

9 January 2015

Mr Frank Herd
Chairman
Australian Meat Industry Council
admin@amic.org.au



CC: Anthony Woodward, B.P. Woodward & Associates, by email: woodwards@woodwards.com.au

Dear Mr Herd,

**Australian Meat Industry Council
Financial Report for the year ended 30 June 2014 - [FR2014/257]**

I acknowledge receipt of the financial report of the Australian Meat Industry Council. The documents were lodged with the Fair Work Commission on 10 December 2014.

The financial report has now been filed. Thank you for incorporating the comments in last year's correspondence. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report.

Documents must be lodged with the Fair Work Commission within 14 days of General Meeting

Section 268 of the RO Act, states that the full report and the designated officer's certificate are required to be lodged with the Fair Work Commission within 14 days of the meeting of members. The Designated Officer's Certificate indicates that this meeting occurred on 24 November 2014. If this is correct the full report should have been lodged with the Fair Work Commission by 8 December 2015.

The full report was lodged on 10 December 2015.

If these dates are correct, the organisation should have applied for an extension of time to lodge the required reports and the Designated Officer's Certificate in accordance with section 268 of the RO Act prior to the deadline occurring.

Please note that in future financial years if the organisation cannot lodge on time, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made prior to the required date of lodgement.

Revenue recognition

The Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 117 and *AASB 118: Revenue* paragraph 35(a) requires that the entity must disclose the measurement basis or bases used in recognising revenue.

While the organisation has included a number of revenue policies, policies for material sources of income are not apparent. It is unclear, for instance, whether the revenue line items Industry Consultation (Red Meat Advisory Council Ltd) or the Food Safety Plan Audit Income have policies within the report.

Related Parties

The report does not disclose any related party transactions. Related party transactions are required to be disclosed under Australian Accounting Standard *AASB124 Related Party Disclosures* paragraph 18.

While it is possible that the organisation did not, during the 2014 financial year, transact with related parties, this is rare for an organisation. In future reports the organisation may wish to include a specific entry within the notes stating this to prevent further inquiries.

Designated Officer's Certificate

The Designated Officer's Certificate states that the report was provided 'on or about' 1 October 2014. It is preferred that the organisation provide a precise date of provision. This is particularly important if the general meeting of members is close to the provision date and the requisite 21 days needs to be confirmed.

Statements of equal prominence

It is a requirement of AASB 101(11) that all financial statements within a complete set of financial statements are presented with equal prominence. I note that the statement of financial position and the statement of changes in equity shared the same page; additionally the statement of comprehensive income shares a page with the recovery of wages activity statement. Please ensure that next year each statement is accorded equal prominence, for instance, each is given a new page.

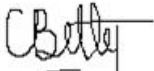
I note that there is no obligation to have a recovery of wages activity statement if the Committee of Management statement is clear that no recovery of wages activity occurred within the financial year.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 8661 7974 or via email at catherine.bebbington@fwc.gov.au.

Yours sincerely



CATHERINE BEBBINGTON

Regulatory Compliance Branch

FAIR WORK COMMISSION

Tel: 03 8661 7974

Fax: 03 9655 0410

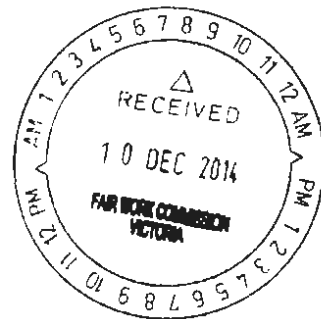
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Ms C Lo-Booth
Tribunal Services & Organisations
Fair Work Australia
GPO Box 1994
MELBOURNE, VIC 3001

8 December 2014


Dear Ms Lo-Booth,

Annual Report and Accounts for the year ended 30 June 2014

Please find enclosed the Secretary's Certificate 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,



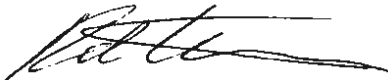
Peter Hopkins
Manager Finance & Administration

AUSTRALIAN MEAT INDUSTRY COUNCIL

SECRETARY'S CERTIFICATE

I, Robert Constable, being the Secretary/Treasurer of the Australian Meat Industry Council certify:

- that the documents lodged herewith are copies of the full report of the Australian Meat Industry Council for the year ended 30 June 2014 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- were provided to members free of charge on or about 1 October 2014; and
- were presented to a general meeting of members of the Australian Meat Industry Council on 24 November 2014 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009 .



Robert Constable,

Secretary/Treasurer

Dated ...24 November... 2014

30 September 2014

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 2014, 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, 24 November 2014. 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, 24 November 2014 at 10.00 am

BUSINESS:

1. Confirmation of Minutes of Annual General Meeting held on 25 November 2013;
2. Presentation of the Operating Report on the affairs of the AMIC for the year ended 30 June 2014;
3. Presentation of Audited Accounts and Statements of AMIC for the year ended 30 June 2014;
4. Presentation of Report of the Auditor for the year ended 30 June 2014.

Dated at Sydney
30 September 2014
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 2014

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 functions 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 2013–2014 the Council has continued to promote the interests of the Independent Local Butchers with emphasis on the Meat Training Package and submissions to Government on a range of technical issues. AMIC also works closely with Meat and Livestock Australia and Australian Pork on industry promotion.

Food safety knowledge by Independent Local Butchers has continued to be a major focus. AMIC provides advice to members in complying with food safety plans and food safety.

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 cost of regulation, climate change and food safety are major issues for meat processors and several projects have addressed these matters.

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.

AMIC represents members in many state and national forums. Issues relating to improved Workplace Health and Safety outcomes, food safety regulation, knowledge 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.

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 2014–2015 will see a continuation of the above operations and the further linking of AMIC issues to other stakeholders. Food safety, efficient processing and knowledge improvements in the meat industry underlie most of the programs in which AMIC is involved.

Financial Results

The financial result for the year to 30 June 2014 is a surplus of \$250,785 and similar to the prior year. The following detail financial statements give a comprehensive picture of the performance for the year and at balance date.

Accumulated funds are therefore some \$19.4 million at 30 June 2014 – maintaining a very solid financial base for the future with some \$22.9 million of total assets (including cash of some \$17.9 million) against just \$3.5 million of liabilities and provisions.

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	1644
Processor	191
Smallgoods	63
Associate (non-voting)	45
Total	1943

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 2014
National Administration and Finance – incl. CEO	5 Full time
Industrial Relations and Human Resources services to members	3 Full time
Retail & General Member Services	11 Full time and 1 Part time – 11.5 full time equivalents
Processors, Exporters & Smallgoods Member Services	4 Full time and 1 Part time – 4.5 full time equivalents
Totals	23 Full time and 2 Part time – 24 full time equivalents

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 and the last election took place in 2011.

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

Name	Capacity	Industry Sector Represented
Frank Herd*	Director, continuing, Appointed Chairman December 2011	Processors
Terry Nolan	Director/Chairman, retired November 2011 and reappointed Director December 2011	Processors
James Ralph	Director, continuing, retired as Deputy Chairman November 2011,	Processors
Bradley Thomason	Director, continuing, appointed Deputy Chairman November 2011	Smallgoods
Kerry Melrose	Director, continuing	Retail & General
Raymond Kelso	Director, continuing	Retail & General
Robert Constable	Director, continuing, appointed Secretary/Treasurer December 2011	Retail & General
Franz Knoll	Director, appointed November 2011	Smallgoods
Brian James **	Director, appointed December 2011	Processors
Gregory Maconachie	Director, appointed December 2011, Retired November 2013	Retail & General
David Larkin*	Director, continuing, appointed June 2012	Processors
Rodney Sellers	Director, appointed March 2014	Retail & General

*At the date of this report, Frank Herd and David Larkin are directors of the Red Meat Advisory Council Ltd (RMAC) by reason of their being nominated for those positions because they are directors of the Australian Meat Industry Council. RMAC is the peak industry council (PIC) through which all PICs, including AMIC, formulate red meat industry policy, advise government, develop and revise the Meat Industry Strategic Plan and interact with levy-funded bodies including Australian Livestock Export Corporation, Australian Meat Processor Corporation Ltd and Meat and Livestock Australia.

**At the date of this report, Brian James is a director of Australian Meat Processor Corporation Ltd (AMPC), but not as a nominee of AMIC. AMPC supports Marketing, Research, Development and Extension initiatives that are directed at improving sustainability and efficiency of the red meat processing industry.

At the date of this report, Kevin Cottrill, the Chief Executive Officer of AMIC, is a director of the National Meat Industry Training Advisory Council Ltd (MINTRAC) as a nominee of AMIC. MINTRAC represents the industry on training matters and its role is to improve the skills of workers in the industry through the provision of recognised and accredited training.

Directors, members and employees 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 JBS Australia Pty Ltd (a member of AMIC)
- Frank Raeside (not 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.

F Herd – Chairman

22 September 2014

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

**STATEMENT OF FINANCIAL POSITION
As at 30 June 2014**

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash in Hand		2,745	2,745
Cash at Bank, At Call and Short Term Deposits maturing in less than three months		16,220,123	2,533,260
Bank Deposits and Bank Bills maturing in more than three months		1,636,275	14,827,000
Interest Receivable on Term Deposits		228,375	178,118
Receivables & Sundry Debtors	3	460,729	652,964
GST Recoverable		28,470	16,262
Inventories	4	14,780	7,364
Prepayments		58,760	55,318
Advance Project Expenses	18a,18b	611,487	474,088
		<u>19,261,744</u>	<u>18,747,119</u>
NON-CURRENT ASSETS			
Real Property	5	2,935,273	2,935,273
Other	5	318,679	404,882
Investment Property - Real Property	6	414,249	414,249
Investment Property - Other	6	-	219
		<u>3,668,201</u>	<u>3,754,623</u>
TOTAL ASSETS		<u>22,929,945</u>	<u>22,501,742</u>
Less:			
CURRENT LIABILITIES AND PROVISIONS			
Employee Provisions	14b	690,664	638,400
Payroll Tax payable/provided	15	249,219	229,558
Trade Accounts Payable		67,363	108,873
Subscription Income Received in Advance relating to next year		30,258	25,292
Members Special Funds	16	206,402	204,576
Sundry Creditors, Accruals and Provisions	17	1,120,374	846,055
Advance Project Income	18a,18b	601,694	774,568
		<u>2,965,974</u>	<u>2,827,322</u>
NON-CURRENT LIABILITIES AND PROVISIONS			
Property Provisions	19	497,107	484,169
Employee Provisions	14b	68,270	42,442
		<u>565,377</u>	<u>526,611</u>
TOTAL LIABILITIES		<u>3,531,351</u>	<u>3,353,933</u>
NET ASSETS		<u>19,398,594</u>	<u>19,147,809</u>
EQUITY			
Retained earnings		<u>19,398,594</u>	<u>19,147,809</u>
See Statement of Changes in Equity		<u>19,398,594</u>	<u>19,147,809</u>

To be read in conjunction with the attached notes

**STATEMENT OF CHANGES IN EQUITY
Year Ended 30 June 2014**

	Retained Profits \$	Reserves \$	Total \$
Balance at 1 July 2012	18,941,981	-	18,941,981
Surplus attributable to members year ended 30/6/13	205,828	-	205,828
Balance at 1 July 2013	19,147,809	-	19,147,809
Surplus attributable to members year ended 30/6/14	250,785	-	250,785
Balance at 30 June 2014	<u>19,398,594</u>	-	<u>19,398,594</u>

Notes: There were no retrospective adjustments to accumulated funds resulting from the adoption of the Australian equivalent of International Reporting Standards. Other than funds included at Note 16, there were no other funds apart from the general fund.

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN: 65 990 653 488

STATEMENT OF COMPREHENSIVE INCOME
Year Ended 30 June 2014

	Note	2014 \$	2013 \$
INCOME			
Membership Subscriptions		2,472,596	2,398,459
Industry Consultation (Red Meat Advisory Council Ltd)		767,472	741,034
Interest Received from Bank & Term Deposits		673,586	757,419
Property Rent & Recoveries (Investment and Non-Investment)		130,710	157,471
Other Income	9	82,815	145,369
Proceeds from sale of Fixed Assets		-	12,273
Commissions from Member Insurance Agent		48,666	53,586
Project, Event and Promotional Income	18a	1,175,281	863,364
Food Safety Plan Audit Income		452,515	447,830
		<u>5,803,641</u>	<u>5,576,805</u>
EXPENDITURE			
Director & Staff Remuneration incl. On-Costs	14a	2,782,546	2,783,026
Auditors Remuneration	10a	19,990	19,480
Depreciation and Amortisation		131,626	152,553
Written Down Value of Assets Sold/Scrapped		-	15,030
Provision for Doubtful Debts		4,106	616
Consultants and Professional Fees	10b	350,856	384,803
Meeting Expenses	11a	280,195	206,104
Motor Vehicle Expenses		138,927	141,224
Property Expenses (Investment and Non-Investment)	19	249,248	271,946
Staff Travel and Accommodation		183,444	188,131
Telecommunications		67,607	74,447
Project and Event Expenses	11b, 18a	900,035	662,364
Cost of Brochures and Saleable items		8,845	9,972
Data Processing & Internet Expenses		124,444	135,569
Legal and Debt Collection Costs	12	23,325	38,281
Fringe Benefits Tax		20,550	14,583
Finance Costs/Bank Charges		8,358	8,235
Staff Recruitment & Training (after rebates received)		15,694	1,415
Insurances		34,956	32,357
Business Subscriptions & Information Services		44,529	41,613
Postage Freight & Couriers		44,867	56,996
Printing & Stationery		61,555	51,139
Newsletter and Promotional Expenses		33,400	58,794
Donations (individual amounts \$1,000 or less)		455	1,800
Sundry expenses		23,298	20,499
		<u>5,552,856</u>	<u>5,370,977</u>
OPERATING SURPLUS		<u>250,785</u>	<u>205,828</u>

RECOVERY OF WAGES ACTIVITY
Year Ended 30 June 2014

	2014 \$	2013 \$
Cash Assets in respect of recovered money at beginning of year	-	-
Receipts	-	-
Payments	-	-
Cash Assets in respect of recovered money at end of year	<u>-</u>	<u>-</u>

The Council has not undertaken any wages recovery activity.

AUSTRALIAN MEAT INDUSTRY COUNCIL

STATEMENT OF CASH FLOWS
Year Ended 30 June 2014

	2014	2013
	\$	\$
Cash Flows from Operating Activities		
Cash Inflows		
Membership Subscriptions	2,729,410	2,632,335
Industry Consultation (Red Meat Advisory Council Ltd)	694,826	855,698
Interest Received	41,422	62,898
Project & Event Income	1,381,154	1,261,940
Food Safety Plan Income	493,675	490,732
All Other Income	193,622	318,444
Receipts from other reporting units/controlled entity(s) *	-	-
	<u>5,534,109</u>	<u>5,622,047</u>
Cash Outflows		
Wages & Salaries	(2,676,530)	(2,734,589)
Project & Event Expenditure	(902,037)	(771,692)
Food Safety Plan Expenditure	(377,570)	(377,708)
All Other Payments	(1,680,549)	(1,685,979)
Payments to other reporting units/controlled entity(s) *	-	-
	<u>(5,636,686)</u>	<u>(5,569,968)</u>
Net Cash Flows From Operating Activities	<u>(102,577)</u>	<u>52,079</u>
Cash Flows from Investing Activities		
Purchase of Non-Current Assets	(45,205)	(73,328)
Cash on Deposit for more than three months	13,190,725	173,000
Interest Received	581,907	592,062
Rents from Investment Properties	97,864	87,509
Proceeds from sale of Non-Current Assets	-	12,273
Outgoings on Investment Properties	(35,852)	(35,192)
Net Cash Flows from Investing Activities	<u>13,789,439</u>	<u>756,325</u>
Net Cash Increase / (Decrease) in Cash Held	13,686,862	808,404
Balance of Cash at Beginning of Year	2,536,005	1,727,601
Balance of Cash at End of Period	<u>16,222,868</u>	<u>2,536,005</u>

NOTES TO THE STATEMENT OF CASH FLOW

	2014	2013
	\$	\$
Reconciliation of Cash		
For the purpose of the Statement of Cash Flow, Cash includes cash on hand in bank and investments maturing less than three months from balance sheet date.		
Cash in Hand	2,745	2,745
Cash at Bank and on short term deposit (less than 3 months)	16,220,123	2,533,260
	<u>16,222,868</u>	<u>2,536,005</u>
Reconciliation of Net Cash provided by Operating Activities to Operating Surplus		
Operating Surplus (Deficit)	250,785	205,828
Depreciation and Amortisation	131,626	152,553
(Profit)/Loss on Sale of Non-Current Assets	-	2,757
Investment Income/Expense Net	(694,176)	(746,839)
Changes in Assets and Liabilities giving rise to Operating Activity Cash Flows		
(Increase)/Decrease in Prepayments/Advance Project Costs	(140,841)	(323,043)
(Increase)/Decrease in Receivables/Sundry Debtors	180,027	(111,737)
(Increase)/Decrease in Inventory	(7,416)	4,661
Increase/(Decrease) in Creditors/Accruals/Advance Project Income	66,727	761,763
Increase/(Decrease) in Provisions	110,691	106,136
Net cash provided by operating activities	<u>(102,577)</u>	<u>52,079</u>

* There is no other reporting unit and/or controlled entity of the Council that is a source of cash inflow or outflow.

THE AUSTRALIAN MEAT INDUSTRY COUNCIL 65 990 653 488
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

Note 1 Statement of Significant Accounting Policies

The financial statements and report of the Australian Meat Industry Council for the year ended 30 June 2014 were authorised for issue by the Board of Directors (Committee of Management) on 22 September 2014.

This financial report is a general purpose financial report for the Australian Meat Industry Council as an individual entity and has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and Fair Work (Registered Organisations) Act 2009. In this respect, the Australian Meat Industry Council (Council) is a not-for-profit entity.

The financial statements have been prepared on an accruals basis and are based on historical costs and do 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. Except where stated, no allowance is made for the effect of changing prices on the results or financial position. The financial statements are presented in Australian dollars.

The accounting policies adopted have been consistently applied to all years presented and no accounting standard has been adopted earlier than the application date set in the standard.

No accounting assumptions or estimates have been identified that may have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period. There are no new Australian Accounting Standards, amendments or interpretations issued prior to the date of this report that are expected to have a material future financial impact on the Council.

Accounting Policies where applicable to the financial statements:

a. Taxation

The Australian Meat Industry Council is classified as an "Employer Association" and as such is exempt from Income Tax under Section 50.1 of the Income Tax Assessment Act 1997; however, still has an obligation for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Income, Expenditure and Assets and Liabilities are recognised net of GST, except where the GST incurred is not recoverable and for Receivables and Payables where invoiced amounts include GST.

Cash Flows from Operating Activities in the Cash Flow Statement include GST. Cash Flows from Investing activities in the Cash Flow Statement exclude GST and this component is included within cash flows from Operating Activities.

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 & Equipment, Furniture & Fittings and Intangibles

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

Property

Strata Title land and buildings are measured on the cost basis and held for the Council's own use and for rental income and for capital appreciation and are held as Non-Current Assets.

Plant and equipment, Furniture & Fittings and Intangibles

All are measured on the cost basis less depreciation and any impairment losses.

The carrying amount of these assets 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 depreciated on a straight line basis (apart from assets with a Net Book Value at 30 June 2014 of \$7,708 which are depreciated on a reducing balance 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 depreciated.

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%
Intangibles	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

A liability is recognised for benefits accruing to employees in respect of wages, salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being reliably measured. Such entitlements have been measured at their nominal amount. It is considered that the nominal value of non-current 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

Cash is recognised at its nominal amount. Cash includes cash in hand, at call deposits with banks or similar financial institutions, highly liquid investments in money market instruments maturing within less than three months, net of any bank overdrafts.

g. Financial Liabilities

Trade Payables are stated at book value at the end of each reporting period.

h. Financial Assets

Cash, Bank Deposits held to maturity and Trade Receivables are stated at book value, less any provision for impairment at the end of each reporting period.

i. Contingent Liabilities and Future Contractual Commitments

Contingent Liabilities and Future Contractual Commitments are not recognised in the Balance Sheet, but are reported in the relevant notes.

j. Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from the sale of goods or services is recognised upon the delivery of goods to customers or the completion of the service and where it is probable that payment will be received.

Subscription income from members is recognised on an accrual basis in the financial year to which it relates.

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

k. Government Grants

Government grants are not recognised until there is reasonable assurance that the Council will comply with the conditions attaching to them and the grants will be received. Where Government Grants are receivable as compensation for expenditure by the Council specifically related to the purpose of the grant, any net surplus or loss is only recognised on completion of the grant expenditure program and all expense amounts paid and grants received.

l. Operating Leases

Lease payments are expensed as paid over the term of the relevant lease.

m. Comparative figures

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

n. Sale of Assets

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

o. 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

	2014	2013
	\$	\$
Trade Debtors	77,648	234,775
Amounts receivable from members for Subscriptions and Dues	-	-
Work In Progress not yet invoiced	See Note 18b -	105,620
Industry Consultation Funding receivable from Red Meat Advisory Council Ltd	385,831	313,185
Less: Provision for doubtful debts (other than other Reporting Units)	(2,750)	(616)
	<u>460,729</u>	<u>652,964</u>
Amounts Receivable from other Reporting Units	-	-
	<u>460,729</u>	<u>652,964</u>

Management believes that the amounts net of provisioning for doubtful debts are all collectible.

Note 4 Inventories

	2014	2013
	\$	\$
Finished Goods at cost	14,780	7,364
	<u>14,780</u>	<u>7,364</u>

Note 5 Property, Plant, Equipment and Intangibles

	2014	2013
	\$	\$
Land and Buildings		
Strata title properties at cost:	2,935,273	2,935,273
Less accumulated depreciation	-	-
Total Property	<u>2,935,273</u>	<u>2,935,273</u>
Furniture & Fittings at cost	692,010	938,202
Less accumulated depreciation	<u>(514,437)</u>	<u>(688,166)</u>
	<u>177,573</u>	<u>250,036</u>
Office Equipment at cost	463,043	1,439,393
Less accumulated depreciation	<u>(416,269)</u>	<u>(1,405,125)</u>
	<u>46,774</u>	<u>34,269</u>
Motor Vehicles at cost	178,475	178,475
Less accumulated depreciation	<u>(92,679)</u>	<u>(61,353)</u>
	<u>85,796</u>	<u>117,122</u>
Intangibles at cost - computer software purchased	148,012	139,344
Less accumulated depreciation	<u>(139,476)</u>	<u>(135,889)</u>
	<u>8,536</u>	<u>3,455</u>
Total Other Non-Current Assets	<u>318,679</u>	<u>404,882</u>
Total Property and Other Non-Current Assets	<u><u>3,253,952</u></u>	<u><u>3,340,155</u></u>

Movements in Carrying Amounts

	Land & Buildings 2014	Furniture & Fittings 2014	Office Equipment 2014	Motor Vehicles 2014	Intangibles 2014	Total 2014
	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	2,935,273	250,036	34,270	117,122	3,454	3,340,155
Additions	-	500	36,037	-	8,668	45,205
Disposals	-	(3,526)	(5,880)	-	-	(9,406)
Depreciation expense	-	(69,437)	(17,652)	(31,326)	(3,587)	(122,002)
Carrying amount at the end of year	<u>2,935,273</u>	<u>177,574</u>	<u>46,775</u>	<u>85,796</u>	<u>8,535</u>	<u>3,253,952</u>
	2013	2013	2013	2013	2013	2013
	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	2,935,273	321,496	62,366	97,526	16,624	3,433,285
Additions	-	-	2,909	70,154	265	73,328
Disposals	-	-	-	(15,030)	-	(15,030)
Depreciation expense	-	(71,460)	(31,006)	(35,528)	(13,434)	(151,428)
Carrying amount at the end of year	<u>2,935,273</u>	<u>250,036</u>	<u>34,269</u>	<u>117,122</u>	<u>3,455</u>	<u>3,340,155</u>

Note 6 Investment Property

	2014	2013
	\$	\$
Land and Buildings		
Strata title properties at cost:	414,249	414,249
Total Land and Buildings	<u>414,249</u>	<u>414,249</u>
Furniture & Fittings at cost	56,619	56,619
Less accumulated depreciation	<u>(56,619)</u>	<u>(56,400)</u>
	<u>-</u>	<u>219</u>
Total Investment Property	<u><u>414,249</u></u>	<u><u>414,468</u></u>
Rental Income and Recoveries from Investment Property	97,864	87,509
Expenses incurred on Investment Property	<u>(35,852)</u>	<u>(35,192)</u>
Net Surplus from letting Investment Property	<u><u>62,012</u></u>	<u><u>52,318</u></u>

Note 6 continued**Movements in Carrying Amounts**

	Land & Buildings 2014	Furniture & Fittings 2014	Total 2014
	\$	\$	\$
Balance at the beginning of year	414,249	219	414,468
Depreciation expense	-	(219)	(219)
Carrying amount at the end of year	<u>414,249</u>	<u>-</u>	<u>414,249</u>
	2013	2013	2013
	\$	\$	\$
Balance at the beginning of year	414,249	1,344	415,593
Depreciation expense	-	(1,125)	(1,125)
Carrying amount at the end of year	<u>414,249</u>	<u>219</u>	<u>414,468</u>

Note 7 Segment Reporting

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

Note 8 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:

88 Albert Road, Melbourne, Vic 3025 - Pennington Place, 70 Prospect Terrace, Kelvin Grove, Qld 4059

100 Greenhill Road, Unley, SA 5061 - 5 Darlot Road, Lansdale, WA 6065. Tasmania is serviced from NSW and SA offices.

The principal activity of the Council is an industry association.

Note 9 Other Income

	2014	2013
	\$	\$
Advertising	31,775	29,125
Members Saleable Items and Services	44,002	53,481
Bad Debts Recovered	6,855	6,568
Funds received from closure of CAPAA Engineering Fund	Note 16 -	56,164
Sundry Income	183	31
Capitation Fees	-	-
Levies	-	-
	<u>82,815</u>	<u>145,369</u>

Note 10 Auditors Remuneration, Consultants & Professional Fees

	2014	2013
	\$	\$
10a		
Remuneration of Auditors for audit of Financial Statements	19,990	19,480
Other Services	-	-
	<u>19,990</u>	<u>19,480</u>
10b		
Food Safety Audits for members	350,165	344,711
Other Consultants and Contractors	691	40,092
	<u>350,856</u>	<u>384,803</u>

Note 11 Meetings and Conference Expenses

	2014	2013
	\$	\$
11a		
Councillor Attendance Per Diems	94,893	66,532
Councillor Travel Costs to attend meetings	122,170	88,480
Meeting Expenses	63,132	44,987
	<u>280,195</u>	<u>206,104</u>
11b		

The Council arranges an industry conference attended by members and others at their own cost. The costs to the Council as included in the total of Trade Projects and Events are \$445,292 for 2014 and \$128,729 for 2013.

Note 12 Legal and Debt Collection Costs

	2014	2013
	\$	\$
Legal Expenses re Federal Meat Industry Award 2010 review and amendments	9,000	28,442
Less charged against provision created in prior years	<u>0</u>	<u>(14,015)</u>
	9,000	14,427
Debt Collection Costs	14,205	20,186
Other Legal Costs	<u>120</u>	<u>3,668</u>
	<u><u>23,325</u></u>	<u><u>38,281</u></u>

Note 13 Sundry Expenses

	2014	2013
Capitation Fees	-	-
Compulsory Levies	-	-
Consideration to Employers for payroll deductions	-	-
Penalties - via Registered Organisation Act or Regulations	-	-
Operating Lease payments - Office Equipment	14,734	15,009
Other	<u>8,564</u>	<u>5,490</u>
	<u><u>23,298</u></u>	<u><u>20,499</u></u>

Note 14a Office Bearer (Director) and Employee Remuneration

	2014	2014	2014	2013	2013	2013
	Directors	Staff	Total	Directors	Staff	Total
	\$	\$	\$	\$	\$	\$
Wages, Salaries and Directors Honorariums	85,117	2,114,025	2,199,142	81,003	2,118,129	2,199,132
Annual Leave Accrued	-	179,014	179,014	-	170,717	170,717
Separation & Redundancy Payments	-	-	-	-	29,968	29,968
Other Employee Expenses	-	3,370	3,370	-	2,334	2,334
Total Short Term Benefits	<u>85,117</u>	<u>2,296,409</u>	<u>2,381,526</u>	<u>81,003</u>	<u>2,321,148</u>	<u>2,402,151</u>
Post Employment Benefit - Superannuation	566	201,553	202,119	495	195,285	195,780
Long Service Leave Accrued	-	58,501	58,501	-	39,317	39,317
	<u>85,683</u>	<u>2,556,463</u>	<u>2,642,146</u>	<u>81,498</u>	<u>2,555,750</u>	<u>2,637,248</u>
Payroll Tax			120,936			126,070
Workers Compensation Insurance			<u>19,464</u>			<u>19,708</u>
			<u><u>2,782,546</u></u>			<u><u>2,783,026</u></u>
Key Management Staff Remuneration within the above Staff Remuneration			2014			2013
			\$			\$
Staff Salaries Incl. Annual Leave taken			723,631			706,121
Annual Leave Entitlements net accrued/(taken)			4,431			(2,005)
Life Assurance Premiums			<u>3,370</u>			<u>2,334</u>
Total Short Term Benefits			<u>731,432</u>			<u>706,450</u>
Post Employment Benefit - Superannuation			61,487			57,833
Long Term Benefit - Long Service Leave Accrued			<u>16,624</u>			<u>11,730</u>
			<u><u>809,543</u></u>			<u><u>776,013</u></u>

There were no separation, redundancy or other provisions or payments applicable.

Note 14b Employee Provisions

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

	2014	2013
	\$	\$
Employee Benefits - Directors	-	-
Provisions for Annual Leave - Staff (Current Liability)	407,700	382,919
Provisions for Long Service Leave - Staff (Current Liability)	<u>282,964</u>	<u>255,481</u>
	690,664	638,400
Provisions for Long Service Leave - Staff (Non-Current Liability)	<u>68,270</u>	<u>42,442</u>
	<u><u>758,934</u></u>	<u><u>680,842</u></u>

There are no separation, redundancy or other provisions applicable to either Directors or Employees.

Note 15 Payroll tax payable/provided

Payroll Tax payable/provided includes a provision of \$136,891 (\$136,891 in 2013) made in prior years against the possibility of additional Payroll Tax being retrospectively assessed.

Note 16 Special Funds

The Council periodically has operated 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 and the balance of funds is not included in the Council's own Accumulated Funds.

Fund	Balance 30/6/13	Received during year	Extinguished/ Expensed during year	Balance 30/6/14
Retail Promotions Fund	204,576	8,000	(6,174)	206,402
Total	204,576	8,000	(6,174)	206,402

The Retail 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. Interest is earned on the funds on deposit and during the year a small proportion of funds were used to fund suitable projects. During the reporting period to 30 June 2013, \$56,164 of funds previously received from the disbanded CAPAA (Council of Australian Public Abattoirs Association) were taken to account within the Australian Meat Industry Council revenue for the year.

Note 17 Sundry Creditors, Accruals & Provisions

	2014	2013
Current Liabilities	\$	\$
General Creditors and Accruals	374,729	366,279
Legal Expenses	7,500	-
Energy Information Grant Costs Accrued	See Note 18b	465,900
Provision - Promotion and other projects	134,615	132,020
Payables to other Reporting Units	-	-
Consideration to employers for payroll deductions	-	-
Property Maintenance Expenditure	See Note 19	32,000
Fringe Benefits Tax Accrual	33,945	25,834
Workers Compensation Premiums	31,458	26,947
Payroll related clearing accounts, principally PAYG	40,227	36,475
	<u>1,120,374</u>	<u>846,055</u>
Non-Current Liabilities		
Property Maintenance Sinking Fund Provisions	See Note 19	497,107
	<u>497,107</u>	<u>484,169</u>

Note 18 Advance Project Income and Advance Project Expenditure

18a

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

18b

In year ended 30 June 2013, the Council had entered into a project under of a grant from the Department of Energy Resources and Tourism (now Department of Industry) under an agreement where those funds are to be wholly expended on a project for the Engagement, Extension and Education Program for Small-Medium Enterprises of the Red Meat Industry, its Supply Chain and related communities. At 30 June 2014, the project had not been completed. No part of this grant forms an element of income to the Council required to maintain it as a going concern. The Council has also committed to contribute up to \$134,649 to the costs of the project and has placed this amount in the bank account designated for this project.

	2014	2013
	\$	\$
Advance Project Income - EEIG	438,303	374,929
Advance Project Income - Other	163,391	399,639
Advance Project Income - Total	<u>601,694</u>	<u>774,568</u>
Advance Project Expenditure - EEIG	466,801	248,540
Advance Project Expenditure - Other	144,686	225,548
Advance Project Expenditure - Total	<u>611,487</u>	<u>474,088</u>

Note 19 Property Sinking Fund Provisions

	2014	2013
	\$	\$
Property Expenses include Sinking Fund Provisions for future refurbishment/restoration		
Balance at beginning of year	494,169	429,689
Amounts Provided during year included within Property Expenses	45,000	66,000
Amounts Expended during year	(10,062)	(1,520)
Balance at end of year	<u>529,107</u>	<u>494,169</u>
Current Liability accrued to be expensed in following year	See Note 17	32,000
Non-Current Liability	See Note 17	497,107
	<u>529,107</u>	<u>494,169</u>

Note 20 Commitments & Contingencies

The Council leases premises as under:

14 Queens Road, South Melbourne until August 2014 (when vacated) on a monthly tenancy under a holding over arrangement - at 30 June 2014 at \$3,486 pcm (excl GST), including landlord's outgoings.

88 Albert Road, South Melbourne, Vic from 11 August 2014 until 10 August 2019 - at August 2014 at \$46,500 pa (excl GST), including landlord's outgoings, with a further two three year options available at 11 August 2019 and 11 August 2022.

100 Greenhill Road, Unley, SA on a monthly tenancy under holding over arrangements - at 30 June 2014 at \$1,180 pcm (excl GST), including landlord's outgoings.

5 Darlot Road, Lansdale, WA until 30 April 2015 - at 30 June 2014 at \$1150 pcm pa (excl GST), including landlord's outgoings, with a further one year option available at 1 May 2015.

	2014	2013
	\$	\$
The Council has committed to contribute up to \$134,649 towards the costs of the energy efficiency information project referred to under Note 18b. The actual amount to be contributed in the finality has not yet been determined.	<u>134,649</u>	<u>134,649</u>

	2014	2013
	\$	\$
The Council leases office equipment under operating leases		
Future minimum rentals payable under non-cancellable operating leases are:		
Within one year	11,889	7,804
After one year, but not more than five years	<u>40,889</u>	<u>0</u>
	<u>52,778</u>	<u>7,804</u>

Note 21 Going Concern and Events after reporting period

The Council is not reliant on agreed financial support from another reporting entity to ensure the Council continues as a going concern. The Council has not agreed to provide financial support to another reporting entity to ensure that other entity continues as a going concern. The Council has not acquired an asset or a liability during the year as a result of an amalgamation, restructure, business combination, determination by the General Manager of the Fair Work Commission or revocation thereof. There were no events that occurred after the end of the reporting period and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Council.

Note 22 Income

Other than as already disclosed in the Income and Expenditure account or Notes to the Financial Statements, there has been no income received from another reporting unit of the Council or members or others in respect of financial support, voluntary contributions, levies, capitation fees, donations or grants and, no recovery of wages activity has occurred.

Note 23 Expenses

Other than as already disclosed in the Income and Expenditure account or Notes to the Financial Statements, there have been no expenses incurred or paid as a consideration for employers making deductions of membership subscriptions; capitation fees; fees or periodic subscriptions in respect of any affiliation to any political party federation congress council or group of organisations or any international body having an interest in industrial matters; compulsory levies imposed on the Council; grants or donations; employee expenses related to holders of office of the Council; employee expenses related to employees of the Council; fees and/or allowances incurred in connection with holding meetings of members of the Council, conferences or meetings of council, committees, panels or other bodies for the holding of which the Council was wholly or partly responsible; legal costs; penalties imposed on the Council under the Fair Work (Registered Organisations) Act 2009 and, no recovery of wages activity has occurred.

Note 24 Statement of Financial Position (Balance Sheet)

There are no amounts receivable from or payable to another reporting unit of the Council as the Council is the sole reporting unit.

Other than as disclosed in the Balance Sheet or Notes to Financial Statements, there are no amounts payable to employers as consideration for the employers making payroll deductions of membership subscriptions; payables in respect of legal costs; employee provisions in respect of the officers or employees of the Council, or wages recovery activity.

Note 25 a Financial Instruments and Risk Management

The Council actively manages the collection of receivables so as to minimise the risk of non-payment.

The Council only deposits funds with recognised banks and financial institutions of good standing and actively seeks to deposit those funds at the best available interest rates from those selected. However, there is an exposure to varying interest rates, see 25b below.

The Council maintains significant amounts of cash and term deposits and is thereby able to ensure continued liquidity at all times.

All financial assets are disclosed in the Balance Sheet, however, the Term Deposits held to maturity and their related interest income streams are also set out below.

	2014	2013
	\$	\$
Balance of Term Deposits at balance date (including those with less than three months to maturity at balance date)	16,894,364	16,800,706
Interest Received/Receivable from Term Deposits for the reporting period	632,164	694,521

Prior to the commencement of each financial year, the Council prepares budgets for the next following year taking into account current conditions relating to its income streams, services it provides and the costs thereof. The Council's Constitution & Rules require that the budget demonstrates that the Council can operate within income budgeted to be received for that financial year.

Note 25b 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	
	2014	2013	2014	2013
			\$	\$
Cash at Bank	2.00%	2.95%	962,035	559,554
Bank Term deposits & At Call	3.60%	4.19%	<u>16,894,364</u>	<u>16,800,706</u>
Total Financial Assets			<u>17,856,399</u>	<u>17,360,260</u>

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 the Fair Work Commission, 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 the Fair Work Commission 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 the Fair Work Commission under Section 273 of the Fair Work (Registered Organisations) Act 2009; and
 - (vii) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

Signed on behalf of the Board of Directors in accordance with the resolution of the Board dated 22 September 2014.

Frank Herd
Chairman

Robert Constable
Secretary/Treasurer

At Sydney, New South Wales this 22 September 2014

B. P. WOODWARD & ASSOCIATES
CHARTERED ACCOUNTANTS

ABN 60 404 704 504

Bernice Bolton B. Compt. Hons., C.A. • Anthony J. Woodward B. Bus., C.A. • Andrew C. Rigney B. Com., C.A.

Australian Meat Industry Council
Independent Approved 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 2014, 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 Part 3 of Chapter 8 and Schedule 1 of the Fair Work (Registered Organisations) 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.

Approved 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 22nd September 2014, would be in the same terms if provided to the directors as at the date of the approved auditor's report.

Approved Auditor's opinion

In our opinion:

- (a) The general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.
- (b) Management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Approved Auditor's declaration

We declare that we are approved auditor's as set out in regulation 4 of the Fair Work (Registered Organisations) Act 2009 and that we are members of The Institute of Chartered Accountants in Australia holding a current Public Practice Certificate.

B.P. Woodward & Associates
Chartered Accountants



Anthony J. Woodward

Suite 501, 89 York Street, Sydney NSW 2000

Dated this 22nd day of September, 2014

