



FAIR WORK
AUSTRALIA

25 November 2010

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



Dear Mr Hanson

**Re: Lodgement of Financial Statements and Accounts – The Australian Workers' Union,
South Australian Branch – for year ending 30 June 2010 (FR2010/2753)**

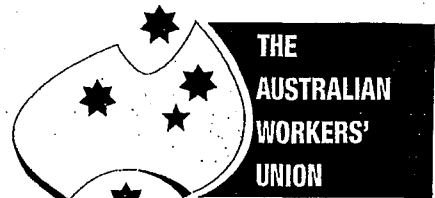
Thank you for lodging the above financial return which was received by Fair Work Australia on 5 November 2010.

The documents have been filed but I draw your attention to the following. The report did not include a separate Statement of Changes in Equity or its equivalent in accordance with AASB 101. Future reports should include this statement and I ask that you bring it to the attention of your auditor.

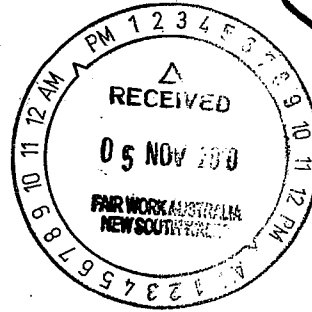
Yours sincerely,

Stephen Kellett
Organisations and Research
Fair Work Australia

AMALGAMATED AWU (SA) STATE UNION
AWU SOUTH AUSTRALIAN BRANCH
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
Friday 5 November, 2010.



Branch Secretary
Wayne Hanson



Mr Stephen Kellett
Fair Work Australia
Statutory Services Branch

Dear Mr Kellett,

(ref; FR2010/2753)

RE: Lodgement of Financial Statements and Accounts - The Australian Workers' Union South Australian Branch for the year ended 30 June 2010.

Please find the attached financial statements and accounts for the above Branch of the Australian Workers' Union. The procedures as outlined below were followed to satisfy the requirements of the Workplace Relations Act 1996.

SOUTH AUSTRALIAN BRANCH (FR2010/2753)

- In accordance with the union's rules the complete financial statements and accounts, including the auditor's report and the operating report were tabled and received by the Branch Executive on Wednesday 22 September, 2010. A copy of same was provided to all Executive members.
- The complete financial statements and accounts, including the auditor's report and the operating report was posted on the Australian Workers' Union, South Australian Branch's web site for broad membership perusal and information on Tuesday 28 September, 2010.
- A union notice was placed in the Adelaide Advertiser on Tuesday 28 September, 2010 notifying the members of a union meeting to be convened on Friday 29 October, 2010.
- A union meeting for Australian Workers' Union, South Australian Branch members was convened on Friday 29 October, 2010. An individual copy of the financial report was provided to all members present. Members were given the opportunity to ask any relevant questions/explanations regarding the statements and accounts and the report was formally adopted by the members who attended the meeting.

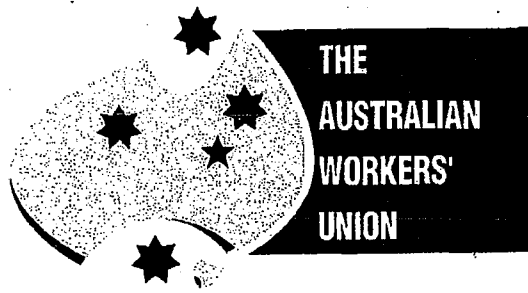
Enclosed for your perusal and information is a copy of the South Australian Branch Financial Statements and Accounts for 2009/2010.

I trust that this information is sufficient to satisfy the legislative requirements.

Yours sincerely,

Wayne Hanson
Branch Secretary
Australian Workers' Union
South Australian Branch.





**AUSTRALIAN WORKERS' UNION
SOUTH AUSTRALIAN BRANCH**

2010



THE AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH
COMMITTEE OF MANAGEMENT OPERATING REPORT AND STATEMENT FOR THE
YEAR ENDED 30 JUNE 2010

Operating Report

In accordance with the Fair Work Act 2009 ("Act") the Committee of Management presents its Operating Report on The Australian Workers' Union South Australian Branch for the year ended 30 June 2010.

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 surplus for the financial year amounted to \$97041

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 Fair Work Act 2009 ("Act").

Membership of Superannuation Scheme

Frank Mateos, Branch Assistant Secretary 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 7158 (2009: 7350).

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 14.

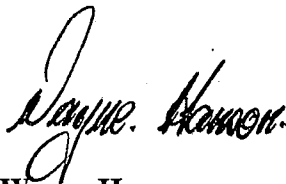
Members of the Committee

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:

Name	Position
Lance Degenhardt	President (Honorary)
Justin Hanson	Vice President
Joseph Kane	Vice President
Wayne Hanson	Secretary
Frank Mateos	Assistant Secretary
Martin Hilton	Committee Member
Colin Shooter	Committee Member
Peter Lamps	Committee Member
Michael Carter	Committee Member
Christopher Kimpton	Committee Member
Michael Hopgood	Committee Member
Gary Henderson	Committee Member
Susan Sonntag	Committee Member
Martin O'Connor	Committee Member
Mathew Eckert	Committee Member
Brian Stone	Committee Member
James Phelan	Committee Member
Ian Ashmore	Committee Member
Terry Bails	Committee Member
Scott Martin	Committee Member
Terry Langham	Committee Member

Other information

There is no other information that the union considers relevant.



Wayne Hanson
Branch Secretary
Australian Workers' Union

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH
COMMITTEE OF MANAGEMENT STATEMENT

On Wednesday 22nd September 2010 the Committee of Management of Australian Workers' Union 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 2010:

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.

For Committee of Management: Wayne Hanson

Title of Office Held:

Branch Secretary

Signature:

Wayne Hanson

Date:

Thursday 2 September, 2010.

AUSTRALIAN WORKERS UNION SOUTH AUSTRALIAN BRANCH

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 \$	2009 \$
Revenue from rendering of services		2,441,559	1,921,186
Other income	3	239,093	300,890
Supplies and services	4	(733,373)	(487,475)
Employee benefits expense		(1,274,826)	(1,251,674)
Motor vehicle and travelling expenses		(226,290)	(181,863)
Depreciation expense		-	(2,308)
Administration services		(14,113)	(17,029)
AWU National Office sustentation fees		(335,009)	(261,812)
Surplus/(Deficit) from Ordinary Activities		97,041	19,915

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2010**

Profit for the year	97,041	19,915
Other comprehensive income after income tax:		
Net (loss)/gain on revaluation of financial assets	-	-
Total comprehensive income for the year	97,041	19,915
 Total comprehensive income attributable to the Australian Workers Union South Australian Branch	 97,041	 19,915

To be read in conjunction with the notes to the financial statements set out on pages 7 to 18.

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH

**BALANCE SHEET
AS AT 30 JUNE 2010**

	Note	2010 \$	2009 \$
CURRENT ASSETS			
Cash	11(i)	1,075,255	796,699
Receivables	5	267,330	340,935
Prepayments		48,280	68,567
TOTAL CURRENT ASSETS		1,390,865	1,206,201
NON-CURRENT ASSETS			
Property, Plant and Equipment	6	-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		1,390,865	1,206,201
CURRENT LIABILITIES			
Payables	7	156,438	210,385
Short-term employee benefits	8	249,191	204,565
TOTAL CURRENT LIABILITIES		405,629	414,950
NON CURRENT LIABILITIES			
Long-term employee benefits	8	398,087	301,143
TOTAL NON CURRENT LIABILITIES		398,087	301,143
TOTAL LIABILITIES		803,716	716,093
NET ASSETS		587,149	490,108
EQUITY			
Members' Funds	9	587,149	490,108
TOTAL EQUITY		587,149	490,108

To be read in conjunction with the notes to the financial statements set out on pages 7 to 18.

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010	2009 \$
Cash flows from operating activities			
Receipts from members and other users		2,929,150	2,418,885
Payments to suppliers and employees		(2,764,187)	(2,374,367)
Interest received		17,684	5,980
Borrowing costs paid			
		<hr/>	<hr/>
Net cash provided by operating activities	11(ii)	182,647	50,498
Cash flows from financing activities			
Amalgamated AWU (SA) State Union loan		95,909	43,363
		<hr/>	<hr/>
Net cash provided by/(used in) financing activities		95,909	43,363
Net increase in cash held		278,556	93,861
Cash at the beginning of the financial year		796,699	702,838
		<hr/>	<hr/>
Cash at the end of the financial year	11(i)	1,075,255	796,699
		<hr/>	<hr/>

To be read in conjunction with the notes to the financial statements set out on pages 7 to 18.

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report of the Union has been prepared as a general purpose financial report in accordance with Accounting Standards, including Australian Accounting Interpretations, other pronouncements of the Australian Accounting Standards Board and the Fair Work Act 2009 ("Act").

Basis of Preparation

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.

(a) 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 2010 are included in contributions receivable.

Other Income

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

(b) Income Tax

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

(c) Property Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred.

Depreciation is calculated on a straight-line and diminishing value basis on all plant and equipment as follows:

Plant and equipment – 10 – 40%
Motor vehicles – 22.5%

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

(c) Property Plant and Equipment - *continued*

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. For plant and equipment, impairment losses are recognised in the income statement.

(d) 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 SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

(e) 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 2010 are included in Subscriptions Receivable.

(f) Employee Entitlements

Wages, Salaries and Leave

The provision for employee entitlements for wages, salaries, annual leave and long service 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.

(g) 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.

(h) 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.

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.

(i) Cash

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

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Fair Work Act 2009 ("Act") 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 SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

3. OTHER INCOME

	2010	2009
	\$	\$
Interest income	30,910	48,596
Management fee received from Amalgamated AWU (SA)	200,000	250,000
Workcover Training Grants	-	2,300
Delegates Convention Income	8,183	-
	<hr/>	<hr/>
Total Other Income	239,093	300,896
	<hr/>	<hr/>

4. SUPPLIES AND SERVICES

Acts, awards and books	3,805	4,059
Advertising	13,992	19,708
Affiliation Fees – ALP, SA Unions	48,894	49,690
Auditors Remuneration – Audit	13,000	10,000
Bank charges and duty	8,445	8,327
Bereavement Fund	720	920
Computer maintenance	14,562	9,410
Cleaning	15,515	11,182
Consultants Fee	18,182	-
Delegates commission	548	1,268
Delegates Conventions	7023	-
Commission – For Employers for Payroll Deductions	1,635	1,703
Donations and grants	9,285	9,058
Electricity and gas	14,433	7,413
Executive Sitting Fee Federal	880	2,299
General expense	8,480	5,820
Internet Expenses	3,836	2,683
Legal expenses	47,877	34,171
Lost time	182	-

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

4. SUPPLIES AND SERVICES (continued)

	2010	2009
	\$	\$
Membership System Hosting	29,538	26,202
Postage and couriers	18,852	13,315
Printing and stationery	40,090	33,709
Rates	19,138	4,079
Rent	225,816	127,500
Repairs and maintenance – office	17,103	856
Rubbish Removal	1,041	771
Relocation Expenses	2,067	-
Flowers / Gifts	-	85
Security service	869	481
Staff amenities	7,515	5,857
Subscription and Memberships	5,491	13,290
SBS Server Leasing	7,016	-
Taps Exp	-	-
Telephone	55,143	54,263
Training courses	5,373	3,828
Uniform	9,931	1,817
Xerox lease	-	3,324
Toshiba leasing	8,420	4,544
Terminal Server Upgrade Leasing	7,895	4,617
Arrow SQL Upgrade Leasing	2,452	1,226
Whyalla Expenses	38,329	-
Total Supplies and Services	733,373	487,475

5. RECEIVABLES

	2010	2009
	\$	\$
Current		
Subscriptions receivable	87,946	68,095
Loan Owing by Amalgamated AWU SA State Union	146,561	242,470
GST recoverable from ATO	32,823	26,758
Other debtors	-	3,612
	267,330	340,935

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

6. PROPERTY, PLANT AND EQUIPMENT

	Furniture & Fittings \$	Laptop Computers \$	Total \$
Year ended 30 June 2010			
At 1 July 2009, net of accumulated depreciation and impairment			
Additions			
Depreciation charge for the year	-	-	-
At 30 June 2010, net of accumulated depreciation and impairment	-	-	-
At 30 June 2010			
Cost or fair value	-	-	-
Accumulated Depreciation	-	-	-
Net Carrying Amount	-	-	-
Year ended 30 June 2009			
At 1 July 2008, net of accumulated depreciation and impairment	2,314	-	2,314
Additions			
Depreciation charge for the year	(2,314)	-	(2,314)
At 30 June 2009 net of accumulated depreciation and impairment	-	-	-
At 30 June 2009			
Cost or fair value	267,602	13,499	281,107
Accumulated Depreciation	(267,596)	(13,499)	(281,101)
Net Carrying Amount	-	-	-

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

7. PAYABLES		
	2010	2009
Current	\$	\$
Trade creditors	44,309	133,438
Other creditors & accruals	40,755	20,281
GST Payable to ATO	71,374	56,666
	<hr/>	<hr/>
	156,438	210,385
	<hr/>	<hr/>
8. EMPLOYEE BENEFITS		
Current		
Annual Leave	249,191	204,565
Non Current		
Long Service Leave	398,087	301,143
	<hr/>	<hr/>
Total Employee benefits	647,278	505,708
	<hr/>	<hr/>
Number of employees at year end:	14	14
9. MEMBERS FUNDS		
Members' funds at the beginning of the financial year	490,108	470,193
Surplus/(Deficit) from Ordinary Activities	97,041	19,915
	<hr/>	<hr/>
Members' funds at the end of the financial year	587,149	490,108
	<hr/>	<hr/>
10. LEASE COMMITMENTS		
Operating lease commitments		
Future non-cancellable operating lease of office equipment, payable:		
Not later than one year	3,324	3,324
Later than one year but not later than five years	63,259	66,583
	<hr/>	<hr/>
Total Operating Lease Commitments	66,583	69,907
	<hr/>	<hr/>

Photocopier 41 month, Terminal Server 18 months, Arrow SQL software 19 months

AUSTRALIAN WORKERS UNION SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

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	1,072,955	794,399
	<hr/>	<hr/>
	1,075,255	796,699
	<hr/>	<hr/>

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

Surplus/(Deficit) from operations	97,041	19,915
<u>Add non-cash items:</u>		
Depreciation	-	2,313
Amalgamated AWU (SA) State Union Loan Movement	(95,909)	(43,363)
<u>Change in assets and liabilities during the year:</u>		
(Increase)/Decrease in receivables	73,605	58,545
(Increase)/Decrease in prepayments	20,287	(39,912)
(Decrease)/Increase in payables	(53,947)	76,544
(Decrease)/Increase in provisions	141,570	(23,544)
	<hr/>	<hr/>
Net cash provided by operating activities	182,647	50,498
	<hr/>	<hr/>

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

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 2010

	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	5.18%	2,300	1,072,955			1,075,255
Receivables	0.00%	267,330				267,330
Total Financial Assets		269,630	1,072,955			1,342,585
Payables	0.00%	156,438				156,438
Total Financial Liabilities		156,438				156,438

AS AT 30 JUNE 2009

	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	5.18%	2,300	794,399			796,699
Receivables	0.00%	340,935				340,935
Total Financial Assets		343,235	794,399			1,137,634
Payables	0.00%	210,385				210,385
Total Financial Liabilities		210,385				210,385

(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 SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

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 (Honorary)	Lance Degenhardt	
Vice President	Justin Hanson*	Joseph Kane*
Secretary	Wayne Hanson *	
Assistant Secretary	Frank Mateos *	
Committee Members	Martin Hilton Michael Carter Ian Ashmore Peter Lamps * Christopher Kimpton Brian Stone Gary Henderson* James Phelan	Colin Shooter Terry Bails Martin O'Connor Susan Sonntag Scott Martin* Terry Langham* Mathew Eckert Michael Hopgood*

(ii) Committee Members' Remuneration

Payments totalling \$857 (2009: \$2,300) 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).

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

During the year, the Australian Workers' Union South Australian Branch charged the Amalgamated AWU (SA) State Union a management fee of \$200,000 for services rendered during the year ended 30 June 2010 (2009: \$250,000).

The union has leased office space from Amalgamated AWU (SA) State Union at \$12,500 per month July 09 - June 10. A total of \$150,000 was paid during the year ended 30th June 2010(2009: \$127,500).

AUSTRALIAN WORKERS' UNION SOUTH AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

13. RELATED PARTIES (continued)

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

Since July 2009, all motor vehicles are leased from Amalgamated AWU (SA) State Union at \$909 per month per car. A total of \$141,818 was paid during the year (2009 \$130,909).

All dealings are in the ordinary course of business.

As at 30 June 2010, the Union is owed a balance of \$146,560 by the AWU (SA) State Union (30 June 2009: \$242,470 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:

	2010 \$	2009
Income** paid or payable to Executive Committee Members who are full-time officials / officers of the Union during the year including Salary Sacrifice.	672,676	753,180

	Number	Number
Number of Executive Committee Members above whose remuneration** from the Union was within the following bands:		
\$ 0 - \$ 59,999	-	1
\$ 60,000 - \$ 69,999	-	8
\$ 70,000 - \$ 79,999	8	1
\$ 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 income statement, statement of comprehensive income, balance sheet, 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 2010.

The Union Executive Members 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.

Continued on page 20.

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Continued from page 19.

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.

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 Fair Work Act 2009 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 Fair Work Act 2009; and
 - (b) Australian Accounting Standards and other mandatory professional reporting requirements.

HLB Mann Judd
HLB MANN JUDD
Chartered Accountants

C. M. J.
COREY McGOWAN
Partner

Adelaide
2 September 2010

27 July 2010

Mr Wayne Hanson
Secretary, South Australian Branch
The Australian Workers' Union
22-24 Main Street
MAWSON LAKES SA 5095



FAIR WORK
AUSTRALIA



Dear Mr Hanson,

Re: Lodgement of Financial Statements and Accounts – The Australian Workers' Union, South Australian Branch – for year ending 30 June 2010 (FR2010/2753)

The financial year of the Branch has recently ended. This is a courtesy letter to remind you of the obligation to prepare the reporting unit's financial documents and to lodge audited financial accounts and statements with Fair Work Australia within the prescribed time frame unless a 1 month extension or an application for a certificate of exemption under the *Fair Work (Registered Organisations) Act 2009* ('the RO Act') is applied for and granted.

The documents you must lodge include:

(i) A general purpose financial report [see section 253(2)] including a separate Statement of Changes in Equity or its accepted equivalent; (ii) A Committee of Management statement (see the General Manager's Reporting Guidelines); (iii) An operating report [see section 254(2)]; (iv) An auditor's report [see sections 257(5) to 257(11)]; and (v) A certificate of the *secretary or other designated officer* signed after all the prescribed events have taken place [see section 268(c)].

I draw your particular attention to

(a) s237 which requires you to prepare and lodge a separate statement providing the prescribed particulars of any loan, grant or donation made during the year which exceeds \$1,000;

(b) s265(5) which requires you to publish or otherwise provide your members with completed/signed copies of the audited accounts, report and statements before final presentation and lodgment; and

(c) s266 which requires you to present the completed documents to an eligible meeting(s) (either of the members or of the committee of management). Note that this meeting is distinct from any initial committee meeting convened to prepare, sign or otherwise approve pre-audited documents.

Relevant references may be found at <http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> and <http://www.fwa.gov.au/index.cfm?pagename=legislationfwroact>. If you are in any doubt as to the requirements or anticipate any difficulty in complying with the requirements, do not hesitate to contact Fair Work Australia.

Yours sincerely,

Stephen Kellett

Statutory Services Branch

Terrace Towers
80 William Street
East Sydney NSW 2011

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