



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
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Mr Bill Shorten
National Secretary
The Australian Workers' Union
685 Spencer Street
WEST MELBOURNE VIC 3003

Dear Mr Shorten

**Re: Lodgement of Financial Statements and Accounts for the National Office
for the year ending 30 June 2003 (FR2003/299)**

Receipt is acknowledged of the abovementioned financial statements and accounts,
which were lodged in the Registry on 26 March 2004.

The documents have been filed. Thank you for your attention to this matter.

Yours sincerely,

Belinda Penna

Belinda Penna
for Deputy Industrial Registrar

26 March 2004



NATIONAL OFFICE
685 SPENCER STREET
WEST MELBOURNE VIC 3003

TEL: (03) 9329 8733
FAX: (03) 9329 2871
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INTERNET: www.awu.net.au

THE AUSTRALIAN WORKER'S UNION
NATIONAL OFFICE

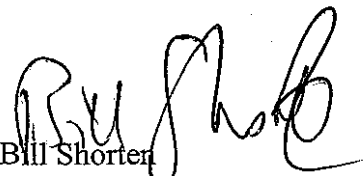
BILL SHORTEN
National Secretary

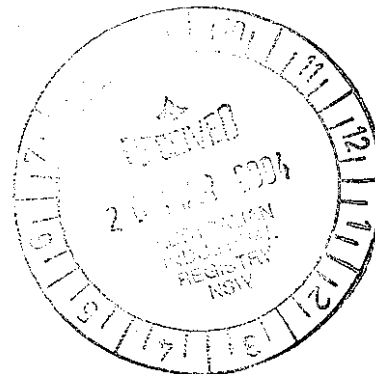
SECRETARY'S CERTIFICATE

I, Bill Shorten, being the Secretary of The Australian Worker's Union – National Office, do hereby state that the attached documents are copies of reports and audited accounts and financial statement for the year ending on the 30th of June, 2003, that were:

1. made available to the membership in the week commencing 9th February 2004.
2. presented to the Committee of Management in the week commencing 8th March 2004. The Committee of Management resolves to adopt the 2002/2003 National Office Financial Accounts, Statements and Auditor's Report.

Date 19th of March, 2004


Bill Shorten
National Secretary



putting
members
first



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BILL SHORTEN
National Secretary

THE AUSTRALIAN WORKERS' UNION
NATIONAL OFFICE

STATUTORY STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2003

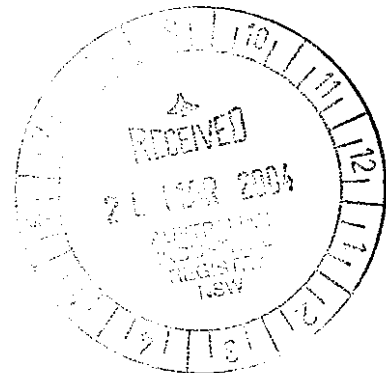
STATEMENT OF SALARIES AND WAGES BY AN OFFICER

I, Bill Shorten, being the Secretary of the Australian Workers' Union - National Office, do hereby state that for the financial year ending 30th June 2003:

Total Salaries and Wages expenses are \$840,728, of which \$169,116 were for Officials and \$671,612 for employees.

Date 19th of March, 2004


Bill Shorten
National Secretary



putting
members
first

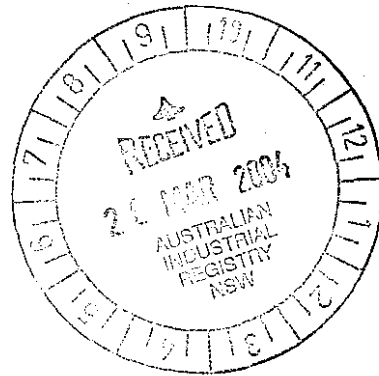
THE AUSTRALIAN WORKERS' UNION

(NATIONAL OFFICE)

AUDITORS' REPORT,

FINANCIAL STATEMENTS AND NOTES THERETO

FOR THE YEAR ENDED 30 JUNE 2003



THE AUSTRALIAN WORKERS' UNION

(NATIONAL OFFICE)

STATUTORY STATEMENTS


FOR THE YEAR ENDED 30 JUNE, 2003

COMMITTEE OF MANAGEMENT'S CERTIFICATE

We, being two members of the Committee of Management do state on behalf of the Committee and in accordance with a resolution passed by the Committee that:

- (1) In the opinion of the Committee of Management, the attached financial report shows a true and fair view of the financial affairs of the Union as at 30 June 2003;
- (2) in the opinion of the Committee of Management, meetings of the Committee were held during the year ended 30 June 2003, in accordance with the rules of the Union:
- (3) to the knowledge of any Member of the Committee, there have been no instances where records of the Union or other documents (not being documents containing information made available to a Member of the Union under Section 274 of the Workplace Relations Act 1996) or copies of those records or documents, or copies of the rules of the Union, have not been furnished, or made available, to members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto, or the rules of the Union; and
- (4) the Union has complied with Section 279 of the Act in relation to the financial accounts in respect of the year ended 30 June 2002, and the Auditors' Report thereon.


.....
W SHORTEN


.....
W. P. LUDWIG

SIGNED at Sydney this 15th day of December, 2003.

THE AUSTRALIAN WORKERS' UNION
(NATIONAL OFFICE)
STATUTORY STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2003
ACCOUNTING OFFICER'S CERTIFICATE

I, Bill Shorten, being the Officer responsible for keeping the accounting records of the National Office, certify that as at 30 June 2003, the number of members of the Union was 125,647. (2002 136,358).

In my opinion:

- (1) The attached financial report is properly drawn up to show a true and fair view of the financial affairs of the Union as at 30 June 2003;
- (2) a record has been kept of all moneys paid by, or collected from members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the Union;
- (3) before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union;
- (4) with regard to funds of the Union raised by 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;
- (5) no loans or other financial benefits, other than remuneration in respect of their full-time employment with the Union, were made to persons holding office in the Union;
- (6) the register of members of the Union was maintained in accordance with the Act.


W SHORTEN

SIGNED at Sydney this 18th day of December, 2003.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
AUSTRALIAN WORKERS UNION
(NATIONAL OFFICE)

Scope

We have audited the Financial Statements of the Australian Workers Union for the year ended 30 June 2003 consisting of the Statement of Financial Position and Statement of Financial Performance, and accompanying notes set out on pages 5 to 11. The Committee of Management is responsible for the preparation and presentation of the Financial Statements and the information they contain. We have conducted an independent audit of these Financial Statements in order to express an opinion on them to the members of the Australian Workers Union (National Office).

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and statutory requirements so as to present a view which is consistent with our understanding of the Organisation's financial position and the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

We received all the information and explanations that officers and employees of the Union were able to provide.

In our opinion:

1. The Organisation kept satisfactory accounting records, including:
 - a) records of the sources and nature of the income of the Union (including income from members); and
 - b) records of the nature and purposes of the expenditure of the Organisation.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

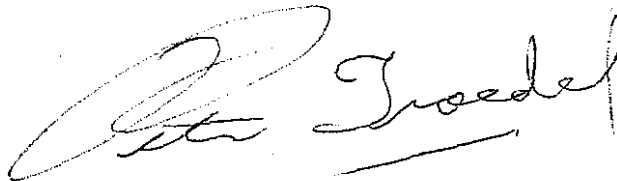
AUSTRALIAN WORKERS UNION

(NATIONAL OFFICE)

2. The accounts and statements prepared under Section 273 of the Workplace Relations Act, 1996 (as amended) were properly drawn up so as to give a true and fair view of:
 - a) the financial affairs of the Organisation as at the end of the period; and
 - b) the income and expenditure, and surplus of the Organisation for the period under review.

3. The financial statements are in accordance with:
 - a) the provisions of the Workplace Relations Act 1996, (as amended); and
 - b) applicable Australian Accounting Standards and other mandatory professional reporting requirements.

TROEDEL ADAMS & CO.



P. R. Troedel
Chartered Accountants
Registered Company Auditor

Dated this 15TH day of December 2003.

THE AUSTRALIAN WORKERS' UNION
(NATIONAL OFFICE)
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2003

	<u>NOTES</u>	<u>2002</u>	<u>2003</u>
ACCUMULATED FUNDS		\$	\$
BALANCE @ YEAR END		<u>1,380,782</u>	<u>1,491,182</u>
THESE FUNDS ARE REPRESENTED BY:-			
CURRENT ASSETS			
PETTY CASH		1,000	375
CASH AT BANK		917,137	450,949
ACCOUNTS RECEIVABLE		394,414	447,043
PROVISION FOR DOUBTFUL DEBTS		(20,000)	(20,000)
SUBSIDIES IN TRANSIT		<u>55,048</u>	<u>117,100</u>
		<u>1,347,599</u>	<u>995,467</u>
NON-CURRENT ASSETS			
INVESTMENTS			
LOANS TO BRANCHES	4.	47,300	65,300
TERM DEPOSIT		14,362	14,362
SHARES IN THE ACTU			
FINANCIAL SERVICES TRUST		13,462	13,462
LESS: PROVISION FOR DIMINUTION IN VALUE		<u>(13,460)</u>	<u>(13,460)</u>
		61,664	79,664
FIXED ASSETS (At Written Down Value)	3.		
PROPERTIES		7,626,012	9,168,552
OFFICE FURNITURE AND EQUIPMENT		31,414	44,943
WEBSITE DEVELOPMENT		-	43,054
MOTOR VEHICLES		<u>212,627</u>	<u>198,281</u>
		<u>7,870,053</u>	<u>9,454,830</u>
<u>TOTAL ASSETS</u>		<u>9,279,316</u>	<u>10,529,961</u>
LESS: CURRENT LIABILITIES			
Payables			
CREDITORS		1,280,118	866,159
Interest Bearing Liabilities			
LOANS - OTHER		120,000	-
HIRE PURCHASE LIABILITY		<u>119,390</u>	<u>108,913</u>
		239,390	108,913
Provisions			
PROVISION FOR ACCRUED ANNUAL LEAVE		98,563	99,940
PROVISION FOR LONG SERVICE LEAVE		<u>441,815</u>	<u>493,519</u>
		<u>540,378</u>	<u>593,459</u>
TOTAL CURRENT LIABILITIES		<u>2,059,886</u>	<u>1,568,531</u>
NON CURRENT LIABILITIES			
Payables			
LOANS FROM BRANCHES	5.	2,514,439	2,514,439
Provisions			
PROVISION FOR LONG SERVICE LEAVE		3,268,870	3,268,870
Interest Bearing Liabilities			
HIRE PURCHASE LIABILITY		55,339	24,113
SECURED LOAN - MEMBERS EQUITY		-	1,662,826
		<u>5,838,648</u>	<u>7,470,248</u>
<u>TOTAL LIABILITIES</u>		<u>7,898,534</u>	<u>9,038,779</u>
		<u>1,380,782</u>	<u>1,491,182</u>

THE AUSTRALIAN WORKERS' UNION
(NATIONAL OFFICE)

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE, 2003

	<u>2002</u>	<u>2003</u>
<u>INCOME</u>	<u>\$</u>	<u>\$</u>
SUBSIDY INCOME	3,168,210	3,282,020
NATIONAL CONFERENCE SPONSORSHIP	-	89,166
ADVERTISING INCOME	-	34,700
DIRECTORS FEES	15,045	18,479
INTEREST	18,808	15,509
OTHER INCOME	99,101	37,048
<u>TOTAL INCOME</u>	<u>3,301,164</u>	<u>3,476,922</u>
<u>EXPENSES</u>		
<u>DIRECT MEMBERSHIP EXPENSES</u>		
NORTHERN AUSTRALIA PROMOTION	-	49,571
ACTU - ORGANISER	47,323	46,938
ADVERTISING AND SUBSCRIPTIONS	25,286	10,688
AFFILIATION FEES	175,605	275,612
BEREAVEMENT PAYMENTS	138,000	177,750
RESEARCH EXPENSES	31,455	3,061
COMPUTER MAINTENANCE AND TRAINING	19,160	20,548
DEPN OF COMPUTERS	-	5,156
DONATIONS	380	7,273
LEGAL FEES	316,128	70,715
MEMBERSHIP MAIL OUTS	-	5,514
PROMOTIONAL COSTS	-	1,746
"AUSTRALIAN WORKER" PUBLISHING COSTS	94,080	117,542
WEB SITE EXPENSES	-	4,244
<u>TOTAL</u>	<u>847,417</u>	<u>796,358</u>
<u>MEETING EXPENSES</u>		
NATIONAL CONFERENCE EXPENSES	-	173,572
NATIONAL MEETINGS	19,213	1,687
NATIONAL EXECUTIVE MEETINGS	19,041	11,474
<u>TOTAL</u>	<u>38,254</u>	<u>186,733</u>
<u>OH&S EXPENSES</u>		
OH&S	17,491	39,687
	<u>17,491</u>	<u>39,687</u>

THE AUSTRALIAN WORKERS' UNION
(NATIONAL OFFICE)

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE, 2003

	<u>2002</u>	<u>2003</u>
	\$	\$
PAYROLL EXPENSES		
SALARIES & WAGES	824,799	840,728
SUPERANNUATION - EMPLOYER CONT.	126,316	99,826
WORKCOVER EXPENSES	10,347	12,571
PAYROLL TAX	31,487	29,129
ACCRUED ANNUAL LEAVE	(44,012)	1,377
LONG SERVICE LEAVE PROVISION	293,602	47,169
CONSULTANTS	57,680	69,942
TOTAL	<u>1,300,219</u>	<u>1,100,742</u>
TRAINING & TUITION		
DELEGATES AND SHOP STEWARDS	10,364	92
UNIVERSITY FEES	-	1,016
SEMINAR AND CONFERENCE COSTS	-	18,022
TRAINING EXPENSES	9,251	6,695
TOTAL	<u>19,615</u>	<u>25,825</u>
TRAVEL EXPENSES		
TRAVEL AND ACCOMMODATION	50,296	46,094
AIR FARES	167,892	172,744
TAXIS AND PARKING	19,493	29,646
TOTAL	<u>237,681</u>	<u>248,484</u>
MOTOR VEHICLE EXPENSES		
RUNNING EXPENSES	97,240	66,680
LOSS ON REALISATION	-	22,402
DEPRECIATION OF MOTOR VEHICLES	29,730	51,654
FRINGE BENEFITS TAX	25,911	32,743
FINANCE COSTS	27,096	11,395
TOTAL	<u>179,977</u>	<u>184,874</u>
TELEPHONE EXPENSES		
LAND LINES	36,323	39,338
MOBILE PHONES	21,049	19,712
HOME PHONES	8,778	11,671
OTHER TELEPHONE EXPENSES	8,634	7,206
TOTAL	<u>74,784</u>	<u>77,927</u>

THE AUSTRALIAN WORKERS' UNION
(NATIONAL OFFICE)

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE, 2003

	<u>2002</u>	<u>2003</u>
	\$	\$
PROPERTY EXPENSES		
RENTAL	64,751	69,155
INSURANCE	74,855	40,726
DEPRECIATION OF BUILDINGS	105,136	97,258
OTHER PROPERTY EXPENSES	27,395	20,268
TOTAL	<u>272,137</u>	<u>227,407</u>
GENERAL EXPENSES		
AUDITING & ACCOUNTING	29,483	68,651
BANK FEES AND CHARGES	3,083	2,831
CLEANING	6,305	6,629
ELECTRICITY EXPENSES	5,147	6,650
MISC. EXPENSES	-	7,093
TOTAL	<u>44,018</u>	<u>91,854</u>
OFFICE EXPENSES		
STATIONERY	4,296	5,517
SUNDRY OFFICE EXPENSES	28,639	25,778
COURIER CHARGES AND FREIGHT	16,219	19,969
PRINTING	48,782	56,722
MAINTENANCE OF OFFICE EQUIPMENT	28,897	27,181
DEPRECIATION OF FURNITURE AND EQUIP.	10,492	11,049
INTERNET EXPENSES	3,989	4,193
INTEREST CHARGES	17,479	6,536
AWU AWARDS	-	1,700
TOTAL	<u>158,793</u>	<u>158,645</u>
	<u>3,190,386</u>	<u>3,138,536</u>
<u>TOTAL EXPENSES</u>		
<u>NET OPERATING PROFIT</u>	<u>110,778</u>	<u>338,386</u>
LESS: ABNORMAL ITEMS	6. (642,519)	227,986
<u>NET PROFIT FOR YEAR</u>	<u>753,297</u>	<u>110,400</u>
ADD: ACCUMULATED FUNDS AT BEGINNING	627,485	1,380,782
<u>ACCUMULATED FUNDS AT YEAR END</u>	<u>1,380,782</u>	<u>1,491,182</u>

THE AUSTRALIAN WORKERS' UNION

(NATIONAL OFFICE)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE, 2003

1. **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The significant policies which have been adopted in the preparation of these financial statements are:

1.1 **BASIS OF PREPARATION**

This report is a general purpose financial report drawn up in accordance with applicable Accounting Standards, the Workplace Relations Act 1996 and other requirements of law. They have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year. The accounting records have been kept on an accrual basis.

1.2 **INCOME TAX**

No provision for income tax is necessary as the Union is exempt from income tax under Section 23(f) of the Income Tax Assessment Act.

1.3 **EMPLOYEE ENTITLEMENTS**

Provision for Annual Leave

The provision for employee entitlements to Annual Leave represents the amount which the Union has a present obligation to pay resulting from employees' services provided up to the balance date. The provision has been calculated at nominal amounts based on current wage and salary rates plus leave loading.

2. **PROVISION FOR LONG SERVICE LEAVE**

2.1 The liability for Long-Service Leave of Branch officials has only been accumulated in the books of account up to 30th June 2002.

2.2 In accordance with the decision of the National Executive, Branches are now required to bring to account the annual indebtedness to Long service Leave of its officials. The reduction in liability from \$293,602 in 2002 to \$47,169 in the current year reflects that change.

THE AUSTRALIAN WORKERS' UNION
(NATIONAL OFFICE)

NOTES TO AND FORMING PART OF THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

	2002	2003
	\$	\$
3. FIXED ASSETS		
Properties -		
Land and Buildings (at cost)	8,389,265	10,029,063
Less Accumulated Depreciation on Buildings	<u>(763,253)</u>	<u>(860,511)</u>
	<u>7,626,012</u>	<u>9,168,552</u>
Motor Vehicles -		
At Cost	255,010	262,838
Less Accumulated Depreciation	<u>(42,383)</u>	<u>(64,557)</u>
	<u>212,627</u>	<u>198,281</u>
Office Furniture and Equipment		
At Cost	52,458	78,489
Less Accumulated Depreciation	<u>(21,044)</u>	<u>(33,546)</u>
	<u>31,414</u>	<u>44,943</u>
Website Development Costs		
At Cost	-	45,320
Less Accumulated Depreciation	<u>-</u>	<u>(2,266)</u>
	<u>-</u>	<u>43,054</u>
TOTAL FIXED ASSETS	<u>7,870,053</u>	<u>9,454,830</u>

The properties included in the National Office Balance Sheet are:

157 - 161 Maitland Road, Mayfield	1,577,300	1,544,800
325 Crown St, Wollongong	592,200	582,200
685 Spencer St, West Melbourne	450,261	2,085,559
250 - 270 Murray St, Hobart	422,200	415,575
34 Church St, Dubbo	681,130	675,955
2 Napier St, Deakin, ACT	1,503,120	1,488,745
8 - 10 Creedy St, Cairns	78,219	77,699
12 Creedy St, Cairns	55,259	54,824
211 Mulgrave Road, Cairns	1,349,100	1,339,125
Sturt St, Townsville	557,923	550,553
Maquarie St, Taree	254,300	251,350
9 Murn Crescent, Whyalla Norrie	105,000	102,167
	<u>7,626,012</u>	<u>9,168,552</u>

THE AUSTRALIAN WORKERS' UNION
(NATIONAL OFFICE)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2003

	2002	2003
	\$	\$
4. LOANS TO BRANCHES - NON CURRENT		
AWU - Whyalla - Woomera Branch - Old	38,837	-
Less - Provision for Doubtful Debts	(38,837)	-
AWU - Whyalla - Woomera Branch	47,300	47,300
AWU - Queensland Branch	100,832	-
Less - Provision for Doubtful Debts	(100,832)	-
AWU - South Australia	-	18,000
	<u>47,300</u>	<u>65,300</u>
5. LOANS FROM BRANCHES - NON CURRENT		
AWU - South Australia Branch	66,781	66,781
AWU - West Australia Branch	146,500	146,500
AWU - New South Wales State Union	<u>2,301,158</u>	<u>2,301,158</u>
	<u>2,514,439</u>	<u>2,514,439</u>
6. ABNORMAL ITEMS		
Capital Gain on the sale of property	362,110	-
Discharged Creditors	<u>349,330</u>	-
	<u>711,440</u>	-
Less:		
Bad Debts	48,921	-
Doubtful Debts	20,000	-
Expenses incurred in prior years	-	227,986
	<u>(642,519)</u>	<u>227,986</u>
7. <u>INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR</u>		

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Section 274 which reads as follows:

- (a) "A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation;
- (b) An organisation shall, on application made under Subsection (1) by a member of the organisation or a Registrar, make the specified information available to a member or the Registrar in such manner, and within such time, as is prescribed
- © A Registrar may only make an application under Subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member."