



**AUSTRALIAN
WORKERS
UNION**

Newcastle, Central Coast & Northern Regions Branch

KM:AM

Secretary
KEVIN MAHER

Ironworker Centre
Third Floor
161 Maitland Road
MAYFIELD NSW 2304

20th December 2005

Officer-in-Charge
Statutory Services
Australian Industrial Registry
NSW Registry
Level 8, Terrace Towers
80 William Street
EAST SYDNEY NSW 2011

Dear Sir or Madame,

**Re: Lodgement of Audited Accounts and Financial Statements for year ending
30th June 2005**

Attached please find copies of the following documents to comply with the lodgement of audited accounts and financial statements for year ending June 2005.

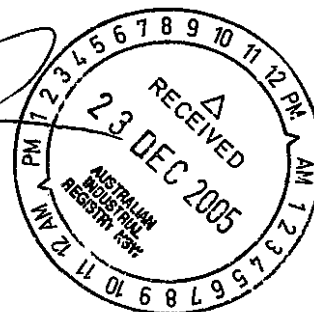
- Financial statements for year ended 30th June 2005
- Statement by the Accounting Officer
- Statement by the Branch Executive
- Operating Report
- A.G.M. Notification and extract of minutes of AGM (held 13/12/2005)
- Branch Executive minutes endorsing 2005 accounts (22/11/05)

Also attached are amended Statement by the Committee of Management 2004 as requested.

Trusting this meets the necessary requirements,

Yours truly,


(Kevin Maher)
SECRETARY



AUSTRALIAN WORKERS UNION

Postal Address: PO BOX 226, MAYFIELD, NSW 2304
Telephone: (02) 4967 1155 Facsimile: (02) 4960 1349
Email: mail@australianworkersunion.com A.B.N. 81 309 714 429

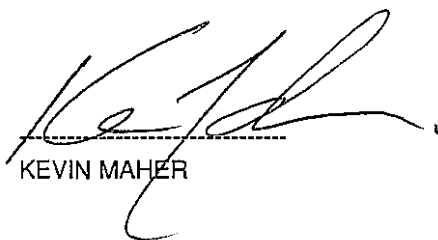
COMMITTEE OF MANAGERMENTS' STATEMENT

On 22 November 2005 the Committee of Management of the Australian Workers Union , Newcastle & Northern Regions Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the Union for the year ended 30 June 2005.

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial year ended 30 June 2005;
- (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 ended 30 June 2005 and since the end of the financial year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the Union; and
 - (ii) the financial affairs of the Union have been managed in accordance with the rules of the organisation and the rules of the Union; and
 - (iii) the financial records of the Union have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the financial records of the Union have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) no information has been sought in any request of a member of the Union or a Registrar under section 272 of the RAO Schedule; and
 - (vi) no orders have been made by the Industrial Registrar under section 273 of RAO Schedule

For the Committee of Management:


KEVIN MAHER

22 November 2005



**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2005**

In accordance with section 254 of the Workplace Relations Act 1996 ("Act") the Committee of Management presents its Operating Report on the Australian Workers Union Newcastle & Northern Regions Branch ("Union") for the year ended 30 June 2005.

Principal Activities

The principal activity of the Union was to act on behalf of members in respect of:

- employment terms and conditions;
- to secure improved conditions of employment for the members;
- to assist members in dispute resolution;
- to assist members who may become injured in the course of their employment;
- to assist dependants of members through financial benefits; and
- to assist members in unfair dismissal matters before the relevant tribunals.

Results

The loss for the financial year amounted to \$ 189,015.

Significant Changes

There were no significant changes in the nature of the Union's activities during the financial year.

Financial Affairs

There were no significant changes in the Union's financial affairs during the financial year.

Members Right to Resign

The following extract from the Union's rules details members right to resign from the Union.

Union members may resign from the Union where they cease to hold membership with the AWU in accordance with Rule 14 - Resignation from Membership as contained within the Union's rules.

Membership of the Union

There were 5,326 members of the union as at 30 June 2005.

Employees of the Union

As at 30 June 2005, the Union employed 13 full time employees and 1 part time employee with a total number of 13.4 employees on a fulltime equivalent basis.

Committee of Management

The following persons were members of the Committee of Management during the year ended 30 June 2005;

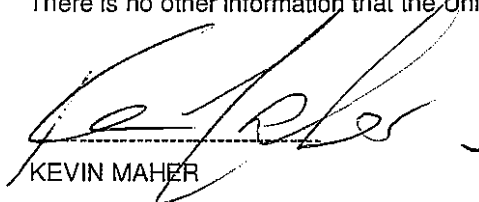
John Keen
Kevin Maher
Mark Stoker
John Boyd
Clare Trimmer
Allan Bell
Robert Brown
Paul Bryson
Matthew Burg
Anthony Callinan
Joe Carstairs
Desmond Clerke
Peter Drage
Glen Ford
Warren Hanley
Colin Harman
Allan Imber
Sue Kime
John Kostyk
Adam Lepidis
Bill McGuinness

Richard Downie
Paul Sullivan
Craig Tate
Scott Wyatt

Geoffrey Mason
Jacques Menil
Darryl Morrow
Maxwell Moss
Patrick Murphy
Robert Parkinson
Darren Perkins
Aaron Preston
Kim Raftos
Jamie Roberts
Mark Rodway
Robert Saunders
Leslie Skinner
Christopher Smith
Vieslav Smolarz
Sam Spooner

Other Information

There is no other information that the Union considers relevant.



KEVIN MAHER

DATE: 22 November 2005

INDEPENDENT AUDIT REPORT

To the members of the Australian Workers Union, Newcastle & Northern Regions Branch

SCOPE

The Financial Report and the Responsibility of the Branch Committee of Management and Secretary of the Branch

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and the branch committee of management statement for the Australian Workers Union, Newcastle & Northern Regions Branch, for the year ended 30 June 2005.

The Branch Committee of Management and the Secretary of the Branch are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Branch's financial position and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and

assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Branch Committee of Management and the Secretary of the Branch.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

INDEPENDENCE

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

AUDIT OPINION

In our opinion the financial report of Australian Workers Union, Newcastle & Northern Regions Branch is in accordance with:

(a) the Workplace Relations Act 1996, including:

(i) giving a true and fair view of the Branch's financial position as at 30 June 2005 and its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards; and

(iii) complying with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule I B of the Act; and

(b) other mandatory professional reporting requirements in Australia.

Lindbeck Partners

LINDBECK PARTNERS
Chartered Accountants



BARRY N LINDBECK
Registered Company Auditor

Dated at CARDIFF this TWENTY SECOND day of NOVEMBER 2005

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

| | NOTE | 2005 \$ | 2004 \$ |
|---|------|------------------|------------------|
| Revenue from ordinary activities | 2 | <u>2,016,898</u> | <u>2,028,791</u> |
| Expenses from ordinary activities | | | |
| Wages and related costs | | 982,767 | 838,647 |
| Borrowing costs expense | | 57,617 | 56,940 |
| Depreciation and amortisation expenses | | 104,746 | 101,488 |
| Other expenses | | <u>1,060,783</u> | <u>898,485</u> |
| | | <u>2,205,913</u> | <u>1,895,560</u> |
| Net Profit from Ordinary Activities Attributable to Members | 12 | <u>(189,015)</u> | <u>133,231</u> |
| Items recognised directly in equity: | | | |
| Net increase in Asset Revaluation Reserve | 11 | 2,033 | - |
| Total revenues, expenses and valuation adjustments attributable to members of the Union and recognised directly in equity | | <u>2,033</u> | <u>-</u> |
| Total changes in equity if the association | | <u>(186,982)</u> | <u>133,231</u> |

The accompanying notes form part of this financial report

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005**

| | NOTE | 2005 \$ | 2004 \$ |
|--------------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash | 3 | 138,881 | 98,082 |
| Receivables | 4 | 99,039 | 152,881 |
| Investments | 5 | 85,621 | 85,621 |
| Other | 6 | 19,952 | 22,063 |
| TOTAL CURRENT ASSETS | | <u>343,493</u> | <u>358,647</u> |
| NON-CURRENT ASSETS | | | |
| Investments | 5 | 2,950 | 916 |
| Property, plant and equipment | 7 | 1,526,096 | 1,561,255 |
| TOTAL NON-CURRENT ASSETS | | <u>1,529,046</u> | <u>1,562,171</u> |
| TOTAL ASSETS | | <u>1,872,539</u> | <u>1,920,818</u> |
| CURRENT LIABILITIES | | | |
| Accounts payable | 8 | 188,977 | 137,979 |
| Interest bearing liabilities | 9 | 94,081 | 85,340 |
| Provisions | 10 | 143,712 | 127,568 |
| TOTAL CURRENT LIABILITIES | | <u>426,770</u> | <u>350,887</u> |
| NON-CURRENT LIABILITIES | | | |
| Interest bearing liabilities | 9 | 554,137 | 618,281 |
| Provisions | 10 | 180,451 | 53,487 |
| TOTAL NON-CURRENT LIABILITIES | | <u>734,588</u> | <u>671,768</u> |
| TOTAL LIABILITIES | | <u>1,161,358</u> | <u>1,022,655</u> |
| NET ASSETS | | <u>711,181</u> | <u>898,163</u> |
| EQUITY | | | |
| Asset Revaluation Reserve | 11 | 2,033 | - |
| Accumulated Members' Funds | 12 | 709,148 | 898,163 |
| TOTAL EQUITY | | <u>711,181</u> | <u>898,163</u> |

The accompanying notes form part of this financial report

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2005**

| | NOTE | 2005 \$ | 2004 \$ |
|---|-------|-----------------------|-----------------------|
| | | INFLOWS (OUTFLOWS) | INFLOWS (OUTFLOWS) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 1,616,982 | 1,581,694 |
| Payments to suppliers and employees | | (1,851,108) | (1,884,398) |
| Interest received | | 2,187 | 1,063 |
| Other investment income received | | 397,729 | 446,034 |
| Net cash provided by operating activities | 15(b) | <u>165,790</u> | <u>144,393</u> |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of plant & equipment | | - | 2,500 |
| Payment for plant & equipment | | <u>(69,587)</u> | <u>(97,306)</u> |
| Net cash provided by (used in) investing activities | | <u>(69,587)</u> | <u>(94,806)</u> |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Proceeds from repayment of short term loans | | - | (19,426) |
| Proceeds from borrowings | | 29,930 | 34,490 |
| Repayment of loans | | <u>(85,334)</u> | <u>(73,510)</u> |
| Net cash provided by (used in) financing activities | | <u>(55,404)</u> | <u>(58,446)</u> |
| Net increase/(decrease) in cash held | | 40,799 | (8,859) |
| Cash at 1 July 2004 | 15(a) | <u>98,082</u> | <u>106,941</u> |
| CASH AT 30 JUNE 2005 | 15(a) | <u><u>138,881</u></u> | <u><u>98,082</u></u> |

The accompanying notes form part of this financial report

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

1. BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with generally accepted accounting principles using the accruals basis of accounting.

Australian Accounting Standards and Statements of Accounting Concepts, as issued by the joint professional accounting bodies, have been adopted where applicable.

(a) PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment are brought to account at cost or at independent or directors' valuation, less, where applicable, any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employed and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amount.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their useful lives commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

| Class of Fixed Asset | Depreciation Rate |
|--------------------------------|-------------------|
| Building improvements | 2.5% |
| Motor vehicles | 22.5% |
| Fixtures, fittings & equipment | 10%-40% |

Revaluations of freehold land and buildings have not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax.

(b) EMPLOYEE BENEFITS

Provision for employee entitlements in the form of Accrued Annual Leave and Long Service Leave has been made for the estimated accrued entitlements of all employees on the basis of their terms of employment. The liability for accrued Long Service Leave for Officials accrued prior to 31 December 2001 is the responsibility of the National Office and is not included in the provisions of the Branch. Related on-costs are included in these provisions.

(c) INCOME TAX

No provision for income tax is necessary as Industrial Trade Unions are exempt from income tax under Section 50-15 of the Income Tax Assessment Act, 1997.

(d) OUTSTANDING CONTRIBUTIONS

Union Contributions are accounted for on a cash receipts basis as opposed to the financial report which is prepared on an accrual basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

(e) COMPARATIVE FIGURES

Where required, comparative figures have been adjusted to conform with changes in presentation in the current financial year.

(f) GOODS AND SERVICES TAX

Revenues, expenses and fixed assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

The net amount of GST recoverable from, or payable to the Australian Taxation Office (ATO) is included as a current asset or liability in the statement of financial position. Cash flows are included in the Statement of Cash Flows on a net basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to the ATO are classified as operating cash flows.

(g) AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

For the year ending 30 June 2006, all general purpose financial reports will be required to comply with Australian equivalents to International Financial Reporting Standards (IFRSs) instead of Australian Accounting Standards presently on issue. Comparative financial statements must also be presented in accordance with Australian equivalents to IFRSs for the year ending 30 June 2005.

The Union considers that no key accounting policy changes will arise out of this transition to IFRSs.

| NOTE | 2005 \$ | 2004 \$ |
|------|------------|------------|
|------|------------|------------|

2. OPERATING RESULT FROM ORDINARY ACTIVITIES

The deficit from ordinary activities is arrived at after taking into account:

REVENUE:

| | | |
|--------------------------------|------------------|------------------|
| Ordinary Activities | | |
| Membership contributions | 1,577,565 | 1,500,802 |
| Interest received | 2,187 | 1,063 |
| Investment income | 112 | 71 |
| Rents received | 397,617 | 445,963 |
| Other income | 39,417 | 80,892 |
| | <u>2,016,898</u> | <u>2,028,791</u> |
| Non-Operating Activities | | |
| Proceeds on disposal of assets | - | 2,500 |
| | <u>-</u> | <u>2,500</u> |
| | <u>2,016,898</u> | <u>2,031,291</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

| | NOTE | 2005 \$ | 2004 \$ |
|--|------|------------------|------------------|
| 2. OPERATING RESULT FROM ORDINARY ACTIVITIES (cont.) | | | |
| EXPENSES: | | | |
| Depreciation & amortisation of property, plant & equipment | | 104,746 | 101,488 |
| Movement in employee entitlements | | 99,680 | 60,363 |
| Auditors remuneration: | | | |
| Auditing the financial report | | 7,000 | 7,000 |
| Other services | | 8,000 | 8,000 |
| | | <u>15,000</u> | <u>15,000</u> |
| 3. CASH | | | |
| Cash on hand | | 2,500 | 2,500 |
| Cash at bank | | 136,381 | 95,582 |
| | | <u>138,881</u> | <u>98,082</u> |
| 4. RECEIVABLES | | | |
| Other receivables | | <u>99,039</u> | <u>152,881</u> |
| 5. INVESTMENTS | | | |
| Current | | | |
| Loans and advances | | 85,621 | 85,621 |
| | | <u>85,621</u> | <u>85,621</u> |
| Non Current | | | |
| Shares in unlisted entities -at cost | | 101 | 101 |
| Shares in listed entities - at market value | | 2,849 | 815 |
| Less: provisions for diminution in value | | - | - |
| | | <u>2,950</u> | <u>916</u> |
| 6. OTHER CURRENT ASSETS | | | |
| Prepayments | | <u>19,952</u> | <u>22,063</u> |
| 7. PROPERTY, PLANT AND EQUIPMENT | | | |
| Building improvements | | | |
| At cost | | 1,448,703 | 1,440,662 |
| Provision for depreciation | | 165,722 | 129,704 |
| | | <u>1,282,981</u> | <u>1,310,958</u> |
| Furniture & fittings & equipment | | | |
| At cost | | 342,275 | 309,087 |
| Provision for depreciation | | 247,228 | 213,311 |
| | | <u>95,047</u> | <u>95,776</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

| | NOTE | 2005 \$ | 2004 \$ |
|--|------|------------------|------------------|
| 7. PROPERTY, PLANT AND EQUIPMENT cont. | | | |
| Motor vehicles | | | |
| At cost | | 272,913 | 244,555 |
| Provision for depreciation | | 124,845 | 90,034 |
| | | <u>148,068</u> | <u>154,521</u> |
| | | <u>1,526,096</u> | <u>1,561,255</u> |

Movements in Carrying Amounts

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

| | Buildings \$ | Furniture, Fittings & Equipment \$ | Motor Vehicles \$ | Total \$ |
|-------------------------------|------------------|---|-------------------------|------------------|
| Balance at Start of Year | 1,310,958 | 95,776 | 154,521 | 1,561,255 |
| Additions | 8,041 | 33,188 | 28,358 | 69,587 |
| Disposals | - | - | - | - |
| Depreciation/Amortisation | 36,018 | 33,917 | 34,811 | 104,746 |
| Carrying Amount - End of Year | <u>1,282,981</u> | <u>95,047</u> | <u>148,068</u> | <u>1,526,096</u> |

8. ACCOUNTS PAYABLE

| | | |
|---------------|----------------|----------------|
| Payables | 168,394 | 121,170 |
| GST liability | 20,583 | 16,809 |
| | <u>188,977</u> | <u>137,979</u> |

9. INTEREST BEARING LIABILITIES

Current

| | | |
|------------------------|---------------|---------------|
| Bank loan secured | 50,000 | 50,000 |
| Hire purchase creditor | 44,081 | 35,340 |
| | <u>94,081</u> | <u>85,340</u> |

Non Current

| | | |
|------------------------|----------------|----------------|
| Bank loan secured | 500,974 | 547,320 |
| Hire purchase creditor | 53,163 | 70,961 |
| | <u>554,137</u> | <u>618,281</u> |

(a) Total current and non-current secured liabilities

| | | |
|-------------------------|----------------|----------------|
| Bank loan | 550,974 | 597,320 |
| Hire purchase creditors | 97,244 | 106,301 |
| | <u>648,218</u> | <u>703,621</u> |

(b) The bank loan is secured by a registered first mortgage over the freehold properties controlled by the Union

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

| | NOTE | 2005 \$ | 2004 \$ |
|---|------|------------------|----------------|
| 10. PROVISIONS | | | |
| Current | | | |
| Provision for annual leave & sick leave | | <u>143,712</u> | <u>127,568</u> |
| Non-Current | | | |
| Provision for long service leave | | 377,169 | 53,487 |
| Less National Office component of Officials to 31 December 2001 | | <u>196,718</u> | - |
| Provision for long service leave | | <u>180,451</u> | <u>53,487</u> |
| Number of employees at balance date | | 13 | 12 |
| 11. RESERVES | | | |
| Asset revaluation reserve | | <u>2,033</u> | - |
| Movements during year | | | |
| Opening balance | | - | - |
| Revaluation increment on revaluing investments to market value | | <u>2,033</u> | - |
| Closing balance | | <u>2,033</u> | - |
| 12. ACCUMULATED MEMBERS' FUNDS | | | |
| Accumulated funds at start of year | | 898,163 | 764,932 |
| Net profit attributable to members | | <u>(189,015)</u> | <u>133,231</u> |
| Accumulated funds at end of year | | <u>709,148</u> | <u>898,163</u> |
| 13. SALARIES | | | |
| The following analysis of salaries paid during the year is given in compliance with the requirements of the Industrial Relations Act, 1991: | | | |
| Paid to office holders | | 506,131 | 444,355 |
| Paid to employees | | <u>170,956</u> | <u>157,454</u> |
| | | <u>677,087</u> | <u>601,809</u> |
| 14. AUDITORS' REMUNERATION | | | |
| Amounts received, or due and receivable by the auditors for: | | | |
| • Auditing | | 7,000 | 7,000 |
| • Other services | | <u>8,000</u> | <u>8,000</u> |
| TOTAL | | <u>15,000</u> | <u>15,000</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

| | NOTE | 2005 \$ | 2004 \$ |
|---|------|----------------|----------------|
| 15. CASH FLOW INFORMATION | | | |
| (a) RECONCILIATION OF CASH | | | |
| Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows: | | | |
| Cash | 3 | 138,881 | 98,082 |
| BALANCE PER STATEMENT OF CASH FLOWS | | <u>138,881</u> | <u>98,082</u> |
| (b) RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES | | | |
| Operating Surplus for the Year | | (189,015) | 133,231 |
| Depreciation & amortisation | | 104,746 | 101,488 |
| (Profit)/Loss on disposal of property, plant & equipment | | - | 26,080 |
| Changes in Assets and Liabilities | | | |
| (Increase)/Decrease in receivables | | 53,842 | (49,196) |
| (Increase)/Decrease in other | | 2,111 | 6,567 |
| Increase/(Decrease) in accounts payable | | 50,998 | (86,414) |
| Increase/(Decrease) in employee provisions | | 143,108 | 12,637 |
| NET CASH INFLOW FROM OPERATING ACTIVITIES | | <u>165,790</u> | <u>144,393</u> |
| (c) STANDBY ARRANGEMENTS AND UNUSED CREDIT FACILITIES | | | |
| Standby arrangements with the Union's bankers to provide funds and support facilities comprise: | | | |
| Other Short-Term Credit | | | |
| • Limit | | - | - |
| • Amount utilised | | - | - |
| UNUSED CREDIT FACILITY | | <u>-</u> | <u>-</u> |

16. SPECIFIED INFORMATION

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the following provisions for the Act:
S274

1. A member of an organisation, or Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
2. An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such a manner, and within such time, as prescribed.
3. 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

| | NOTE | 2005 \$ | 2004 \$ | |
|--|------------------------------|---------------------------|----------------------------|-----------|
| 17. RELATED PARTY INFORMATION | | | | |
| Sustentation fees paid to the Australian Workers Union, Federal Office during the year totalled \$219,832 (2004: \$220,948). | | | | |
| 18. FINANCIAL INSTRUMENTS | | | | |
| | Floating Interest Rate | Fixed Interest Rate | Non Interest Bearing | Total |
| | \$ | 1 year or less \$ | Over 1 to 5 years \$ | \$ |
| 30 June 2005 | | | | |
| Financial Assets | | | | |
| Cash | 136,381 | - | - | 2,500 |
| | 136,381 | - | - | 138,881 |
| Weighted average interest | 1.60% | | | |
| Financial Liabilities | | | | |
| Bank loan - secured | 550,974 | - | - | - |
| Hire purchase creditor | - | - | 97,244 | - |
| Total financial liabilities | 550,974 | - | 97,244 | - |
| Weighted average interest | 7.60% | 9.45% | | |
| Net financial assets/(liabilities) | (414,593) | - | (97,244) | 2,500 |
| | | | | (509,337) |
| 30 June 2004 | | | | |
| Financial Assets | | | | |
| Cash | 95,582 | - | - | 2,500 |
| | 95,582 | - | - | 98,082 |
| Weighted average interest | 1.30% | | | |
| Financial Liabilities | | | | |
| Bank loan - secured | 547,320 | - | - | - |
| Hire purchase creditor | - | - | 106,301 | - |
| Total financial liabilities | 547,320 | - | 106,301 | - |
| Weighted average interest | 7.30% | 9.45% | | |
| Net financial assets/(liabilities) | (451,738) | - | (106,301) | 2,500 |
| | | | | (555,539) |

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

| | NOTE | 2005 \$ | 2004 \$ |
|---------------------------------------|------|------------------|------------------|
| INCOME | | | |
| Contributions | | 1,577,565 | 1,500,802 |
| Interest received | | 2,187 | 1,063 |
| Investment income | | 112 | 71 |
| Rents received and building outgoings | | 397,617 | 445,963 |
| Donations & advertising | | 6,691 | 5,364 |
| Picnic ticket sales | | 1,977 | 3,829 |
| Sundry Income | | 30,749 | 71,699 |
| TOTAL INCOME | | <u>2,016,898</u> | <u>2,028,791</u> |
| EXPENDITURE | | | |
| Accountancy | | 1,430 | 2,272 |
| Advertising | | 21,218 | 2,755 |
| Affiliation fees | | 37,561 | 44,185 |
| Audit fees | | 15,000 | 15,000 |
| Bank fees & charges | | 6,803 | 7,572 |
| Branch executive expenses | | 1,983 | 2,019 |
| Caretaker | | 51,295 | 46,298 |
| Cleaning expenses | | 14,018 | 14,874 |
| Commissions | | 10,459 | 10,630 |
| Computer expenses | | 15,774 | 15,945 |
| Delegates & members expenses | | 6,852 | 9,313 |
| Depreciation | | 104,746 | 101,488 |
| Donations | | 6,095 | 11,266 |
| Electricity | | 55,935 | 48,514 |
| Fringe benefits tax | | 52,730 | 44,058 |
| Functions & entertainment | | 28,667 | 23,341 |
| Funeral benefits | | 218 | 430 |
| Insurance | | 48,009 | 51,935 |
| Interest | | 57,617 | 56,940 |
| Internet expenses | | 2,965 | 5,109 |
| Land tax | | 44,258 | 10,000 |
| Legal fees | | 24,622 | 5,941 |
| Loss on disposal of fixed assets | | - | 26,080 |
| Meeting expenses | | 962 | 2,364 |
| Motor vehicle expenses | | 64,216 | 42,062 |
| Payroll tax | | 60,242 | 52,467 |
| Picnic expenses | | 7,818 | 3,186 |
| Printing, postage & stationery | | 43,034 | 34,069 |
| Printing - members journal | | 10,641 | 11,796 |
| Provision for annual leave | | 61,608 | 54,302 |
| Provision for long service leave | | 38,072 | 6,061 |
| Rates & strata fees | | 30,312 | 35,215 |
| Brought forward over page | | <u>925,160</u> | <u>797,487</u> |

The accompanying notes form part of this financial report

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

| | NOTE | 2005 \$ | 2004 \$ |
|--|------|------------------|------------------|
| EXPENDITURE (Continued) | | | |
| Carried over from previous page | | <u>925,160</u> | <u>797,487</u> |
| Rent | | 1,317 | 2,005 |
| Repairs & maintenance | | 51,527 | 46,609 |
| Salaries & wages | | 677,087 | 601,809 |
| Security services | | 11,031 | 10,950 |
| Seminar & conference expenses | | 1,036 | 3,002 |
| Staff amenities | | 2,374 | 3,679 |
| Subscriptions | | 4,602 | 3,839 |
| Superannuation | | 145,758 | 124,008 |
| Sustentation fees | | 219,832 | 220,948 |
| Telephone | | 33,846 | 30,845 |
| Travel & accommodation | | 40,913 | 43,634 |
| Uniforms | | 959 | 1,373 |
| General office expenses | | 1,579 | 5,372 |
| TOTAL EXPENDITURE | | <u>2,117,021</u> | <u>1,895,560</u> |
| OPERATING SURPLUS/(DEFICIT) FOR THE YEAR BEFORE NON RECURRING ITEMS | | <u>(100,123)</u> | <u>133,231</u> |
| NON RECURRING ITEMS | | | |
| Provision for long service leave first recognised | | 88,892 | - |
| | | <u>88,892</u> | <u>-</u> |
| OPERATING SURPLUS/(DEFICIT) FOR THE YEAR | | <u>(189,015)</u> | <u>133,231</u> |

The accompanying notes form part of this financial report

ADVERTISEMENT IN PUBLIC NOTICES

NEWCASTLE HERALD SATURDAY 3rd December 2005
Wednesday 7th December 2005

Newcastle Post Wednesday 7th December 2005

AWU MEMBERS

The Annual General Meeting of the Federal Registered the Australian Workers Union Newcastle & Northern Regions Branch will be held on Tuesday 13th December 2005 at 5:30pm, AWU boardroom, level 3, 161 Maitland Rd, Mayfield. All financial members are invited to attend. Financial reports are available now from the office or download from the members section on the website.

www.australianworkersunion.com
Kevin Maher (Sec.)

AUSTRALIAN WORKERS' UNION
NEWCASTLE, CENTRAL COAST & NORTHERN REGIONS BRANCH

MINUTES OF FEDERAL ANNUAL GENERAL MEETING 13/12/05 5.20PM 161 MAITLAND RD MAYFIELD

CHAIRMAN: J. Keen

MINUTE SECRETARY: M. Stoker

ATTENDANCE: as per attendance book

APOLOGIES: R. Parkinson, J. Menil, L. Skinner, P. Bryson.

MOVED A. Bell, SECONDED T. Callinan that the apologies be accepted. CARRIED

MINUTES OF PREVIOUS MEETING:

MOVED A. Bell, SECONDED S. Smolarz that the minutes of the previous meeting be taken as read. CARRIED

ACCOUNTS:

K. Maher, Secretary, reported on 2005 Financial accounts that were submitted following distribution to the membership on 2nd December 2005 and endorsement by the Branch Executive on 22/11/05 after the presentation by B. Lindbeck as per Industrial Relations Act 1996

MOVED K. Maher, SECONDED J. Boyd that this Federal Branch Annual General meeting endorse the Branch Accounts for financial year ending 30/6/2005 be adopted and be lodged with the Registrar. CARRIED

CORRESPONDENCE: No correspondence was tabled

REPORTS:

K. Maher reported on the Federal Election 2007 seats of Patterson and Dobell were marginal now. Patterson 8%, Dobell 6.5%. These seats must be won to ensure we give future workers an opportunity to work under fair terms and conditions of employment. The new Industrial Relations laws are the most severe and must be defeated by community involvement. The task will fall on us so all hands on deck. The Newcastle Branch will need all support that can be mustered.

MOVED J. Boyd, SECONDED P. Drage that the report be accepted. CARRIED

K. Maher reported on the Boeing dispute 196 days long negotiations still ongoing N.S.W. Government intervened, Federal Commission challenge as Right to Secret Ballot. Boeing Management at high level have participated in negotiation. Discussions with Boeing Human Resources Management. Parties still at odds, the parties looking for a way forward, meeting arranged. Union put forward proposal that would enable a Collective Agreement to operate on site. Boeing under estimated the resolve of their employees and our members. Company advised they were prepared to meet but advised it would be a waste of time. K. Maher advised to this point there has never been a meeting of Delegates, Officials and the Company. K. Maher advised a meeting has been arranged at a date to be advised, no expectations of resolution – tentative date 19/12/2005. Protest will stay over Xmas and New Year.

MOVED M. Stoker, SECONDED P. Drage that the report be accepted. CARRIED

GENERAL BUSINESS:

P. Sullivan moved for a vote of thanks for C. Trimmer for organising the picnic.

J. Keen thanked Branch Executive members for their support during the year and conveyed the Unions best wishes for Christmas and the New Year.

MOVED J. Keen, SECONDED M. Stoker for a minutes silence was held to honour the members who have passed away. CARRIED

Meeting closed 6.00p.m.

**AUSTRALIAN WORKERS' UNION
NEWCASTLE & NORTHERN REGIONS BRANCH**

MINUTES OF SPECIAL BRANCH EXECUTIVE MEETING 22/11/2005 4.30 P.M. 161 MAITLAND RD MAYFIELD

CHAIRMAN: J. Keen

MINUTE SECRETARY: P. Sullivan

ATTENDANCE: M. Stoker, P. Sullivan, A. Bell, T. Callinan, T. Apthorpe, J. Carstairs, A. Lepidis, C. Harman, T. Matheson, G. Ford, N. Freund, P. Drage, J. Menil, W. McGuinness, J. Boyd, R. Downie, C. Trimmer, V. Smolarz, P. Bryson, J. Keen.

APOLOGIES: D. Clerke, B. Parkinson, L. Redman, D. Clerke, C. Smith, K. Maher.

MOVED J. Menil, SECONDED A. Lepidis that the apologies be accepted.

CARRIED

SUSPENSION OF STANDING ORDERS

MOVED R. Downie, SECONDED J. Menil for a suspension of standing orders to permit Barry Lindbeck, Branch Auditor, to present the Branch Accounts.

B. Lindbeck presented and gave a detailed explanation to the Branch Executive members of the 2004-2005 Federal and State Financial Statements.

CARRIED

M. Stoker thanked B. Lindbeck for his support to the Branch and his presentation of the financial accounts.

RESUMPTION OF STANDING ORDERS

MOVED R. Downie, SECONDED W. McGuinness for a resumption of standing orders.

CARRIED

MOVED A. Lepidis, SECONDED R. Downie that the report on the Federal Accounts be accepted.

CARRIED

MOVED W. McGuinness, SECONDED A. Bell that the report on the State Accounts be accepted.

CARRIED

The accounts were signed by Adam Lepidis and Joe Carstairs.

Meeting closed 4.55p.m.

Next Meeting: 4.30p.m. Tuesday, 13th December, 2005 Followed by the Federal A.G.M. AT 5.30P.M. and the State A.G.M. at 6.00p.m.



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990
Email: sydney@air.gov.au

Mr Kevin Maher
Secretary, Newcastle and Northern Regions Branch
The Australian Workers' Union
PO Box 226
MAYFIELD NSW 2304

Dear Mr Maher

**Re Financial Return – Newcastle and Northern Regions Branch –
year ending 30 June 2005 (FR2005/464)**

Thank you for lodging the above financial documents. They were received on 23 December 2005.

The documents appear to substantially comply with the requirements of the RAO Schedule and the Industrial Registrar's guidelines and also address issues which the Registry raised in correspondence relating to the previous year's return. However I draw your attention to two minor issues I would ask you to address in next year's return.

- (1) Although it is clearly implicit in what you have written, nevertheless the covering letter by you as the Secretary or "Secretary's certificate" in future should explicitly state or 'certify' that the documents being lodged are copies of those which were presented to the Annual General Meeting.
- (2) The text of the notice at note 16 "Specified Information" refers to s274 of the *Workplace Relations Act 1996* and this should in future refer to s272 of the RAO Schedule which has replaced it.

I note further that the amount of the Expenditure item of Donations on page 16 is \$6,095. If any individual donation was for more than \$1,000, you must lodge a Statement of Particulars pursuant to s237 of the RAO Schedule. I attach the relevant extract for your reference.

In consideration of all of the above, the documents have been filed as they are and, unless you have to lodge a s237 Statement, there is no further action required.

Yours sincerely

Stephen Kellett
Assistant Manager, Sydney Registry

9 January 2006