



**AUSTRALIAN MARITIME OFFICERS UNION**  
**ABN 56 181 230 800**

**FINANCIAL REPORT - 31 DECEMBER 2018**

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**AUSTRALIAN MARITIME OFFICERS UNION****ABN 56 181 230 800****FINANCIAL REPORT - 31 DECEMBER 2018****OPERATING REPORT**

Your Executive Council present their report on the Australian Maritime Officers Union (the "Union") for the financial year ended 31 December 2018.

**UNION OFFICIALS**

The names of the officials in office during or since the end of the year is as follows:

Higgs, T*	President
Bullock, K*	Vice President
Dolan, P*	Western Area President
Walsh, A*	Southern Area President
Payne, D*	Southern Area Vice President
Hosking, L*	Southern Area Secretary
Pearson, D	Western Area Secretary
Warhurst, B*	Eastern Area President
Barnes, R*	Eastern Area Secretary ( <i>resigned 19 May</i> )
Ross, I*	Eastern Area Secretary ( <i>appointed 3 December</i> )
Wild, A*	National Councillor
Middleton, B*	National Councillor
Anderson, G	Offshore Oil & Gas Delegate
Hawkins, A*	Pilot Delegate
Dorrin, D*	Port Services Delegate
Jepson, M*	Seagoing Delegate
Blackband, K*	Towage Delegate

\*Honorary officials

The Union Officials have been in office for the entire period unless otherwise stated. During the year, all Union Officials attended council meetings.

**PRINCIPAL ACTIVITIES**

The principal activities of the Union during the financial year were the provision of trade union services to its members. The objectives of the Union are set out in Section 4 of the Rules.

**REVIEW OF OPERATIONS**

The surplus of the Union for the financial year amounted to \$10,821 (2017: deficit \$315,919).

**NUMBER OF MEMBERS**

The number of members of the Union at 31 December 2018 was 2,661 full members comprising 1,816 full financial members, 163 deferred members, 667 associate members and 15 life members.

**NUMBER OF EMPLOYEES**

The number of employees of the Union at the end of the financial year was 7 full time employees and 1 part time employee.

**RIGHT OF MEMBERS TO RESIGN**

The right of members to resign from the organisation is set out in Section 8 of the Union Rules.

**AUSTRALIAN MARITIME OFFICERS UNION****ABN 56 181 230 800****FINANCIAL REPORT - 31 DECEMBER 2018****OPERATING REPORT****SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

There were no significant changes to the state of affairs of the Union during the financial year.

**AFTER BALANCE DATE EVENTS**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

The Union's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

**INDEMNIFICATION AND INSURANCE OF OFFICERS**

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Union.

**PROCEEDINGS ON BEHALF OF UNION**

No person has applied for leave of Court to bring proceedings on behalf of the Union or intervene in any proceedings to which the Union is a party for the purpose of taking responsibility on behalf of the Union for all or part of those proceedings. The Union was not a party to any such proceedings during the year.

**SUPERANNUATION FUND OFFICE HOLDERS**

No officer or member of the Union is a trustee (or a director of a Union that is a trustee) of a superannuation entity, where a criterion for them being a trustee (or a director) is that they are an officer or member of the Union.

**INDEPENDENCE DECLARATION**

The auditor's independence declaration for the year ended 31 December 2018 has been received and can be found on the following page, which forms part of the Operating Report.

Signed in accordance with a resolution of the Executive Council:



Tim Higgs  
President

Sydney, 21 May 2019

**AUSTRALIAN MARITIME OFFICERS UNION**  
**ABN 56 181 230 800**

**FINANCIAL REPORT - 31 DECEMBER 2018**

**AUDITOR'S INDEPENDENCE DECLARATION**  
**TO THE EXECUTIVE COUNCIL OF**  
**AUSTRALIAN MARITIME OFFICERS' UNION**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018 there have been no contraventions of any applicable code of professional conduct in relation to the audit.



**StewartBrown**  
Chartered Accountants



**Stuart Hutcheon**  
Partner

21 May 2019

**AUSTRALIAN MARITIME OFFICERS UNION**  
**ABN 56 181 230 800**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2018**

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	2,698,097	1,751,693
Trade and other receivables	7	26,590	122,356
Financial assets	8	-	1,538,576
<i>Total current assets</i>		<u>2,724,687</u>	<u>3,412,625</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	872,529	894,474
Intangible assets	10	18,809	20,823
<i>Total non-current assets</i>		<u>891,338</u>	<u>915,297</u>
<b>TOTAL ASSETS</b>		<u>3,616,025</u>	<u>4,327,922</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	11	161,429	177,304
Provisions	12	85,615	326,188
<i>Total current liabilities</i>		<u>247,044</u>	<u>503,492</u>
<b>Non-current liabilities</b>			
Provisions	12	29,166	84,780
<i>Total non-current liabilities</i>		<u>29,166</u>	<u>84,780</u>
<b>TOTAL LIABILITIES</b>		<u>276,210</u>	<u>588,272</u>
<b>NET ASSETS</b>		<u><b>3,339,815</b></u>	<u><b>3,739,650</b></u>
<b>FUNDS</b>			
Asset revaluation reserve		438,000	438,000
Financial assets reserve		-	410,656
Accumulated funds		2,901,814	2,890,993
<b>TOTAL FUNDS</b>		<u><b>3,339,814</b></u>	<u><b>3,739,649</b></u>

The accompanying notes form part of these financial statements

**AUSTRALIAN MARITIME OFFICERS UNION****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 \$	2017 \$
<b>Revenue</b>	4	1,920,046	1,937,836
<b>Other income</b>	4	461,041	164,263
		<u>2,381,087</u>	<u>2,102,099</u>
<b>Expenses</b>			
Administration and other expenses		(955,608)	(757,356)
Depreciation and amortisation	5	(145,056)	(23,062)
Employee benefits expense	20	(1,161,657)	(1,487,503)
Occupancy expenses		(103,933)	(100,803)
Repairs and maintenance		(4,012)	(49,295)
		<u>(2,370,266)</u>	<u>(2,418,019)</u>
<b>Surplus (deficit) for the year</b>		10,821	(315,920)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net fair value (loss) gain on available-for-sale financial assets		(410,656)	67,608
<b>Other comprehensive income for the year</b>		<u>(410,656)</u>	<u>67,608</u>
<b>Total comprehensive loss for the year</b>		<u><b>(399,835)</b></u>	<u><b>(248,312)</b></u>

The accompanying notes form part of these financial statements

**AUSTRALIAN MARITIME OFFICERS UNION****STATEMENT OF CHANGES IN FUNDS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Accumulated Funds	Asset Revaluation Reserve	Financial Assets Reserve	Total
	\$	\$	\$	\$
<b>Balance at 1 January 2017</b>	3,206,913	438,000	343,048	3,987,961
<b>Comprehensive income</b>				
Surplus (deficit) for the year	(315,920)	-	-	(315,920)
Other comprehensive income	-	-	67,608	67,608
<b>Total comprehensive loss for the year</b>	<u>(315,920)</u>	<u>-</u>	<u>67,608</u>	<u>(248,312)</u>
<b>Balance at 31 December 2017</b>	<u><b>2,890,993</b></u>	<u><b>438,000</b></u>	<u><b>410,656</b></u>	<u><b>3,739,649</b></u>
<b>Balance at 1 January 2018</b>	2,890,993	438,000	410,656	3,739,649
<b>Comprehensive income</b>				
Surplus for the year	10,821	-	-	10,821
Other comprehensive income	-	-	(410,656)	(410,656)
<b>Total comprehensive loss for the year</b>	<u>10,821</u>	<u>-</u>	<u>(410,656)</u>	<u>(399,835)</u>
<b>Balance at 31 December 2018</b>	<u><b>2,901,814</b></u>	<u><b>438,000</b></u>	<u>-</u>	<u><b>3,339,814</b></u>

**AUSTRALIAN MARITIME OFFICERS UNION****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 \$	2017 \$
<b>Cash flows from operating activities</b>			
Receipts from customers and government		2,184,335	2,260,533
Payments to suppliers and employees		(2,675,000)	(2,728,277)
Interest received		34,223	23,958
Investment income		38,926	62,909
<i>Net cash flows from operating activities</i>	13	<u>(417,516)</u>	<u>(380,877)</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of financial assets		1,507,981	-
Purchase of property, plant and equipment		(136,352)	(59,256)
Purchase of intangible assets		(7,709)	(20,823)
<i>Net cash flows from investing activities</i>		<u>1,363,920</u>	<u>(80,079)</u>
Net increase (decrease) in cash and cash equivalents		946,404	(460,956)
Cash and cash equivalents at the beginning of the financial year		<u>1,751,692</u>	<u>2,212,648</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>2,698,096</u></u>	<u><u>1,751,692</u></u>



**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018****Note 1 - Reporting entity****Reporting entity**

The financial statements cover the Australian Maritime Officers Union (the "Union") as an individual entity. The Union is a registered Trade Union pursuant to federal legislation the *Fair Work (Registered Organisations) Act 2009* and is domiciled in Australia.

The financial statements were authorised for issue by the Executive Council on 21 May 2019.

**Note 2 - Basis of preparation*****Statement of compliance***

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the requirements of the *Fair Work (Registered Organisations) Act 2009*. The Union is deemed to be a Tier 1 entity applying full IFRS recognition, measurement and disclosure.

For the purpose of preparing the general-purpose financial statements, the Union is a not-for-profit entity.

***Basis of measurement***

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

***Comparatives***

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

***Critical accounting estimates and judgments***

The Executive Council evaluates estimates and judgments incorporated into the financial statements 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 Union.

**Key estimates*****Impairment***

The Union assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Union that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculation which incorporate various key assumptions. There is no impairment in the accounts for this year.

***Fair value property***

The Union carries its property at fair value with changes in the fair value recognised in the Statements of Profits or Loss and Other income. At the end of each reporting period, the Union reviews and updates its assessment of the fair value of the property, taking into account any impairment indicators and the most recent independent valuations.

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018****Note 2 - Basis of preparation (continued)*****New and revised standards that are effective for these financial statements***

AASB 9 *Financial Instruments* replaced AASB 139 *Financial Instruments: Recognition and Measurement* and is effective for the year ended 31 December 2018. AASB 9 makes changes to the classification and measurement of financial assets and introduces an “expected credit loss” model for impairment of financial assets.

The implementation of AASB 9 and a number of other new and revised standards that are effective for annual periods beginning on or after 1 January 2018 did not impact upon the Union’s financial statements.

***New standards and interpretations not yet adopted***

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2018 reporting period and have not been earlier adopted by the Union. These include:

AASB 15 *Revenue from Contracts with Customers* (effective for the year ending 31 December 2019)

AASB 16 *Leases* (effective for the year ending 31 December 2020)

The Executive Council has not yet assessed the impact of these new standards (to the extent applicable to the Union) to the Union’s financial statements in future reporting periods.

**Note 3 - Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

***Income tax***

No provision for income tax is necessary as Trade Unions are exempt from income tax under section 50-15 of the *Income Tax Assessments Act 1997*.

***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 Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018****Note 3 - Significant accounting policies (continued)*****Revenue recognition***

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

***Subscription fees and levies***

Revenues from subscription fees and levies are accounted for on a cash basis and are recorded as revenue comes in. The Union membership year runs from January to December. A subscription payment form is sent to members in December, and all subscriptions must be paid by 30 September of the following year for the member to remain "financial" for that year.

***Donations and grants***

Donations are recognised as revenue when received, unless they are designated for a specific purpose, where they are carried forward as prepaid income on the statement of financial position.

When grant revenue is received, whereby the Union has the obligation to deliver economic value directly back to the contributor, this is considered reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor. Otherwise, the grant is recognised as income on receipt.

***Interest revenue***

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

***Investment income***

Investment income is recognised when the right to receive the income has been established.

***Sale of assets***

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

***Cash and cash equivalents***

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. When bank overdraft facilities are used, the overdraft would be shown within short-term borrowings in current liabilities in the statement of financial position. The Union had no bank overdraft at balance date.

***Trade receivables***

Trade and other receivables include amounts from member contributions. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment.

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018****Note 3 - Significant accounting policies (continued)*****Property, plant and equipment***Recognition and measurement

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

Property

Land and buildings held for use in the production supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income and accumulated within equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties' revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties' revaluation reserve is transferred directly to retained earnings. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

Freehold land is not depreciated.

Plant and equipment

Plant and equipment are carried on the cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by the officials to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Union and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018****Note 3 - Significant accounting policies (continued)*****Property, plant and equipment (continued)***Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated over the asset's useful life to the Union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Depreciation is recognised in the statement of profit or loss.

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

Buildings	2.5%	- Straight line method
Office furniture & equipment	4-67%	- Diminishing balance method
Library	10%	- Diminishing balance method
Motor vehicle	12.5%	- Straight line method

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profits or loss.

***Intangible assets***

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

***Financial instruments***Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the Union commits itself to either purchase or sell the asset.

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018****Note 3 - Significant accounting policies (continued)*****Financial instruments (continued)***Classification and subsequent measurement

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value, adjusted for transaction costs.

For the purposes of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortised cost
- Fair value through profit or loss
- Fair value through other comprehensive income

Classifications are determined by both:

- The Union's business model for managing the financial asset
- The contractual cash flows of the financial asset

All income and expenses relating to financial assets that are recognised in profit or loss, except for impairment of trade receivables which is presented in other expenses.

*Amortised cost*

Financial assets are measured at amortised cost if the assets is not designated at fair value through profit or loss, and meets the following conditions:

- Held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- Contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Union's cash and cash equivalents, trade and other receivables fall into this category of financial instruments as well as long-term deposits that were previously classified as held-to-maturity.

*Fair value through profit and loss*

Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorised at fair value through profit and loss. Further, irrespective of the Union's business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounting for at fair value through profit or loss. All derivative financial instruments fall into this category.

*Fair value through other comprehensive income*

Investment in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at fair value through other comprehensive income. Subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividends from these investments continue to be recorded as other income within profit or loss unless the dividend represents return of capital.

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018****Note 3 - Significant accounting policies (continued)*****Financial instruments (continued)****Impairment of financial assets*

AASB 9 *Financial Instruments* impairment requirements use more forward-looking information to recognise expected credit losses. The Executive Committee considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

***Impairment of assets***

At the end of each reporting period, the Union assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

***Fair value***

The Union measures Financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measure at amortised cost are disclosed in Note 19.

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

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

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

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

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

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018****Note 3 - Significant accounting policies (continued)*****Fair value (continued)***

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

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

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

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

Where it is not possible to estimate the recoverable amount of an individual asset, the Union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

***Trade and other payables***

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Union during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

***Income received in advance***

Income, other than government contract income, that is received before the service to which the payment relates has been provided is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of comprehensive income.

***Employee benefits******Short-term obligations***

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.



**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018****Note 3 - Significant accounting policies (continued)*****Employee benefits (continued)******Other long-term obligations***

The Union classifies employees' long service leave as other long-term employee benefits, as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Union's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

***Employee Retention Incentive Provision***

Employees with greater than 15 years' service are entitled to a service termination payment of one week for every year of service, in addition to their standard Notice of Termination payment. This scheme was introduced in the 2006 financial year with the primary purpose of maintaining key personnel. The provision includes relevant on- costs. Provision for employees who have been with the Union for more than 15 years are classified as current liabilities.

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
<b><u>Note 4 - Revenue and other income</u></b>		
<b>Revenue</b>		
Members contributions	1,872,340	1,937,836
Other operating revenue	47,706	-
<i>Total revenue</i>	<u>1,920,046</u>	<u>1,937,836</u>
<b>Other income</b>		
Interest income	26,915	25,461
Investment income	38,926	62,909
Net gain on disposal of financial assets	380,061	-
Other income	15,139	75,893
<i>Total other income</i>	<u>461,041</u>	<u>164,263</u>
<i>Total revenue and other income</i>	<u>2,381,087</u>	<u>2,102,099</u>
<b><u>Note 5 - Expenses</u></b>		
Auditors remuneration (2018: StewartBrown; 2017: ESV)		
Audit of financial statements	7,700	15,550
Other professional services	-	15,508
Amortisation - intangible assets	9,723	-
Depreciation - property, plant and equipment	135,333	23,062
Net loss on disposal of property, plant and equipment	22,964	-
<b><u>Note 6 - Cash and cash equivalents</u></b>		
Cash at bank and on hand	2,698,097	1,751,693
<i>Total cash and cash equivalents</i>	<u>2,698,097</u>	<u>1,751,693</u>
Certain balances within cash and cash equivalents are subject to interest rate risk as they earn interest income at variable rates of interest. The Union's exposure to interest rate risk on financial assets and liabilities is disclosed in note 18.		
<b><u>Note 7 - Trade and other receivables</u></b>		
<b>Current</b>		
Accrued investment income	-	7,308
Prepayments	13,803	19,005
Other receivables	12,787	96,043
<i>Total current trade and other receivables</i>	<u>26,590</u>	<u>122,356</u>
<b><u>Note 8 - Financial assets</u></b>		
Managed funds	-	1,538,576
<i>Total financial assets</i>	<u>-</u>	<u>1,538,576</u>
Opening net carrying amount	1,538,576	1,470,968
Disposals	(1,127,920)	-
Fair value movement	(410,656)	67,608
Closing net carrying amount	<u>-</u>	<u>1,538,576</u>

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018****Note 9 - Property, plant and equipment**

	Land & Buildings	Furniture, Library & Equipment	Computer Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
<b>At 31 December 2017</b>					
Cost or fair value	768,000	546,784	-	40,265	1,355,049
Accumulated depreciation	(30,801)	(429,774)	-	-	(460,575)
<i>Net carrying amount</i>	<u>737,199</u>	<u>117,010</u>	<u>-</u>	<u>40,265</u>	<u>894,474</u>
<b>Movements in carrying amounts</b>					
Opening net carrying amount	737,199	117,010	-	40,265	894,474
Additions	20,000	95,355	17,234	3,763	136,352
Disposals	-	(22,964)	-	-	(22,964)
Depreciation charge for the year	(101,599)	(23,728)	(4,502)	(5,504)	(135,333)
Closing net carrying amount	<u>655,600</u>	<u>165,673</u>	<u>12,732</u>	<u>38,524</u>	<u>872,529</u>
<b>At 31 December 2018</b>					
Cost or fair value	788,000	533,498	17,234	44,028	1,382,760
Accumulated depreciation	(132,400)	(367,825)	(4,502)	(5,504)	(510,231)
<i>Net carrying amount</i>	<u>655,600</u>	<u>165,673</u>	<u>12,732</u>	<u>38,524</u>	<u>872,529</u>

**Note 10 - Intangible assets**

	Website \$	WIP \$	Total \$
<b>At 31 December 2017</b>			
Cost	-	20,823	20,823
Accumulated amortisation	-	-	-
<i>Total intangible assets</i>	<u>-</u>	<u>20,823</u>	<u>20,823</u>
<b>Movements in carrying amounts</b>			
Opening net carrying amount	-	20,823	20,823
Additions	7,709	-	7,709
Reclassification	20,823	(20,823)	-
Depreciation charge for the year	(9,723)	-	(9,723)
Closing net carrying amount	<u>18,809</u>	<u>-</u>	<u>18,809</u>
<b>At 31 December 2018</b>			
Cost	24,367	-	24,367
Accumulated amortisation	(5,558)	-	(5,558)
<i>Total intangible assets</i>	<u>18,809</u>	<u>-</u>	<u>18,809</u>

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
<b><u>Note 11 - Trade and other payables</u></b>		
<u>Current</u>		
Trade payables	49,821	83,175
Accrued expenses	14,500	21,300
GST payable	16,685	11,206
Income in advance	14,864	23,221
Liabilities to employees	46,766	26,456
Other payables	18,793	11,946
<i>Total current trade and other payables</i>	<u>161,429</u>	<u>177,304</u>
<b><u>Liquidity risk</u></b>		
The Union's exposure to liquidity risk related to trade and other payables is disclosed in note 18.		
<b><u>Note 12 - Provisions</u></b>		
<u>Current</u>		
Employee entitlements - annual leave	85,615	241,493
Employee entitlements - long service leave	-	33,391
Employee entitlements - other	-	51,304
<i>Total current provisions</i>	<u>85,615</u>	<u>326,188</u>
<u>Non-current</u>		
Employee entitlements - long service leave	29,166	65,486
Employee entitlements - other	-	19,294
<i>Total non-current provisions</i>	<u>29,166</u>	<u>84,780</u>
<b><u>Note 13 - Cash flow information</u></b>		
<i>Reconciliation of cash flows from operations with surplus (deficit):</i>		
Surplus (deficit) for the year	10,821	(315,920)
<i>Non-cash flows in surplus (deficit)</i>		
Depreciation	135,333	23,062
Amortisation	9,723	-
Net (gain) loss on disposal of financial assets	(380,061)	-
Net (gain) loss on disposal of property, plant and equipment	22,964	-
<i>Changes in assets and liabilities</i>		
(Increase) decrease in trade and other receivables	90,564	80,222
(Increase) decrease in prepayments	5,202	3,615
(Increase) decrease in income in advance	(8,357)	(8,571)
(Decrease) increase in trade and other payables	(27,828)	17,478
(Decrease) increase in liabilities to employees	20,310	(21,678)
(Decrease) increase in provisions	(296,187)	(159,085)
Net cash flows from operating activities	<u>(417,516)</u>	<u>(380,877)</u>

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
<b><u>Note 14 - Key management personnel</u></b>		
<b><i>Remuneration of key management personnel</i></b>		
The aggregate amount of compensation was paid to key personnel in respect to the following categories of remuneration:		
Short term employee benefits	158,602	355,143
Post-employment benefits	23,213	55,474
Other long-term benefits	4,915	6,952
	<u>186,730</u>	<u>417,569</u>

**Note 15 - Contingent liabilities**

There were no contingent liabilities at 31 December 2018 (2017: \$Nil).

**Note 16 - Events occurring after balance date**

There were no significant events occurring after balance date.

**Note 17 - Commitments*****Operating lease commitments***

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	62,920	12,916
Later than one year but not later than five years	84,072	17,815
	<u>146,992</u>	<u>30,731</u>

The operating leases commitments relate to office equipment rental leases.

***Capital commitments***

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	<u>180,000</u>	<u>-</u>
--	----------------	----------

Capital expenditure commitments relate to committed renovation and relocation costs.

**Note 18 - Financial instruments*****General***

Note 3 discusses the types of risks associated with the Union's financial instruments as well as the policies adopted by the Union to manage and monitor those risks and some other qualitative information. The quantitative information presented below complements those earlier disclosures and should be read in conjunction with them.

***Credit risk******Exposure to credit risk***

The carrying amount of the Union's financial assets represents the maximum credit exposure. The Union's maximum exposure to credit risk at the reporting date was:-

	2018 \$	2017 \$
Cash and cash equivalents (refer note 6)	2,697,881	1,751,693
Trade and other receivables (refer note 7)	26,590	122,356
Financial assets (refer note 8)	-	1,538,576
	<u>2,724,471</u>	<u>3,412,625</u>

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
<b>Note 18 - Financial instruments (continued)</b>		
<b>Liquidity risk</b>		
The following are the contractual maturities of financial liabilities, including estimated interest payments. The contractual amounts are expected future payments which have not been discounted.		
Trade and other payables	<u>99,799</u>	<u>127,627</u>
All trade and other payables are expected to be paid within 0 - 3 months and according to the trading terms. No amounts are past due or impaired.		
<b>Interest rate risk</b>		
At the reporting date the interest rate profile of the Union's interest bearing financial instruments was:-		
Cash and cash equivalents	<u>2,697,881</u>	<u>1,751,693</u>
A change of 1% in interest rates at the reporting date would have increased (decreased) equity and profit or loss by \$26,978 (2017: \$17,514). This analysis assumes that all other variables remain constant.		
<b>Fair values</b>		
<i>Fair values compared to carrying amounts</i>		
The fair values of financial assets and liabilities, together with their carrying amounts shown in the statement of financial position, are as follows:		
<u>Assets carried at amortised cost</u>		
Cash and cash equivalents	2,698,097	1,751,693
Trade and other receivables	26,590	122,356
Financial assets	-	1,538,576
	<u>2,724,687</u>	<u>3,412,625</u>
<u>Liabilities carried at amortised cost</u>		
Trade and other payables	<u>161,429</u>	<u>177,304</u>

As at 31 December 2018 the fair value has been assessed to be the same amount as the carrying value. This analysis was the same as at the 2017 balance date. The basis for determining fair value is disclosed in note 3.

**Fair value hierarchy**

All financial instruments are carried at amortised cost.

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018****Note 19 - Section 272 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 subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or the General Manager of Fair Work Commission:

- (i) A member of the reporting unit, or the General Manager of Fair Work Commission, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (ii) 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.
- (iii) The reporting unit must comply with an application made under subsection (1).

Information required under the Reporting Guidelines for the purposes of section 253 of the *Fair Work (Registered Organisations) Act 2009*:

- (i) There was no recovery of wages activity undertaken by the Union during the financial year (2017: Nil).
- (ii) The Union does not keep any special funds for any specific purpose (2017: Nil). No compulsory levies nor voluntary contribution was collected from the members during the year (2017: Nil).
- (iii) The Union is liquid and does not rely on other entities to continue as a going concern. No financial support was received or given to/from other entities during or since the end of the financial year (2017 Nil).
- (iv) The Union did not acquire any assets or liabilities during the financial year as a result of amalgamation, restructuring of branches, business combinations or determination and revocation by the General manager of Fair Work Commission (2017: Nil).

	<b>2018</b>	<b>2017</b>
	\$	\$
<b>Note 20 - Additional disclosures required by Fair Work Commission</b>		
<b>Employee expenses:</b>		
<u>Staff</u>		
Salaries and wages	916,388	1,141,276
Superannuation	139,923	172,894
Leave and other entitlements	(225,589)	(173,555)
Separation and redundancies	39,853	89,242
	<u>870,575</u>	<u>1,229,857</u>
<u>Officials</u>		
Salaries and wages	223,234	207,693
Superannuation	38,997	35,481
Leave and other entitlements	59,561	14,472
	<u>321,792</u>	<u>257,646</u>
<i>Total employee expenses</i>	<u><u>1,192,367</u></u>	<u><u>1,487,503</u></u>

**AUSTRALIAN MARITIME OFFICERS UNION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b><u>Note 20 - Additional disclosures required by Fair Work Commission (continued)</u></b>		
<b><i>Other expenses:</i></b>		
Affiliation fees	20,466	26,459
Consultants fees	56,559	37,227
Donations/grants paid	119	-
Legal costs	170,245	163,805
Meeting/conference expenses	18,049	12,408
Occupancy expenses	103,933	100,803

**Note 21 - Union details**

The registered office and the principal place of business of the Union are located at:  
 Suite 1,  
 Level 5, 377 Sussex Street,  
 SYDNEY NSW 2000



AUSTRALIAN MARITIME OFFICERS UNION  
ABN 56 181 230 800

FINANCIAL REPORT - 31 DECEMBER 2018


EXECUTIVE COUNCIL DECLARATION

On 21 May 2019, the Executive Council of the Australian Maritime Officers Union (the "Union") passed the following resolution in relation to the general purpose financial reports (GPFR) of the Union for the financial year ending 31 December 2018.

In accordance with the resolution of the Executive Council, we state that in the opinion of the council the financial statements and notes:

- (a) comply with Australian Accounting Standards;
- (b) comply with the reporting guidelines as issued by the General Manager of Fair Work Commission;
- (c) give a true and fair view of the financial position as at 31 December 2018 and of the performance for the year ended on that date of the Union;
- (d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the financial statements relate and since the end of the year:
  - i. meetings of the Executive Council of the Union were held in accordance with the rules of the Union, including the rules of any branch concerned;
  - ii. the financial affairs of the Union have been managed in accordance with the rules of the Union, including the rules of any branch concerned;
  - iii. the financial records of the Union have been kept and maintained in accordance with the *Fair Work (Registered Organisations) Act 2009*;
  - iv. to the knowledge and belief of the Executive Council, during the financial year to which the financial report relates, there have been no instances where records of the organisation or other documents or copies of those records or other documents, have not been furnished, or made available to members of the organisation or the Register in accordance with section 272 of the *Fair Work (Registered Organisation) Act 2009*;
  - v. where the Union consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the Union;
  - vi. with regard to funds of the organisation raised by the compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated; and
  - vii. no orders have been made by the General Manager section 273 of the *Fair Work (Registered Organisations) Act 2009* during the period.
- (f) there was no recovery of wages activity undertaken by the Union during the financial year.

This declaration is made in accordance with a resolution of the Executive Council.



Tim Higgs  
President

Sydney, 21 May 2019

**AUSTRALIAN MARITIME OFFICERS UNION**  
**ABN 56 181 230 800**

**FINANCIAL REPORT - 31 DECEMBER 2018**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**AUSTRALIAN MARITIME OFFICERS UNION**

***Qualified Opinion***

We have audited the financial report of Australian Maritime Officers Union (the "Union") which comprises the Statement of Financial Position as at 31 December 2018, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Funds and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Executive Council's Declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Union as at 31 December 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the "RO Act") and any other requirements imposed by the Reporting Guidelines.

***Basis for Qualified Opinion***

We were unable to obtain sufficient appropriate audit evidence to support a material amount of Union expenses incurred using Union credit cards during the year ended 31 December 2018, since a significant amount of receipts and other documents supporting the expenses were not made available to us for audit testing. Owing to the nature of the Union's financial records, we were unable to satisfy ourselves as to the legitimacy of Union expenses incurred using Union credit cards by alternate audit procedures. Such adjustments, if any, as might have been determined to be necessary, had we been able to satisfy ourselves as to the legitimacy of Union expenses incurred using Union credit cards may have had a material impact on the Union's financial statements for the year ended 31 December 2018.

We have conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Union in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the Independence Declaration, which has been given to the Executive Council of the Union, would be in the same terms if given to the Executive Council as at the time of this Auditor's Report.

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

**AUSTRALIAN MARITIME OFFICERS UNION****ABN 56 181 230 800****FINANCIAL REPORT - 31 DECEMBER 2018****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
AUSTRALIAN MARITIME OFFICERS' UNION*****Information Other than the Financial Report and Audit Report Thereon***

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion of the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in the regard.

***Executive Council's Responsibility for the Financial Report***

The Executive Council of the Union (the "Council") are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretation) and the *RO Act* and for such internal control as the Council determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

***Auditor's Responsibilities for the Audit of the Financial Report***

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Auditing and Assurance Standards Board and the website address is <http://www.auasb.gov.au/Home.aspx>.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Stewart Brown**  
Chartered Accountants



**Stuart Hutcheon**  
Managing Partner

21 May 2019

**AUSTRALIAN MARITIME OFFICERS UNION**  
**ABN 56 181 230 800**

**FINANCIAL REPORT - 31 DECEMBER 2018**

**REPORT ON THE RECOVERY OF WAGES ACTIVITY**

***Opinion on the Recovery of Wages Activity***

The scope of our work extended to the recovery of wages activity and I have audited the recovery of wages activity financial report for the year ended 31 December 2018.

In our opinion, the financial statements, and notes and recovery of wages activity financial report (note 21) properly and fairly report on all information required by the reporting guidelines of the General Manager, including:

- a) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b) any donations or other contributions deducted from recovered money.

***Basis of Opinion***

Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with the Australian Accounting Standards on our enquiry, no revenue has been derived from undertaking recovery of wages activity during the financial period.

***Responsibilities***

The Executive Council is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the General Manager. Our responsibility is to express an opinion on the recovery of wages activity report, based on our audit conducted in accordance with Australia Auditing Standards.



**StewartBrown**  
Chartered Accountants



**Stuart Hutcheon**  
Managing Partner  
Registration number: 309885

21 May 2019.

**AUSTRALIAN MARITIME OFFICERS UNION**  
**ABN 56 181 230 800**

**FINANCIAL REPORT - 31 DECEMBER 2018**

**ACCOUNTANT'S DISCLAIMER ON OTHER FINANCIAL INFORMATION**

The following additional financial data is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our audit of the financial report of the company for the year ended 31 December 2018.

It will be appreciated that our audit of the financial report did not cover all details of the additional financial data, which does not form part of the financial report. Accordingly, we do not express an audit opinion on such financial data and no warranty of accuracy or reliability is given.

Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person in respect of such data, including any errors or omissions therein however caused.



**StewartBrown**  
Chartered Accountants



**Stuart Hutcheon**  
Managing Partner

21 May 2019

**AUSTRALIAN MARITIME OFFICERS UNION****DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
<b>Operating revenue</b>		
Membership income		
Subscriptions, leview and joining fees	1,872,340	1,937,836
Other income		
Sundry income	62,845	75,893
<i>Total operating revenue</i>	<u>1,935,185</u>	<u>2,013,729</u>
<b>Operating expenditure</b>		
Advertising	18,192	2,637
Advisory fees	13,630	20,000
Affiliation fees	20,466	26,459
Accounting and audit fees	34,381	31,058
Amortisation	9,723	-
Bank charges	12,025	13,178
Campaign expenses	66,418	-
Conference and meeting expenses	27,382	12,408
Consultants fees	56,559	37,227
Computer software and maintenance	61,687	3,574
Delegate fees and expenses	58	987
Depreciation	135,333	23,062
Electricity and gas	4,302	4,896
Employee amenities	1,122	1,737
Entertainment	815	2,636
Equipment hire/lease/write off	12,652	399
Flowers and gifts	577	974
General and other expenses	5,446	718
Insurance	62,565	23,413
Legal costs	170,245	163,805
Library services and publications	2,155	5,291
Member Benefit Services	8,186	23,236
Payroll tax	30,710	47,824
Permits	242	1,056
Postage	9,516	11,052
Printing and stationery	5,117	21,943
Annual leave expense	(155,878)	(22,498)
Long service leave expense	(69,711)	(136,764)
Incentive provision expense	-	179
Rates and taxes, branch properties	4,263	5,667
Refunds	589	5,365
Rejected DD payment	-	11,536
Rent and cleaning	103,933	100,803
Repairs and maintenance	4,012	49,295
Salaries	1,208,326	1,438,211
Staff training	2,508	2,492
Subscriptions	2,853	-
Superannuation	178,920	208,375
Telephone and internet	60,671	43,990
Travelling expenses	237,312	231,798
<i>Total operating expenditure</i>	<u>2,347,302</u>	<u>2,418,019</u>



AUSTRALIAN MARITIME OFFICERS UNIONDETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
<b>Operating surplus (deficit)</b>	<u>(412,117)</u>	<u>(404,290)</u>
<b>Non-operating revenue</b>		
Interest income	26,915	25,461
Investment income	38,926	62,909
Net gain on disposal of financial assets	<u>380,061</u>	<u>-</u>
<i>Total non-operating revenue</i>	<u>445,902</u>	<u>88,370</u>
<b>Non-operating expenses</b>		
Loss on disposal of assets	<u>22,964</u>	<u>-</u>
<i>Total non-operating expenses</i>	<u>22,964</u>	<u>-</u>
<b>Surplus (deficit) for the year</b>	10,821	(315,920)
<b>Other comprehensive income</b>		
Net fair value (loss) gain on available-for-sale financial assets	<u>(410,656)</u>	<u>67,608</u>
<b>Other comprehensive income for the year</b>	<u>(410,656)</u>	<u>67,608</u>
<b>Total comprehensive loss for the year</b>	<u><u>(399,835)</u></u>	<u><u>(248,312)</u></u>