,677
Food Safety Plan Audit Income		428,867	399,671
		<u>5,724,600</u>	<u>5,718,258</u>
EXPENDITURE			
Audit Fees		18,253	37,792
Depreciation		193,224	188,974
Provision for Doubtful Debts		7,068	1,432
Consultants and Professional Fees	12	335,406	425,869
Written down value of assets sold		1,832	0
Employee Payroll Costs incl. superannuation and on costs		2,525,339	2,537,859
Employee benefits - Officer Bearers		79,500	80,360
Meetings and Conference Expenses	13	256,929	243,131
Motor Vehicle Expenses		137,684	141,848
Property Expenses	20	312,015	290,212
Staff Travel and Accommodation		155,043	179,791
Telecommunications		110,394	127,574
Project, Event and Promotional Expenses	12,19	798,894	921,344
Cost of Brochures and Saleable Items		12,406	13,141
Data Processing Expenses		127,880	120,988
Debt Collection Costs		15,021	6,177
Fringe Benefits Tax		22,545	20,362
Finance Costs/Bank Charges		7,433	8,159
Staff Recruitment & Training		7,509	18,731
Insurance		32,397	35,773
Business Subscriptions & Information Services		38,916	49,438
Postage Freight & Couriers		63,194	62,430
Printing & Stationery		78,361	87,634
Newsletter and Promotional Expenses		115,575	68,833
Sundry expenses		7,808	8,287
		<u>5,460,626</u>	<u>5,676,139</u>
OPERATING SURPLUS		<u>263,974</u>	<u>42,119</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 2010

	Retained Profits	Reserves	Total
	\$	\$	\$
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 1 July 2009	16,182,284	-	16,182,284
Surplus attributable to members year ended 30/6/10	263,974	-	263,974
Balance at 30 June 2010	16,446,258	-	16,446,258

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 2010

	2010	2009
	\$	\$
Cash Flows from Operating Activities		
Membership Subscriptions	2,378,954	2,348,869
Interest Received	649,395	794,344
Other Income	2,405,451	2,665,259
Wages Paid	(2,604,839)	(2,618,219)
Other Payments	(2,137,205)	(2,730,866)
Net Cash Flows From Operating Activities	<u>691,756</u>	<u>459,387</u>
Cash Flows from Investing Activities		
Purchase of Non-Current Assets	(103,463)	(103,984)
Cash on Deposit for more than two months	(151,892)	(5,972,951)
Proceeds from sale of Non-Current Assets	4,545	5,000
Net Cash Flows from Investing Activities	<u>(250,810)</u>	<u>(6,071,935)</u>
Net Cash Increase / (Decrease) in Cash Held	440,946	(5,612,548)
Balance of Cash at Beginning of Year	324,146	5,936,695
Balance of Cash at End of Period	<u><u>765,090</u></u>	<u><u>324,146</u></u>

NOTES TO THE STATEMENT OF CASH FLOW

	2010	2009
	\$	\$
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 (less than 2 months)	762,345	321,401
	<u>765,090</u>	<u>324,146</u>
Reconciliation of Net Cash provided by Operating Activities to Operating Surplus		
Operating Surplus (Deficit)	263,974	42,119
Depreciation	193,224	188,974
(Profit)/Loss on Sale of Non-Current Assets	(2,713)	(5,000)
Changes in Assets and Liabilities		
(Increase)/Decrease in Prepayments/Advance Project Costs	(84,545)	31,529
(Increase)/Decrease in Receivables/Sundry Debtors	(279,187)	71,067
(Increase)/Decrease in Inventory	(8,991)	3,093
Increase/(Decrease) in Accounts Payable/Advance Project Income	527,000	67,085
Increase/(Decrease) in Provisions	82,994	60,520
Net cash provided by operating activities	<u><u>691,756</u></u>	<u><u>459,387</u></u>

THE AUSTRALIAN MEAT INDUSTRY COUNCIL 65 990 653 488
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 1 Statement of Significant Accounting Policies

The financial statements of the Australian Meat Industry Council for the year ended 30 June 2010 were authorised for issue by the Board of Directors (Committee of Management) on 1 September 2010.

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	2010	2009
		\$	\$
Trade debtors		237,549	130,270
Amounts receivable from members		84,397	57,229
Bank Interest Receivable, including Bills not yet matured		277,702	92,789
Industry Consultation Funding receivable from Red Meat Advisory Council Ltd		401,451	397,780
Less: Provision for doubtful debts		(6,319)	(4,467)
		<u>994,780</u>	<u>673,601</u>

Note 4 Inventories

		2010	2009
		\$	\$
CURRENT			
At cost			
Finished goods		<u>18,563</u>	<u>9,572</u>
		<u>18,563</u>	<u>9,572</u>

Note 5 Other Assets

	2010	2009
	\$	\$
Prepayments	35,639	26,296
Advance Project Costs	285,608	210,406
	<u>321,247</u>	<u>236,702</u>

Note 6 Property, Plant and Equipment

	2010	2009
	\$	\$
Land and Buildings		
Strata title properties at:		
— cost	2,935,273	2,935,273
Less accumulated depreciation	<u>-</u>	<u>-</u>
	<u>2,935,273</u>	<u>2,935,273</u>
Furniture & Fittings	917,024	914,510
Less accumulated depreciation	<u>(479,272)</u>	<u>(412,485)</u>
	<u>437,752</u>	<u>502,025</u>
Office Equipment	1,528,817	1,453,585
Less accumulated depreciation	<u>(1,358,566)</u>	<u>(1,263,683)</u>
	<u>170,251</u>	<u>189,902</u>
Motor Vehicles	162,993	163,310
Less accumulated depreciation	<u>(60,452)</u>	<u>(54,227)</u>
	<u>102,541</u>	<u>109,083</u>
Total Other Non-Current Assets	<u>710,544</u>	<u>801,010</u>
Total Property and Other Non-Current Assets	<u>3,645,817</u>	<u>3,736,283</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	502,027	189,902	109,083	3,736,285
Additions	-	2,513	75,230	25,720	103,463
Disposals	-	-	-	(1,832)	(1,832)
Depreciation expense	-	(66,788)	(94,880)	(30,428)	(192,096)
Carrying amount at the end of year	<u>2,935,273</u>	<u>437,752</u>	<u>170,252</u>	<u>102,543</u>	<u>3,645,820</u>

Note 7 Investment Property

	2010	2009
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	(53,025)	(51,900)
	<u>3,594</u>	<u>4,719</u>
Total Investment Property	<u>854,813</u>	<u>855,938</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	4,719	855,938
Depreciation expense	-	(1,125)	(1,125)
Carrying amount at the end of year	<u>851,219</u>	<u>3,594</u>	<u>854,813</u>

Note 8 Retained Surpluses

	2010	2009
Retained surpluses at the beginning of the financial year	\$	\$
	16,182,284	16,140,165
Net operating surplus/(deficit) for the year	263,974	42,119
Retained surpluses at the end of the financial year	<u>16,446,258</u>	<u>16,182,284</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

	2010	2009
	\$	\$
Advertising	33,670	38,961
Members Saleable Items and Services	54,012	58,993
Bad Debts Recovered	2,884	5,306
Sundry Income	8,796	1,611
	<u>99,362</u>	<u>104,871</u>

Note 12 Consultants & Professional Fees

	2010	2009
	\$	\$
Legal Expenses - Industrial Relations Advice and Services to members	0	93,621
Legal Expenses - Miscellaneous	0	6,294
Food Safety Audits	335,406	314,003
Other Consultants and Contractors	0	11,951
	<u>335,406</u>	<u>425,869</u>

Note 13 Meetings and Conference Expenses

	2010	2009
	\$	\$
Councillor Attendance Per Diems	54,410	73,721
Councillor Travel Costs to attend meetings	111,429	123,499
Councillor Overseas Travel	14,604	0
Meeting Expenses	76,486	45,911
	<u>256,929</u>	<u>243,131</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:

	2010	2009
	\$	\$
Employee Benefits (Superannuation) - Directors	-	-
Employee Benefits - Staff	601,860	538,090
	<u>601,860</u>	<u>538,090</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 (\$136,891 in 2009) 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 30/6/09	Received during year	Expensed during year	Balance 30/6/10
Qld Meatworks Association	11,759			11,759
Q Promotions *	176,918			176,918
Vic Processors Fighting Fund	9,723			9,723
CAPAA Engineers Fund	48,901	1,504		50,405
Total	<u>247,301</u>	<u>1,504</u>	<u>0</u>	<u>248,805</u>

* 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

	2010	2009
	\$	\$
General Creditors and Accruals	337,297	334,470
Provision - Promotion and other projects	130,673	98,740
Provision - Awards Modernisation Project	20,000	90,000
Property Maintenance Sinking Fund Provisions	345,000	271,000
FBT Accrual	89,639	17,609
Provision Workers Compensation Premiums	12,024	7,694
Payroll related clearing accounts, principally PAYG	43,842	37,121
	<u>978,475</u>	<u>856,634</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

	2010	2009
	\$	\$
Property Expenses includes Sinking Fund Provisions for future refurbishment/restoration	<u>66,000</u>	<u>66,000</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	
	2010	2009	2010	2009
			\$	\$
Cash at bank	4.00%	2.50%	77,872	107,626
Term deposits & At Call	5.72%	3.68%	<u>13,260,883</u>	<u>12,638,293</u>
Total Financial Assets			<u>13,338,755</u>	<u>12,745,919</u>

Note 22 Office Premises Leases

The Council leases premises as under:

14 Queens Road, Melbourne, Vic until 31 July 2012 - at 30 June 2010 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 2010 at \$16,678 pa (excl GST), plus landlord's outgoings, with option to renew at 31 March 2011.

100 Greenhill Road, Unley, SA - at 30 June 2010 at \$12,090 pa (excl GST) on a month-to-month tenancy including landlord's outgoings.

61 Mulgool Road, Malaga, WA until 31 May 2011 - at 30 June 2010 at \$3,500 pa (excl GST), including landlord's outgoings.

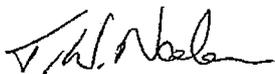
AUSTRALIAN MEAT INDUSTRY COUNCIL

STATEMENT OF THE BOARD OF DIRECTORS (COMMITTEE OF MANAGEMENT)

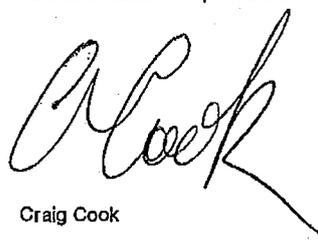
In accordance with a resolution of the Board of Directors we declare that in the opinion of the Board:

- (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 Fair Work (Registered Organisations) Regulations 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 1 September 2010.



Terry Nolan



Craig Cook

At Surfers Paradise, Queensland this 1 September 2010.

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 2010, 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 1 September 2010, 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 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 Organisation) Act 2009.

B.P. Woodward & Associates
Chartered Accountants



B.P. Woodward
Registered Company Auditor
SYDNEY

Dated this Twenty First day of September, 2010

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 **Monday 29 November 2010** 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, 2010

Signed by the said

In the presence of.....

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

NO LATER THAN 5:00 PM ON FRIDAY, 26 NOVEMBER 2010

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.

Level 2
460 Pacific Highway
St Leonards NSW
Australia 2065
PO Box 1208
Crows Nest NSW 1585
T 02 9086 2200
F 02 9086 2201
ABN 65 990 653 488