



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Ref: FR2003/303-[002N-PKEM]

Mr Andrew Gillespie
Secretary Port Kembla, South Coast & Southern
Highlands Branch
The Australian Workers' Union
P.O. Box 1506
WOLLONGONG NSW 2500

Dear Mr Gillespie

**Re: The Australian Workers' Union - Port Kembla, South Coast and Southern Highlands
Branch - Financial Reporting Obligations under *Workplace Relations Act 1996***

This is a courtesy letter to remind you of the financial reporting obligations of the abovenamed body under the *Workplace Relations Act 1996* ('the Act') for the financial year ended 30 June, 2003.

The legislative scheme set out in Part IX, Division 11 of the Act is directed at ensuring that a registered organisation or a branch of such an organisation discharges obligations of accountability to its members in relation to its financial affairs through proper and regular disclosure of financial information. The various steps of the financial reporting requirements must be carried out within the time-scales prescribed by the legislation so as to ensure the relevance of the financial information provided to the members.

Now that the financial year has ended, it is timely that you put in train the various steps of the financial reporting requirements. To assist you with this process I have enclosed for your information a notice summarising these requirements including the time-scales prescribed by the legislation.

Please note that a branch of an organisation may be exempted from the obligations arising under Part IX, Division 11 in respect of a financial year by satisfying a Registrar that the branch did not have any financial affairs during the financial year. An application under subsection 271A(1) of the Act must be made within 90 days (unless extended by a Registrar) after the end of the financial year.

Please do not hesitate to contact me on (02) 8374 6618 if you wish to discuss the financial reporting requirements, especially if you anticipate any difficulty in meeting any step in the time-scales prescribed.

Yours sincerely

Belinda Penna
E-mail: belinda.penna@air.gov.au
15 July, 2003

COURT KEMBLA, SOUTH COAST AND
SOUTHERN HIGHLANDS BRANCH

325 Crown Street, Wollongong, NSW 2500
PO Box 1506, Wollongong, NSW 2500
Telephone (02) 4229 3611 Facsimile (02) 4229 8096
Email: awupk@bigpond.com



Secretary:
Andy Gillespie

22 December 2003



The Industrial Registrar
Australian Industrial Registry
Level 8, Terrace Towers
80 William Street
EAST SYDNEY NSW 2011

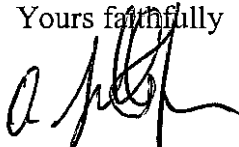
Dear Sir

Please find enclosed a copy of the Income and Expenditure Accounts, Balance Sheet, Statement of Cash Flow, Secretary's Certificate, Accounting Officer's Certificate, Committee of Management Certificate and Auditor's Report for the year ending 30 June 2003.

The Accounts were presented to the Committee of Management on 16 September 2003, subsequently provided to the membership on 20 November 2003 and later presented to the Committee of Management on 17 December 2003.

Attached is a copy of the financial statements.

Yours faithfully



A. GILLESPIE
Branch Secretary



2003

Financial Statements
of

**The Australian Workers Union
Port Kembla, South Coast &
Southern Highlands Branch**

Audited by
CA & DA Neaves



postal : PO Box 408, Fairy Meadow, NSW 2519
pH 042 844226 fax 042 852933

The Australian Worker's Union

Port Kembla, South Coast & Southern Highlands Branch

Statement of Financial Performance for the year ended 30/6/2003

<u>Income</u>	2003	2002
Membership contributions	1,375,963	1,402,922
Interest	18,021	27,743
Rents	69,062	99,198
Sundry	4,334	42,270
Donations/Grants received	0	0
<i>total income</i>	<u>1,467,380</u>	<u>1,572,133</u>
<u>less Expenditure</u>		
Affiliation fees	17,400	53,087
Arbitration & Legal	39,170	127,751
Audit Fees	9,980	9,980
Bank Fees	1,926	2,927
Building Maintenance	16,709	47,135
Committee of Management expenses	1,390	1,365
Conferences, Conventions & Travel costs	10,998	27,833
Delegates Commission	1,675	3,612
Delegates Expenses	13,240	14,485
Depreciation	52,594	56,167
Donations, Grants & Sponsorship	2,072	1,860
Electricity/Gas	14,345	10,605
Fringe Benefits Tax	6,373	11,086
Funeral Benefits	80	280
Industrial announcements	0	1,992
Insurance	14,016	2,439
Interest	0	0
Motor Vehicle Expenses	36,166	37,414
National Office administrative expense contribution	185,333	177,302
Payroll tax	46,804	39,380
Postage	5,401	6,431
Rates	11,473	13,375
Rent, Hall & Venue Hire	1,418	6,945
Repairs/Replacements	21,033	7,720
Salaries - Officials	477,571	453,938
Salaries - Staff	152,965	262,299
Stationary/Petty Cash	18,904	31,043
Strike Pay	0	0
Subscriptions/Memberships/Journals	2,345	3,364
Sundry	19,555	12,365
Superannuation	108,517	95,922
Telephone	27,850	39,377
Training costs	0	1,536
<i>total expenditure</i>	<u>1,317,303</u>	<u>1,561,015</u>
<u>Profit/-Loss from normal activities</u>	<u>150,077</u>	<u>11,118</u>
less abnormal item		
legal costs remitted	0	201,912
Profit/-Loss after abnormal items	<u>150,077</u>	<u>213,030</u>
add accumulated funds 1/7/2002	354,816	141,786
= accumulated funds 30/6/2003	<u>504,893</u>	<u>354,816</u>

The notes form part of these accounts.

The Australian Worker's Union

Port Kembla, South Coast & Southern Highlands Branch
Statement of Financial Position as at 30/6/2003

	2003	2002
CURRENT ASSETS		
Cash on Hand	2,400	2,400
Cheque account	274,243	193,881
Reserve account	19	19
Credit Union Building account	99,662	165,974
Credit Union Leave Entitlement a/c	396,166	363,741
Receivables	0	7,846
Deposit on Building	150,000	0
Prepayments	56	0
Membership Contributions Receivable	64,193	61,490
<i>total current assets</i>	<u>986,739</u>	<u>795,351</u>
NON CURRENT ASSETS		
Shares IAG at closing value	497	497
Plant/Equipment at cost & valuation	43,432	43,432
less provision for depreciation	-41,256	-39,097
net WDV	<u>2,176</u>	<u>4,335</u>
Motor Vehicles at cost	205,962	205,611
less provision for depreciation	-19,544	-39,556
net WDV	<u>186,418</u>	<u>166,055</u>
<i>total non current assets</i>	<u>189,091</u>	<u>170,887</u>
<i>total assets</i>	<u>1,175,830</u>	<u>966,238</u>
LESS		
CURRENT LIABILITIES		
Accounts Payable	74,953	48,752
Provision for Annual Leave & LSL	590,132	558,240
Contributions Paid in Advance	5,355	3,933
<i>total liabilities</i>	<u>670,440</u>	<u>610,925</u>
NET ASSETS/-LIABILITIES	<u>505,390</u>	<u>355,313</u>
<i>represented by</i>		
ACCUMULATED FUNDS		
Asset Revaluation Reserve	497	497
General Fund	504,893	354,816
<i>total accumulated funds</i>	<u>505,390</u>	<u>355,313</u>

The notes form part of the accounts.

The Australian Worker's Union

Port Kembla, South Coast & Southern Highlands Branch

Statement of Cash Flows

for the year ended 30th June 2003

	year ended 2003	year ended 2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Members/branches	1383751	1497536
Grants/Donations Received	0	0
Payments to suppliers & employees	1024845	1211562
Administrative Contribution paid to Sydney	186506	177302
Interest Received	18021	27743
Rents Received	76908	99152
<i>net cash provided by operating activities</i>	267329	235567
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Motor Vehicles	-171801	51489
Sale of Motor Vehicles	101003	0
Deposit on Building	-150000	0
TFN/GST tax paid	-56	-1860
decrease in loans net	0	0
<i>net cash provided by investing activities</i>	-220854	49629
NET INCREASE/-DECREASE IN CASH	46475	185938
add		
Opening Cash Balance	726015	540077
CASH AT END OF YEAR	772490	726015
comprising		
Cash at Banks	770090	723615
Cash on Hand	2400	2400
	772490	726015
<u>RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT/-LOSS AFTER ABNORMAL ITEMS</u>		
PROFIT/-LOSS AFTER ABNORMAL ITEMS	150077	213030
add back non cash flows		
depreciation	52594	56167
decrease in annual leave provision	3937	-19485
Increase/-decrease in Accounts Payable	26201	-206248
Decrease/-Increase in Accounts Receivable	5143	36571
Increase/-decrease in contributions in advance	1422	3933
Increase in LSL provision	27955	151599
CASH FLOWS FROM OPERATIONS	267329	235567

The notes form part of the accounts.

The Australian Worker's Union (AWU) – Port Kembla, South Coast & Southern Highlands Branch
NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2003

NOTE 1 Summary of significant accounting policies:

- (a) The Accounts have been prepared primarily on the basis of historical costs except where otherwise stated.
- (b) The accounting methods adopted are in accordance with the accounting standards laid down by the Australian Accounting bodies and/or by law except where noted to the contrary.
- (c) Depreciation has been provided for fixed assets so as to write them off progressively over their useful lives. The reducing balance method is used and is applied consistently.

NOTE 2 Capital & Leasing Commitments:

There were no capital commitments at 30 June, 2003.

NOTE 3 Contingent Liabilities:

No known liabilities exist.

NOTE 4 Workplace Relations Act (1996) – Industrial Relations Act 1988 – Sub-section 274 (4)

In accordance with the provisions of Sub-section 274 (4) the members attention is drawn to Sub-sections 274 (1), (2) and (3) which provide as follows:

Section 274 (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.

Sub-section 274 (2) An organisation shall, on application made under Sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.

Sub-section 274 (3) A Registrar may only make an application under Sub-section (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.

NOTE 5 Subsequent Events:

No events have occurred other than the general insurance policy of the branch is expected to rise over previous year. Risk coverage is expected to decrease with a far greater excess to be applied to claims. Some Risks may no longer be covered.

NOTE 6 Receivables

Accounts Receivable for contribution income; only those amounts that could reasonably be expected to be collected from the check off system and delegates are included.

NOTE 7 Employee Entitlements

The branch has paid \$93,918 in long service leave during a previous year when the liability rested with the National office, it has not been brought to account as a receivable due to the uncertainty of collection.

Provision is made for the company's liability for employee entitlements arising from services rendered by employees at balance date. It is assumed that all employee entitlements would be settled at their nominal amount. The number of employees as at year end was 11. The calculation of Branch Officials long service leave entitlements is open to interpretation, a general consensus of the calculation method provided by National Office has been used to determine the branch liability.

NOTE 8 Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payable in the statement of financial position are shown net of GST.

NOTE 9 Land & Buildings

The branch itself does not have title to the property located at 325 Crown Street Wollongong, the assets are considered to vest with the AWU National Office.

NOTE 10 Assets

It is possible that the assets of the branch may become liable to meet the debts of the National Office or other branches.

NOTE 11 Related Party Disclosures

No Officials or Committee of Management holders are related to or have an interest in entities that contract with the branch, other than disclosed as remuneration.

NOTE 12 Donations Sponsorships.

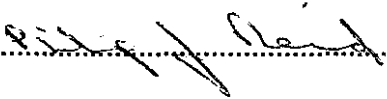
The branch has not made any individual donations/grants of more than \$1000 in the year, the branch does sponsor a local radio program "sunrise" for \$1200 pa.

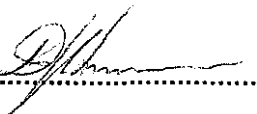
The AWU – Port Kembla, South Coast & Southern Highlands Branch

COMMITTEE OF MANAGEMENT CERTIFICATE

We the undersigned, being two members of the Committee of Management of the AWU – Port Kembla, South Coast & Southern Highlands Branch, do state on behalf of the committee and in accordance with a resolution passed by the Committee, that:

- (i) in the opinion of the Committee of Management the attached accounts show a true and fair view of the financial affairs of the Port Kembla, South Coast & Southern Highlands Branch as at 30 June, 2003
- (ii) in the opinion of the Committee of Management, meetings of the Committee were held during the financial year ended 30 June, 2003 in accordance with the Rules of the Union;
- (iii) to the knowledge of any member of the Committee, there have been no instances during the financial year where records of the Union or other documents (not being documents containing information made available to a member of the Union under Sub-section 274 (2) of the Act) or copies of those records or documents, or copies of the Rules of the Union, have not been furnished or made available to members of the Union in accordance with the requirements of the Act, the Regulations thereto, or the Rules of the Union; and
- (iv) the Branch has complied with Sub-sections 279 (1) and (6) of the Act in relation to the financial accounts in respect of the year ended 30th June, 2003 and the auditors report thereon.

Signed: 

Signed: 

Date: 12/10/2003

The AWU – Port Kembla, South Coast & Southern Highlands Branch

ACCOUNTING OFFICER'S CERTIFICATE

I, the undersigned, being the Officer responsible for keeping the accounting records of The AWU – Port Kembla, South Coast & Southern Highlands Branch hereby certify that as at 30 June, 2003 the number of fully paid and partly paid members of the Branch totalled 5485.

In my opinion:

- (i) the attached accounts show a true and fair view of the financial affairs of the Branch as at 30 June, 2003;
- (ii) a record has been kept during the financial year of all monies 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;
- (iii) before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the branch.
- (iv) no funds were raised during the financial year from compulsory levies or voluntary contributions from members of the Union and there were no funds in existence during the financial year which were raised from compulsory levies or voluntary contributions from members of the Union;
- (v) all loans or other financial benefits granted to persons holding office in the Union during the financial year were authorised in accordance with the Rules of the Union; and
- (vi) the register of members of the Branch was maintained during the financial year in accordance with the Act.

Signed..........
Branch Secretary

Dated: 12/9/2003

AUDIT REPORT FOR THE 12 MONTH PERIOD ENDED 30 JUNE, 2003

Scope

We have audited the attached financial statements being statement of financial performance, statement of financial position, statement of cash flows and notes to the accounts of the Australian Worker's Union (AWU) – Port Kembla, South Coast & Southern Highlands Branch. The committee of management is responsible for the preparation and presentation of the accounts and the information contained therein. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free from 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 the Industrial Relations Act, 1988 so as to present a view of the Branch which is consistent with our understanding of its financial position and the results of its operations..

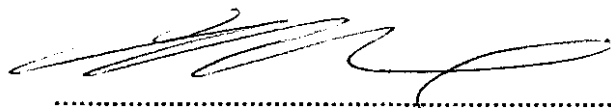
The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion,

- (i) the Branch has kept satisfactory accounting records including:
 - (a) records of sources and nature of income of the Branch (including income from members); and
 - (b) records of the nature and purpose of expenditure of the Branch;
- (ii) the financial statements are properly drawn up so as to give a true & fair view of:
 - (a) the financial affairs of the branch as at the end of the year, and
 - (b) the income & expenditure and any surplus/deficit of the branch for the year.; and
- (iii) all the information and explanations that, under section 276 (2) of the Industrial Relations Act (1988), we required by officers or employees of the Association to furnish.

dated 12/10/2003



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CA Neaves – Regd Company Auditor
David Neaves Pty Ltd, 29 Princes Highway, Fairy Meadow NSW



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
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Fax: (02) 9380 6990

Mr Andrew Gillespie
Branch Secretary
Port Kembla, South Coast and Southern
Highlands Branch
The Australian Workers' Union
PO Box 1506
WOLLONGONG NSW 2500

Dear Mr Gillespie

Re: Lodgement of Financial Statements and Accounts for the Port Kembla, South Coast and Southern Highlands Branch for the year ending 30 June 2003 (FR2002/303)

Receipt is acknowledged of the abovementioned financial documents which were lodged in the Registry on 24 December 2003. The documents have been filed, however, I would like to draw your attention to the following matters for your reference in preparing future returns.

Audit Report - Reference to Legislation

In the report of dated 12 October 2003 the Auditor has made reference to the Industrial Relations Act (1988). Please ensure that future Audit Reports make reference to the current legislation, the *Workplace Relations Act 1996*.

Committee of Management Certificate

Paragraph (iv) of the Committee of Management Certificate makes reference to "the financial accounts in respect of the year ended 30 June 2003 and the auditors report thereon". The intention of the above statement as set out in regulation 109(1)(b)(iv) of the Workplace Relations Regulations is to certify that the organisation has complied with the Act in relation to the previous year's accounts. Accordingly, the references should have been to "the financial accounts in respect of the year ended 30 June 2002 and the auditors report thereon". Many organisations make their Committee of Management certificates refer to "the financial statements/accounts in respect of the preceding year" to simplify the preparation of this certificate.

If you have any enquiries regarding these matters please do not hesitate to contact me on 02 8374 6618.

Yours sincerely,

Belinda Penna
for Deputy Industrial Registrar

7 January 2004