

AMALGAMATED AWU (SA) STATE UNION
AWU GREATER SOUTH AUSTRALIAN BRANCH
59 Main North Road, Medindie Gardens, South Australia 5081
G.P.O. Box 2577, Adelaide, South Australia 5001
Telephone (08) 8344 4788 Facsimile (08) 8344 4140
Email awusa@awusa.asn.au
www.awusa.asn.au



Branch Secretary
Wayne Hanson

6 March, 2003

Australian Industrial Relations Commission
Statutory Services Branch
Level 8
80 Williams Street
EAST SYDNEY NSW 2011



Dear Sir/Madam

Please find enclosed a copy of the Australian Workers Union Greater South Australian Branch Financial Report for the year ended 30 June 2002, as follows:

- Executives Certificate
- Accounting Officers Certificate
- Statement for the Financial Year ended 30 June 2002
- Independent Auditors Report

Please do not hesitate to contact the writer on 8344 4788 should you wish to discuss any aspect of the above matter further.

Yours sincerely
THE AUSTRALIAN WORKERS UNION

Wayne Hanson
Branch Secretary



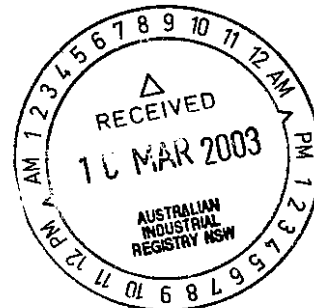
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Level 8
80 William Street
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Dear Sir/Madam

Please accept this correspondence as confirmation that the Greater South Australian Branch of the Australian Workers Union (AWU) has satisfied the requirements of Section 279 of the Australian Workplace Relations Act 1996 by proceeding with the following processes:

- A Union meeting was convened on Friday 22nd November 2002 and the Financial Report, signed by the auditor was tabled and received. An individual copy of the Financial Report, including the auditor's report was provided to all members present.
- The Financial Report was distributed to the members for their perusal and information on Friday 29th November 2002.
- A Union meeting notice was placed in the Adelaide Advertiser, 17th December 2002 notifying members of a Union meeting.
- A meeting for the AWU members was convened on Friday 31st January 2003. An individual copy of the Financial Report, including the Auditors report, was provided to all members present, and the Financial Report was adopted.

Please do not hesitate to contact the writer on 8344 4788 should you wish to discuss any aspect of the above matter further.

Yours sincerely,
THE AUSTRALIAN WORKERS UNION

Wayne Hanson

Wayne Hanson
Branch Secretary





AUSTRALIAN WORKERS UNION GREATER SA BRANCH
EXECUTIVES' CERTIFICATE

We, Wayne Hanson and Frank Mateos being two members of the Executive of the Australian Workers Union Greater SA Branch, do state on behalf of the Executive and in accordance with a resolution passed by the Executive, that:-

- (a) In the opinion of the Executive, the financial statements and notes as set out on pages 3 to 18:
 - (i) show a true and fair view of the financial affairs of the organisation as at 30 June 2002; and
 - (ii) comply with Accounting Standards and other mandatory professional reporting requirements in Australia; and
- (b) To the knowledge of any member of the Executive, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under sub-section 274(2) of the Workplace Relations Act, 1996) or copies of those records or documents, or copies of the rules of the organisation, have not been furnished, or made available to the members in accordance with the requirements of the Workplace Relations Act, 1996, the Regulations thereto, or the rules of the organisation; and
- (c) The organisation has complied with sub-section 279(1), (3) and (6) of the Act in relation to the financial accounts in respect of the year ended 30 June 2002 and the auditor's report thereon.

Signed: Wayne Hanson

Signed: [Signature]

Adelaide

Date: TUES. 19 NOV. 2002

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

ACCOUNTING OFFICER'S CERTIFICATE

I, Wayne Hanson being the officer responsible for keeping the accounting records of the Australian Workers Union Greater SA Branch, certify that as at 30 June 2002 the number of financial, life and retired members of the organisation was 8,336

In my opinion,

- (i) The financial report as set out on pages 3 to 18 show a true and fair view of the financial affairs of the organisation as at 30 June 2002 and comply with Accounting Standards and other mandatory professional reporting requirements in Australia;
- (ii) A record has been kept of all monies paid by, or collection 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 organisation;
- (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 organisation;
- (iv) No loans or other financial benefits, other than remuneration in respect of their full-time employment with the organisation, were made to persons holding office in the organisation;
- (v) The registrar of members of the organisation was maintained in accordance with the Act.

Signed:


.....

Adelaide

Date:

TUES. 19 NOV. 2002.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2002**

	Note	2002 \$	2001 \$
Revenue from rendering of services	3	1,807,496	1,936,806
Other revenues from ordinary activities	3	<u>259,998</u>	<u>308,144</u>
Total revenue		2,067,494	2,244,950
Employee and related expenses		1,137,342	1,321,990
Motor vehicle and travelling expenses		126,316	183,362
Depreciation expenses		28,431	28,343
Administration services costs		75,998	85,017
National Office administration fees		245,864	223,098
Borrowing costs		-	1,176
Other expenses from ordinary activities		<u>417,073</u>	<u>395,862</u>
Total Expenses	3	<u>2,031,024</u>	<u>2,238,848</u>
Surplus from Ordinary Activities	9	<u>36,470</u>	<u>6,102</u>

The Statement of Financial Performance is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 6 to 18.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2002

	Note	2002 \$	2001 \$
CURRENT ASSETS			
Cash	11	88,116	2,500
Receivables	4	104,879	256,730
Prepayments		2,151	13,449
TOTAL CURRENT ASSETS		<u>195,146</u>	<u>272,679</u>
NON-CURRENT ASSETS			
Receivables	4	228,752	144,086
Property, Plant and Equipment	5	90,499	86,820
TOTAL NON-CURRENT ASSETS		<u>319,251</u>	<u>230,906</u>
TOTAL ASSETS		<u>514,397</u>	<u>503,585</u>
CURRENT LIABILITIES			
Payables	6	206,246	213,234
Interest-bearing Liabilities	7	39,671	53,819
Provisions	8	239,367	236,719
TOTAL CURRENT LIABILITIES		<u>485,284</u>	<u>503,772</u>
NON-CURRENT LIABILITIES			
Interest-bearing Liabilities	7	26,073	33,243
TOTAL NON-CURRENT LIABILITIES		<u>26,073</u>	<u>33,243</u>
TOTAL LIABILITIES		<u>511,357</u>	<u>537,015</u>
NET ASSETS		<u>3,040</u>	<u>(33,430)</u>
EQUITY			
Members' Funds	9	3,040	(33,430)
TOTAL EQUITY		<u>3,040</u>	<u>(33,430)</u>

W.K.

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 6 to 18.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2002**

	Note	2002 \$	2001 \$
Cash flows from operating activities			
Cash receipts in the course of operations		2,252,813	2,179,679
Cash payments in the course of operations		(2,246,117)	(2,012,782)
Interest income		13	2,099
Borrowing costs		-	(1,176)
		<hr/>	<hr/>
Net cash provided by operating activities	11	6,709	167,820
Cash flows from investing activities			
Payment for property, plant and equipment		(3,133)	(777)
Proceeds from disposal of property, plant and equipment		-	-
		<hr/>	<hr/>
Net cash provided by /(used in) investing activities		(3,133)	(777)
Cash flows from financing activities			
Amalgamated AWU SA State Union loan		217,001	(77,495)
Head Office Loan		(84,666)	(50,170)
Hire Purchase Payments		(33,291)	(33,978)
		<hr/>	<hr/>
Net cash provided by /(used in) financing activities		99,044	(161,643)
Net increase in cash held		102,620	5,400
Cash at the beginning of the financial year		(14,504)	(19,904)
		<hr/>	<hr/>
Cash at the end of the financial year	11	88,116	(14,504)
		<hr/>	<hr/>

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 6 to 18.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

(a) Basis of Preparation

The financial report of the Union has been drawn up as a general purpose financial report in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views, the Workplace Relations Act of 1996 and other requirements of law.

The financial report has been prepared on the basis of historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting records have been kept on an accrual basis.

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.

(b) Revenue Recognition

Membership Subscriptions

Membership subscriptions are accounted for on an accrual basis.

Any contributions that are received subsequent to balance date which relate to the year ended 30 June 2002 are included in contributions receivable.

Other Revenue

Other revenue is recognised as it accrues.

(c) 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.

(d) Acquisition of Assets

All assets acquired including property, plant and equipment are recorded at their acquisition cost at the date of acquisition being the fair value of the consideration plus incidental costs directly attributable to the acquisition.



AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

(e) Recoverable amount of non-current assets

The carrying amount of non-current assets valued on the cost basis are reviewed whether they are in excess of their recoverable amount at balance sheet date. If the carrying amount of a non-current asset exceeds its recoverable amount, the asset is written down to the lower amount. The write-down is recognised as an expense in the net profit or loss in the reporting period in which it occurs.

Where a group of non-current assets working together supports the generation of cash inflows, recoverable amount is assessed in relation to that group of assets.

In assessing the recoverable amounts of non-current assets the relevant cash flows have not been discounted to their present value, except where specifically stated.

Except where specifically stated, non-current assets are recorded at the lower of cost and recoverable amount.

(f) Depreciation

Depreciation is provided on all items of property, plant and equipment so as to write off the assets progressively over their estimated useful life. Both the straight line and diminishing value methods of depreciation have been used.

The average depreciation rates applied for each class of asset are as follows:

Furniture & Fittings	20% Straight line
Computer Equipment	33.3 % Straight line
Motor Vehicles	22.5% Diminishing value

(g) Leased Plant and Equipment

Leases of Plant and equipment under which the union assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

Finance leases are capitalised. A lease asset and a lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease. Contingent rentals are written off as an expense of the accounting period in which they are incurred. Capitalised lease assets are amortised on a straight line basis over the term of the relevant lease, or where it is likely that the union will obtain ownership of that leased asset, the life of the asset. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charge to the profit and loss statement.

Payments made under operating leases are charged against profits in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more appropriate of the pattern of benefits to be derived from the leased property.



AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

(h) Receivables

The collectibility of trade debtors is assessed at balance date and provision is made for any doubtful accounts.

Any subscriptions which are received subsequent to balance date which related to the year ended 30 June 2002 are included in Subscriptions Receivable.

(i) Employee Entitlements

Wages, Salaries and Annual Leave

The provision for employee entitlements for wages, salaries and 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 and includes related on-costs. The carrying amount of the provisions approximate net fair value.

Long Service Leave

The liability for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employee's services provided up to the balance date.

Liabilities for employee entitlements which are not expected to be settled within twelve months are discounted using the rates attaching to national government securities at balance date, which most closely match the terms of maturity of the related liabilities. The carrying amount of the provisions approximate net fair value.

In determining the liability for employee entitlements, consideration has been given to future increases in wage and salary rates and the Union's experience with staff departures. Related on-costs have been included in the liability.

(j) Accounts Payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Union.

(k) Superannuation Fund

The Union contributes to an employee superannuation fund. Contributions are charged against income as they are made.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

(1) Goods and service tax

Revenues, expenses and assets are recognised net of the amount of goods and service tax (GST), except where the amount of GST is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the assets or as part of an item in the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as current asset or liability in the statement of financial position.

Cash flows on the GST are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

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:

- (1) "A member of an organisation, or a 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 a member or the Registrar in such manner, and within such time, as is 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".



AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

3. SURPLUS FROM ORDINARY ACTIVITIES

	2002	2001
	\$	\$
Revenue from Ordinary Activities		
Subscription income	1,807,496	1,936,806
Interest income	13	2,099
Management fee income	250,000	300,000
Workcover Training Grants	8,000	-
Sundry income	1,985	5,599
Sitting fee income	-	446
	<hr/>	<hr/>
Total Revenue	2,067,494	2,244,950
	<hr/>	<hr/>
Expenditure from Ordinary Activities		
Acts, awards and books	7,063	9,729
Administration Services	75,998	85,017
Advertising	955	7,245
Affiliation Fees	61,737	59,403
Audit and Accounting Fees	15,500	13,626
Bank charges and duty	5,674	9,327
Bereavement Fund	1,430	1,210
Borrowing costs	-	1,176
Computer maintenance	14,256	35,603
Cleaning	9,295	8,963
Debt Collection	-	364
Delegates commission	7,496	10,529
Depreciation	28,431	28,343
Discount Given	2,313	4,617
Donations and grants	1,716	916
Electricity and gas	9,269	9,507
Executive Sitting Fee Federal	2,012	3,493
Fringe benefits tax	18,852	23,045
General expense	2,574	2,628
Insurance – General	3,569	191
Interest Expenses	6,602	-
Internet Expenses	2,209	2295
Interpreting Expenses	240	-
Legal expenses	40,782	43,286
Lost time	-	180
Management fees	401	1,487
	<hr/>	<hr/>

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

3. SURPLUS FROM ORDINARY ACTIVITIES (continued)

	2002	2001
	\$	\$
Membership Action Support	3,349	-
Medical reports	-	67
Motor vehicle leasing	3,052	25,764
Motor vehicle petrol	69,327	76,945
Motor vehicle registration and insurance	18,336	14,270
Motor vehicle repairs and service	23,070	18,629
National Head Office admin fees	245,864	223,098
Payroll tax	44,791	49,540
Postage and couriers	5,097	20,661
Printing and stationery	17,717	22,719
Rates	531	2,966
Reimbursement for Subscription	-	349
Rent	-	3,048
Rental – photocopier	14,581	16,618
Repairs and maintenance – office	2,250	2,349
Resignation refund	-	655
Rubbish Removal	578	502
Salaries	1,010,264	1,106,274
Security service	631	1,529
Staff amenities	3,376	3,187
Storage fees	120	810
Subscription and Memberships	(2,329)	3,486
Superannuation	127,078	143,131
Telephone	62,011	70,346
Training courses	3,383	2,217
Travelling expenses	39,331	47,754
Workcover	20,242	19,754
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Total Expenditure	2,031,024	2,238,848
	<hr/>	<hr/>
Surplus from ordinary activities	36,470	6,102
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AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

4. RECEIVABLES

	2002	2001
	\$	\$
Current		
Subscriptions receivable	78,254	74,335
Amalgamated AWU SA State Union	-	160,970
GST receivable	18,765	19,820
Other debtors	7,860	1,605
	<u>104,879</u>	<u>256,730</u>
 Non – Current		
Head Office Loan Account	228,752	144,086
	<u>228,752</u>	<u>144,086</u>

5. PROPERTY, PLANT AND EQUIPMENT

Office furniture and fittings – at cost	246,583	243,451
Less: Accumulated depreciation	(243,541)	(239,549)
	<u>3,042</u>	<u>3,902</u>
 Motor vehicles: Hire purchase – at cost	139,231	121,504
Less: Accumulated depreciation	(59,902)	(38,586)
	<u>79,329</u>	<u>82,918</u>
 Laptop Computers – at cost	11,250	-
Less: Accumulated depreciation	(3,122)	-
	<u>8,128</u>	<u>-</u>
 Total Property, Plant and Equipment	<u>90,499</u>	<u>86,820</u>



AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	2002 \$	2001
Reconciliations		
Reconciliations of the carrying amounts for each class of Property, Plant and Equipment are set out below:		
<i>Office furniture and fittings</i>		
Carrying amount at beginning of year	3,902	6,986
Additions	3,133	777
Disposals	-	-
Depreciation	(3,993)	(3,861)
Carrying amount at end of year	<u>3,042</u>	<u>3,902</u>
<i>Motor vehicles: hire purchase</i>		
Carrying amount at beginning of year	82,918	107,400
Additions	17,727	-
Disposals	-	-
Depreciation	(21,316)	(24,482)
Carrying amount at end of year	<u>79,329</u>	<u>82,918</u>
<i>Laptops</i>		
Carrying amount at beginning of year	-	-
Additions	11,250	-
Disposals	-	-
Depreciation	(3,122)	-
Carrying amount at end of year	<u>8,128</u>	<u>-</u>

6. PAYABLES

Current

Trade creditors	57,426	53,122
Other creditors & accruals	39,820	87,729
Amalgamated AWU SA State Union	56,031	-
GST payable	52,969	72,383
	<u>206,246</u>	<u>213,234</u>



AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

7. INTEREST BEARING LIABILITIES

	2002	2001
	\$	\$
Current		
Bank Overdraft	-	17,004
Hire purchase liability	<u>39,671</u>	<u>36,815</u>
	<u>39,671</u>	<u>53,819</u>
Non – Current		
Hire purchase liability	<u>26,073</u>	<u>33,243</u>
	<u>26,073</u>	<u>33,243</u>

8. PROVISIONS

Current		
Provision for annual leave	<u>239,367</u>	<u>236,719</u>
	<u>239,367</u>	<u>236,719</u>

The long service leave entitlements of the SA Branch union officials are the liability of the Head Office of the Australian Workers Union.

9. MEMBERS FUNDS

Members' funds / (deficit) at the beginning of the financial year	(33,430)	(39,532)
Surplus from Ordinary Activities	<u>36,470</u>	<u>6,102</u>
Members' funds / (deficit) at the end of the financial year	<u>3,040</u>	<u>(33,430)</u>



AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

10. COMMITMENTS

	2002	2001
	\$	\$
Hire purchase lease commitments		
Contracted and provided for:		
Not longer than one year	42,155	40,836
Longer than one year but not longer than five years	26,681	34,847
	<u>68,836</u>	<u>75,683</u>
Less: Future finance charges	<u>3,092</u>	<u>5,625</u>
	<u><u>65,744</u></u>	<u><u>70,058</u></u>
Operating lease commitments		
Future non-cancellable operating lease rentals of motor vehicles, not provided for in the financial statements and payable:		
Not longer than one year	<u>-</u>	<u>3,816</u>
	<u><u>-</u></u>	<u><u>3,816</u></u>

11. NOTES TO THE STATEMENT OF CASH FLOWS

For the purpose of the Statement of Cash Flows, cash includes cash on hand and at bank, net of outstanding bank overdrafts. Cash as 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	2,500	2,500
Bank	<u>85,616</u>	<u>(17,004)</u>
	<u><u>88,116</u></u>	<u><u>(14,504)</u></u>



AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

11. NOTES TO THE STATEMENT OF CASH FLOWS (continued)

	2002	2001
	\$	\$
Surplus from ordinary activities	36,470	6,102
Add/(less) non-cash items:		
Depreciation and amortisation of property, plant and equipment	<u>28,431</u>	<u>28,343</u>
Net cash provided by operating activities before change in assets and liabilities	64,901	34,445
Change in assets and liabilities during the year:		
(Increase)/decrease in receivables	(9,119)	66,161
(Increase)/decrease prepayments	11,298	(890)
Increase/(decrease) in payables	(63,019)	95,675
Increase/(decrease) in provisions	2,648	(27,571)
Net cash used by operating activities	<u>6,709</u>	<u>167,820</u>

12. ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURE

Interest Rate Risk

The Union's financial assets consist of Cash (floating average interest rate of 0.05% (2001: 0.05%)), and Receivables (non-interest bearing). The Union's financial liabilities consist of Trade Creditors (non-interest bearing) and Lease Liabilities which have an average fixed interest rate of 8%, maturing over the next 3 years.

As at 30 June 2002, the Union utilised \$nil (2001: \$32,996) of the \$50,000 overdraft available.

Credit Risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Union recognises its receivables for contributions based on cash received subsequent to balance date. The only other credit risk relates to the Head Office Loan Account discussed at Note 5.



AUSTRALIAN WORKERS UNION GREATER SA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

Net Fair Value of Financial Assets and Liabilities

The Union recognises all of its financial assets and liabilities at their net fair value.

13. RELATED PARTIES

(i) Executive Committee Members

The names of the Executive Committee Members are listed below. The persons listed held the position for the whole year unless otherwise stated.

President	Terry Langham	
Vice President	Ian Nitz	John O'Neill
Secretary	Wayne Hanson	
Assistant Secretary	Frank Mateos	
Committee Members	Joseph Kane John Braithwaite Ian Seccafien Ian Ashmore Lance Degenhardt Jim Phelan Arthur Westwood Gary Henderson Peter Geunich	Christine Nowland Peter Lamps Trevor Trewartha Chris Brown Martin O'Connor Wendy Pye Alan Kerrison Brian Stone

(ii) Committee Members' Remuneration

Payments totalling \$ 2,012 (2001: \$3,493) were paid to rank and file committee members of the Executive as sitting fees for attending Executive meetings. No other amounts were paid to committee members during the financial year in their capacity as committee members.

(iii) Transactions with the Amalgamated AWU (SA) State Union

The Union has a loan to the Amalgamated AWU (SA) State Union of \$56,031

During the year, the Australian Workers Union Greater SA Branch charged the Amalgamated AWU (SA) State Union a management fee of \$250,000 for services rendered during the year ended 30 June 2002.

All dealings are in the ordinary course of business.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
AUSTRALIAN WORKERS UNION GREATER SA BRANCH**

Scope

We have audited the financial report of Australian Workers Union Greater SA Branch for the financial year ended 30 June 2002, consisting of the statement of financial performance, statement of financial position, statement of cash flows and accompanying notes set out on pages 3 to 17. The Australian Workers Union SA Branch Executive is responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on them to the members of the Australian Workers Union Greater SA Branch.

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

We received all the information and explanation that officers and employees of the branch were required to provide.

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

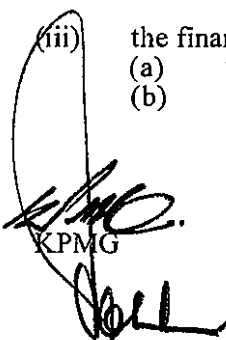
Audit Opinion

In our opinion:

- i) the organisation has kept satisfactory accounting records, including:
 - (a) records of the sources and nature of the income of the Branch (including income from members); and
 - (b) records of the nature and purposes of the expenditure of the organisation.

- (ii) the accounts and statements prepared under section 273 of the Workplace Relations Act, 1996 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 year; and
 - (b) the income and expenditure, and surplus of the organisation for the year.

- (iii) the financial report is in accordance with:
 - (a) the provisions of the Workplace Relations Act, 1996; and
 - (b) applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia.



KPMG
Grant D Drabsch
Partner

Adelaide 21 NOVEMBER 2002





AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

Level 8, Terrace Towers
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Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Mr W Hanson
Branch Secretary
Greater South Australia Branch
The Australian Workers' Union
GPO Box 2577
ADELAIDE SA 5001

Dear Mr Hanson

Re: Lodgement of Financial Documents for the Greater South Australia Branch for the year ending 30 June 2002 (FR2002/603)

Receipt is acknowledged of your letter dated 6 March 2003 and the enclosed financial statements and documents for the Greater South Australian Branch of the Australian Workers' Union. The documents were lodged in the Registry on 10 March 2003.

The documents have been filed. However, I would like to bring the following matters to your attention for reference when you are preparing future returns:

Donations and Grants

I note that the income and expenditure statement identifies an amount of \$1,716 as donations and grants. You are reminded that, pursuant to subsection 269(1) of the Act, if any individual donation exceeded \$1000 then a statement showing the relevant particulars of such donations is required to be lodged in the Registry.

Salaries

The figure for this item included in the income and expenditure statement makes no distinction between the salaries paid to officeholders and employees, as required by subregulations 107(xiv) and (xv) of the Workplace Relations Regulations. Future returns should clearly indicate separate salary figures for officeholders and employees.

Executives' Certificate

Paragraph (c) of the Executives' Certificate, which is also known as the Committee of Management Certificate, makes reference to "the financial accounts in respect of the year ended 30 June 2002".

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 ending 30 June 2001" Many organisations make their Committee of Management certificates refer to "the financial accounts in respect of the preceding year" to simplify the preparation of this certificate.

If you would like to discuss any of these matters further please contact me on (02) 8374 6618.

Yours sincerely,

Belinda Penna

Belinda Penna
for Deputy Industrial Registrar

14 March 2003