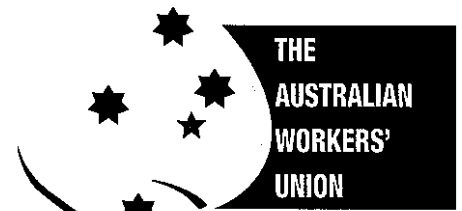


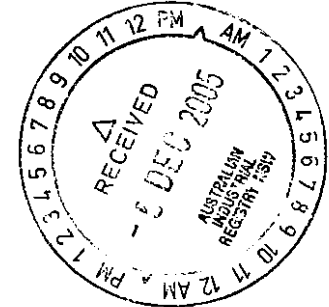
AMALGAMATED AWU (SA) STATE UNION
AWU GREATER SOUTH AUSTRALIAN BRANCH
22-24 Main Street, Mawson Lakes, South Australia 5095
G.P.O. Box 2577, Adelaide, South Australia 5001
Telephone (08) 8360 1900 Facsimile (08) 8360 1960
Email awusa@awusa.asn.au
www.awusa.asn.au



Branch Secretary
Wayne Hanson

01 December 2005

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



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 the Australian Workplace Relations Act 1996 by proceeding with the following processes:

- A Union meeting was convened on Wednesday 28 September, 2005 and the Financial Report, signed by the auditor was tabled and received. An individual copy of the Financial Report, the Auditor's Report and the Operating Report was provided to all members present.
- The complete Financial Report including the Auditor's Report and the Operating Report was distributed to the members for their perusal and information on Monday 10 October 2005.
- A Union meeting notice was placed in the Adelaide Advertiser on Wednesday 02 November 2005 notifying members of a Union meeting.
- A meeting for the AWU members was convened on Wednesday 30 November 2005. An individual copy of the Financial Report, including the Auditors Report and the Operating Report, was provided to all members present, and the Financial Report was adopted.

Enclosed also for your perusal and information is a copy of the Greater South Australian Branch Financial Report for 2004 / 2005.

Please do not hesitate to contact the writer on 08 8360 1900 should you wish to discuss any aspect of the above matters further.

Yours sincerely
THE AUSTRALIAN WORKERS' UNION

Wayne Hanson
WAYNE HANSON
BRANCH SECRETARY



AMALGAMATED AWU (SA) STATE UNION
AWU GREATER SOUTH AUSTRALIAN BRANCH
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Branch Secretary
Wayne Hanson

01.12.05

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 2005, as follows:

- Executives Certificate
- Accounting Officers Certificate
- Statement for the Financial Year ended 30 June 2005
- Independent Auditors Report
- Operating Report

Please do not hesitate to contact the writer on 08 8360 1900 should you wish to discuss any aspect of the above matter.

Sincerely,
THE AUSTRALIAN WORKERS' UNION

A handwritten signature in black ink that reads 'Wayne Hanson'.

Wayne Hanson
Branch Secretary





**AUSTRALIAN WORKERS' UNION
GREATER SOUTH AUSTRALIAN BRANCH**



The Australian Workers' Union *Greater South Australian Branch*

OPERATING REPORT 1 JULY 2004 TO 30 JUNE 2005

Operating Report

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 Greater South Australian Branch 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 have 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 relevant tribunals.

Results

The profit for the financial year amounted to \$50,790.

Significant Changes

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

Members Right to Resign

The right of AWU members to resign from the Branch is set out in Rule 14 of The Australian Workers' Union Rules as registered under the Workplace Relations Act 1996.

Membership of Superannuation Scheme

John Frederick Braithwaite, Organiser / Branch Executive Committee member of the Union is a Trustee of Local Super, a superannuation scheme operated for the benefit of workers across the Local Government Industry throughout South Australia.

Number of Members

The number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members is 8551.

Number of Employees

The number of persons who were, at the end of the financial year to which the report relates, employees of the Branch, where the number of employees includes both full-time employees, casuals and part time employees measured on a full time basis is 20.

Members of the Committee

The name of each person who has been a member of the committee of management of the Branch at any time during the reporting period, and the period for which he or she held such a position is as follows:-

Name	Period
Wayne Hanson	2004 – 2005 financial year
Frank Mateos	2004 – 2005 financial year
Chris Brown	2004 – 2005 financial year
Joseph Kane	2004 – 2005 financial year
Peter Lamps	2004 – 2005 financial year
John Braithwaite	2004 – 2005 financial year
Lance Degenhardt	2004 – 2005 financial year
John O'Neill	2004 – 2005 financial year
Nari Jarrett	2004 – 2005 financial year
Brian Stone	2004 – 2005 financial year
Gary Henderson	2004 – 2005 financial year
Arthur Westwood	2004 – 2005 financial year
Martin O'Connor	2004 – 2005 financial year
Peter Geuenich	2004 – 2005 financial year
Ian Seccafien	2004 – 2005 financial year
Ian Nitz	2004 – 2005 financial year
Christine Hughes	2004 – 2005 financial year
Terry Langham	2004 – 2005 financial year
Jim Phelan	2004 – 2005 financial year
Ian Ashmore	2004 – 2005 financial year
Alan Kerrison	2004 – 2005 financial year

Other information

There is no other information that the union considers relevant.

W.H.

Wayne Hanson.

Wayne Hanson
Branch Secretary
Australian Workers' Union

AUSTRALIAN WORKERS UNION GREATER SA BRANCH
COMMITTEE OF MANAGEMENT STATEMENT

On 28th September 2005 the Committee of Management of Australian Workers' Union Greater SA Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2005:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year;
 - (i) meetings of the committee of management were held in accordance with the rules of the organization including the rules of the branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organization including the rules of a Branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) where the organization consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practical, in a consistent manner to each of the other reporting units of the organization; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule. *DM.*

For Committee of Management: Wayne Hanson

Title of Office Held: **BRANCH SECRETARY**

Signature: *Wayne Hanson.*

Date: **WEDNESDAY 28 SEPTEMBER, 2005.**

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

	Note	2005 \$	2004 \$
Revenue from rendering of services		2,114,923	2,012,828
Other revenues from ordinary activities		278,085	265,419
Total Revenue from Ordinary Activities	3	<u>2,393,008</u>	<u>2,278,247</u>
Employee benefits expense		1,193,200	1,201,774
Motor vehicle and travelling expenses		143,400	113,104
Depreciation expense		7,562	11,263
Administration services		71,658	74,464
AWU National Office sustentation fees		287,037	273,245
Borrowing Costs		-	712
Other expenses from ordinary activities		639,361	423,944
Total Operating Expenses	3	<u>2,342,218</u>	<u>2,037,581</u>
Write off of AWU National Office Loan		-	201,648
Total Non Operating Expenses	4	<u>-</u>	<u>201,648</u>
Total Expenses from Ordinary Activities		<u>2,342,218</u>	<u>2,239,229</u>
Surplus from Ordinary Activities		<u>50,790</u>	<u>39,018</u>
Total Changes In Equity		<u>50,790</u>	<u>39,018</u>

The Statement of Financial Performance is to be read in conjunction with the notes to the financial statements set out on pages 5 to 17.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

	Note	2005 \$	2004 \$
CURRENT ASSETS			
Cash	11(i)	295,644	245,547
Receivables	4	399,134	362,353
Prepayments		30,554	31,573
TOTAL CURRENT ASSETS		725,332	639,473
NON-CURRENT ASSETS			
Receivables	4	-	19,600
Property, Plant and Equipment	5	13,023	27,574
TOTAL NON-CURRENT ASSETS		13,023	47,174
TOTAL ASSETS		738,355	686,647
CURRENT LIABILITIES			
Payables	6	173,292	180,888
Interest-bearing Liabilities	7	-	3,473
Provisions	8	252,393	240,406
TOTAL CURRENT LIABILITIES		425,685	424,767
TOTAL LIABILITIES		425,685	424,767
NET ASSETS		312,670	261,880
EQUITY			
Members' Funds	9	312,670	261,880
TOTAL EQUITY		312,670	261,880

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements set out on pages 5 to 17.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

	Note	2005 \$	2004 \$
Cash flows from operating activities			
Receipts from members and other users		2,619,577	2,503,781
Payments to suppliers and employees		(2,575,585)	(2,259,924)
Interest received		7,332	4,217
Borrowing costs paid		-	(712)
Net cash provided by operating activities	11(ii)	51,324	247,362
Cash flows from investing activities			
Payment for property, plant and equipment		(1,041)	(19,503)
Proceeds from disposal of property, plant and equipment		6,750	20,909
Net cash provided by investing activities		5,709	1,406
Cash flows from financing activities			
Amalgamated AWU (SA) State Union loan		(23,063)	(150,255)
AWU National Office Loan Repayments			
Received / (Amounts Advanced)		19,600	47,181
Proceeds from Borrowings (AWU National Office)		-	-
Repayment of Borrowings (AWU National Office)		-	(10,000)
Finance Lease Payments		(3,473)	(23,641)
Net cash (used in) financing activities		(6,936)	(136,715)
Net increase in cash held		50,097	112,053
Cash at the beginning of the financial year		245,547	133,494
Cash at the end of the financial year	11(i)	295,644	245,547

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements set out on pages 5 to 17.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

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 prepared as a general purpose financial report in accordance with 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 an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted in the preparation of this report. The accounting policies have been consistently applied unless otherwise stated.

(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 2005 are included in contributions receivable.

Other Revenue

Other revenue is recognised in the period to which it relates.

(c) Income Tax

The Union is exempt from income tax under section 50-15 Item 3.2 of the Income Tax Assessment Act 1997.

(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 2005**

(e) Recoverable amount of non-current assets

The carrying amount of non-current assets are reviewed to determine 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 statement of financial performance 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.

(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, recording an asset and a liability equal to the present value of the minimum lease payments. Contingent rentals are written off as an expense of the accounting period in which they are incurred. Leased assets are depreciated on a diminishing value basis over their estimated useful lives or the term of the lease where it is likely that the Union will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Payments made under operating leases where substantially all the benefits and risks remain with the lessor are charged as an expense in the periods in which they are incurred.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

(h) Receivables

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

Any subscriptions which are received subsequent to balance date which related to the year ended 30 June 2005 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.

Superannuation

The Union contributes to an employee superannuation fund. Contributions are charged as an expense when incurred.

(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) 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 in the Statement of Financial Position are shown inclusive of GST.

The GST recoverable from, and payable to, the ATO is included in current assets or liabilities respectively 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.

(l) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank, net of any outstanding bank overdrafts.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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


(m) Impact of Adoption of Australian Equivalents to International Financial Reporting Standards

The Union is preparing and managing the transition to Australian Equivalents to International Financial Reporting Standards (AIFRS) effective for financial years commencing after 1 January 2005. The adoption of AIFRS will be reflected in the Union's financial statements for the year ended 30 June 2006. On first time adoption of AIFRS, comparatives for the year ended 30 June 2005 are required to be restated, where applicable.

The Union Executives have assessed the significance of the expected changes and are preparing for their implementation. The Union Executives are of the opinion that there will be no material differences in the Union's accounting policies which will arise from the adoption of AIFRS.

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 272 which reads as follows:

- (1) "A member of a reporting unit, or a Registrar, may apply to the reporting unit (The Union) for specified prescribed information in relation to the reporting unit to be made available to the person making the application;
- (2) The application must be in writing and must specify the period within which, and the manner in which the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit. 
- (3) A reporting unit must comply with an application made under Subsection (1).

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

3. SURPLUS FROM ORDINARY ACTIVITIES

	2005	2004
	\$	\$
Revenue from Ordinary Activities		
Subscription income	2,114,923	2,012,828
Interest income	7,332	4,217
Management fee received from Amalgamated AWU (SA)	250,000	240,000
Workcover Training Grants	2,825	2,500
Sundry income	1,483	520
Convention Income	16,445	18,182
	<hr/>	<hr/>
Total Revenue from Ordinary Activities	2,393,008	2,278,247
Expenditure from Ordinary Activities		
Operating Expenses		
Acts, awards and books	2,362	3,596
Administration Services	71,658	74,464
Advertising	1,507	880
Affiliation Fees – ALP,UTLC	51,048	47,994
Auditors Remuneration – Audit	9,000	9,000
Auditors Remuneration – Other Services	-	-
Bank charges and duty	7,504	7,787
Bereavement Fund	600	360
Computer maintenance	9,313	9,971
Cleaning	9,963	9,073
Delegates Conference	24,119	13,697
Delegates commission	2,486	3,660
Depreciation	7,562	11,263
Commission – For Employers for Payroll Deductions	2,549	2,381
Donations and grants	2,418	2,781
Entertainment & Meals	-	666
Electricity and gas	13,990	6,339
Executive Sitting Fee Federal	2,626	2,014
Fax Lease	1,890	1,980
Fringe benefits tax	13,335	12,219
General expense	26,954	1,505
Insurance – General	-	1,099
Interest Expenses	-	712
Internet Expenses	6,894	1,226
Legal expenses	25,958	1,125
Laptop lease	2,306	-
Lost time	1,568	65
Loss on Sale of Assets	<i>ADH.</i>	10,545

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

3. SURPLUS FROM ORDINARY ACTIVITIES (continued)

	2005	2004
	\$	\$
Membership Action Support	455	-
Membership System Hosting	23,800	
Motor vehicle petrol	52,789	48,145
Motor vehicle lease	2,391	
Motor vehicle registration and insurance	18,537	14,494
Motor vehicle repairs and service	18,265	16,102
Motor vehicle rental	106,909	
New Building Opening Expenses	-	16,491
National AWU Office sustentation fees	287,037	273,245
Payroll tax	38,516	32,702
Postage and couriers	13,893	14,042
Printing and stationery	34,882	35,468
Rates	2,459	930
Relocation Expenses	1,268	2,768
Rent	120,000	50,000
Rental – photocopier	3,661	19,115
Repairs and maintenance – office	6,422	11,938
Rubbish Removal	398	2,036
Flowers / Gifts	373	347
Salaries & Wages	1,032,003	1,013,727
Security service	471	415
Staff amenities	5,162	5,704
Subscription and Memberships	11,102	3,091
Superannuation	127,999	127,121
Telephone	58,382	62,098
Training courses	953	420
Travelling expenses	51,417	34,363
Uniform	581	412
Workcover	17,752	16,005
Xerox lease	6,731	-
Total Operating Expenses	2,342,218	2,037,581

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

4. RECEIVABLES

	2005	2004
	\$	\$
Current		
Subscriptions receivable	122,657	125,387
Loan Owing by Amalgamated AWU SA State Union	230,429	207,366
GST recoverable from ATO	43,118	28,181
Other debtors	2,930	1,419
	<u>399,134</u>	<u>362,353</u>
 Non – Current		
Loan Owing by AWU National Office	-	19,600
	<u>-</u>	<u>19,600</u>

During the previous year AWU Greater SA Branch reached an agreement with AWU National Office to forgive \$201,648 of the loan owed by AWU National Office with the balance to be repaid over 12 months. The loan was repaid in full during the current year.

5. PROPERTY, PLANT AND EQUIPMENT

Office furniture and fittings – at cost	265,745	264,702
Less: Accumulated depreciation	<u>(253,498)</u>	<u>(248,340)</u>
	12,247	16,362
 Motor vehicles: – at cost	 8677	 17,728
Less: Accumulated depreciation	<u>(8677)</u>	<u>(8,677)</u>
	-	9,051
 Laptop Computers – at cost	 13,499	 13,499
Less: Accumulated depreciation	<u>(12,723)</u>	<u>(11,338)</u>
	776	2,161
 Total Property, Plant and Equipment	 <u>13,023</u>	 <u>27,574</u>

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

5. **PROPERTY, PLANT AND EQUIPMENT (continued)**

	2005	2004
	\$	\$
Movements in Carrying Amounts		
Movements in the carrying amounts for each class of Property, Plant and Equipment between the beginning and the end of the Financial Year.		
<i>Office furniture and fittings</i>		
Carrying amount at beginning of year	16,362	2,469
Additions	1,044	17,253
Disposals	-	-
Depreciation	(5,159)	(3360)
Carrying amount at end of year	12,247	16,362
<i>Motor vehicles: under finance lease</i>		
Carrying amount at beginning of year	9,051	43,938
Additions	-	-
Disposals	(8,033)	(31,454)
Depreciation	(1,018)	(3,433)
Carrying amount at end of year	-	9,051
<i>Laptop Computers</i>		
Carrying amount at beginning of year	2,161	4,382
Additions	-	2,249
Disposals	-	-
Depreciation	(1,385)	(4,470)
Carrying amount at end of year	776	2,161

6. **PAYABLES**

Current

Trade creditors	67,866	70,169
Other creditors & accruals	27,163	26,570
Loan Owing to AWU National office	-	-
GST Payable to ATO	78,263	84,149
	173,292	180,888

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

7. INTEREST BEARING LIABILITIES

	2005	2004
	\$	\$
Current		
Finance Lease liability	-	3,473

8. PROVISIONS

Current		
Provision for annual leave	252,393	240,406
Number of employees at year end:	21	19

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 at the beginning of the financial year	261,880	222,862
Surplus from Ordinary Activities	50,790	39,018
Members' funds at the end of the financial year	312,670	261,880

10. LEASE COMMITMENTS

Finance lease commitments

Payable:

Not later than one year	-	3,502
Later than one year but not later than five years	-	-
Minimum Lease Payments	-	3,502
Less: Future Finance Charges	-	29
Total Finance Lease Commitments	-	3,473

The finance leases were for motor vehicles and computer equipment and were arranged through the Union's banker Westpac. They were commercial finance leases of between 3 and 4 years.

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

10. LEASE COMMITMENTS (continued)

	2005	2004
	\$	\$
Operating lease commitments		
Future non-cancellable operating lease of office equipment, payable:		
Not later than one year	14,086	14,056
Later than one year but not later than five years	33,240	4,114
Total Operating Lease Commitments	47,236	18,170

The fax machine and photocopier leases are non-cancellable leases with three and five year terms respectively. Rent is payable monthly and quarterly in advance respectively. An option exists at the end of the fax machine lease to purchase the asset. An option exists at the end of the photocopier lease to renew the lease.

11. NOTES TO THE STATEMENT OF CASH FLOWS

(i) 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 on hand	2,300	2,300
Cash at banks	293,344	243,247
	295,644	245,547

(ii) Reconciliation of cash flow from operations with surplus from ordinary activities

Surplus from ordinary activities	50,790	39,018
<u>Add non-cash items:</u>		
Depreciation	7,562	11,263
Net loss on sale of non-current assets	1,283	10,545
Write off of loan to AWU National Office	-	201,648
<u>Change in assets and liabilities during the year:</u>		
(Increase) in receivables	(13,720)	(26,832)
(Increase)/decrease prepayments	1,019	(20,706)
Increase/(decrease) in payables	(7,597)	24,097
(Decrease)/Increase in provisions	11,987	8,329
Net cash provided by operating activities	51,324	247,362

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

12. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Union's exposure to interest rate risk is nil. But financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those finance assets and liabilities is as follows:

AS AT 30 JUNE 2005

	Weighted Average Interest Rate	Non-Interest Bearing	Floating Interest Rate	Fixed Interest Rate Maturing Within 1 Year	Fixed Interest Rate Maturing 1 – 5 Years	Total
Cash	4.56%	2,300	293,344			295,644
Receivables	0.00%	399,134				399,134
Total Financial Assets		401,434	293,344			694,778
Payables	0.00%	173,292				173,292
Lease Liabilities	0.00%					-
Total Financial Liabilities		173,292				173,292

AS AT 30 JUNE 2004

	Weighted Average Interest Rate	Non-Interest Bearing	Floating Interest Rate	Fixed Interest Rate Maturing Within 1 Year	Fixed Interest Rate Maturing 1 – 5 Years	Total
Cash	2.28%	2,300	243,247			245,547
Receivables	0.00%	362,353				362,353
Total Financial Assets		364,653	243,247			607,900
Payables	0.00%	180,888				180,888
Lease Liabilities	5.50%			3,473		3,473
Total Financial Liabilities		180,888		3,473		208,001

(b) 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.

(c) Net Fair Value of Financial Assets and Liabilities

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

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

13. RELATED PARTIES

(i) Executive Committee Members

The names of the Executive Committee Members during the year 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 *	Christine Hughes
	John Braithwaite *	Peter Lamps *
	Ian Seccafien	Nari Jarrett *
	Ian Ashmore	Chris Brown *
	Lance Degenhardt *	Martin O'Connor
	Jim Phelan	Alan Kerrison
	Arthur Westwood	Brian Stone
	Gary Henderson *(Temp Employment terminated 10 Sep 04)	
	Peter Geunich	

(ii) Committee Members' Remuneration

Payments totalling \$2,626 (2004: \$2,014) were made 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 year in their capacity as committee members.

The Committee Members as indicated * were full-time officials / officers of the Union during the year and received remuneration in that capacity, the total of which is disclosed in Note 13 (iv).

A relative of Nari Jarrett is also employed by the Union and receives remuneration in that capacity.

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

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 2005 (2004: \$240,000).

Since January 2004, the union has leased office space from Amalgamated AWU (SA) State Union at \$10,000 per month. A total of \$120,000 was paid during the year (2004: \$50,000).

AUSTRALIAN WORKERS UNION GREATER SA BRANCH

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

13. RELATED PARTIES (continued)

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

Since July 2004, all motor vehicles are leased from Amalgamated AWU (SA) State Union at \$636 per month per car. A total of \$106,910 was paid during the year.

All dealings are in the ordinary course of business.

As at 30 June 2005, the Union is owed a balance of \$230,428 by the AWU (SA) State Union (30 June 2004: \$207,366 owing by AWU (SA) State Union). The management fee and various operating costs met by the AWU (SA) State Union during the year on behalf of the Union have been charged and credited to the loan balance respectively. The rental charge and motor vehicle lease charge are also offset against the loan.


(iv) Remuneration of Executive Committee members who are full-time officials / officers of the Union:

	2005 \$	2004
Income** paid or payable to Executive Committee Members who are full-time officials / officers of the Union during the year	644,148	653,989

	Number	Number
Number of Executive Committee Members above whose remuneration** from the Union was within the following bands:		
\$ 0 - \$ 59,999	2	2
\$ 60,000 - \$ 69,999	2	5
\$ 70,000 - \$ 79,999	5	2
\$ 80,000 - \$ 89,999	1	1

** Remuneration does not include any payout of Long Service Leave due to retirement or resignation.

14. OTHER INFORMATION

Principle Place of Business:  22-24 Main Street
Mawson Lakes
SA 5095

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

Scope

The financial report and Union Executives' responsibility

The financial report comprises the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes to the financial statements, and the Committee of Management Statement for Australian Workers Union Greater SA Branch, for the year ended 30 June 2005.

The Union Executives are responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the Australian Workers Union Greater SA Branch. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to 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 control, 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 Australian Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements, a view which is consistent with our understanding of the Union's financial position and of 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
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors

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

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

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

Continued on page 19.

Continued from page 18.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

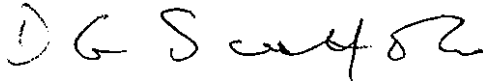
In our opinion:

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

- (ii) the accounts and statements prepared under section 253 of the Workplace Relations Act 1996 were properly drawn up so as to present fairly:
 - (a) the financial position of the Union as at the end of the year; and
 - (b) the income and expenditure, and surplus of the Union for the year.

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

D.G. Scott & Co.



Dean M Standish FCA
Partner



Adelaide 30 SEPTEMBER

2005



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 Wayne Hanson
Secretary, Greater South Australian Branch
The Australian Workers' Union
GPO Box 2577
ADELAIDE SA 5001

Dear Mr Hanson

**Re Financial Return – Greater South Australian Branch – year ending 30 June
2005 (FR2005/468)**

Thank you for lodging the above financial report and statements in the Registry on 5
December 2005.

The documents have been filed.

Yours sincerely

A handwritten signature in black ink that reads 'Stephen Kellett'.

Stephen Kellett
for Deputy Industrial Registrar

9 January 2006