



**Australian Government**  
**Australian Industrial Registry**

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

**Ref: FR2004/538-[002N-TW]**

Mr Norman McBride  
Branch Secretary  
The Australian Workers' Union  
Tobacco Workers Branch  
PO Box 194  
MATRAVILLE NSW 2036

Dear Mr McBride

**Financial Return - year ending 30 June, 2004**

Our records show your organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

**New legislation**

This letter is intended as guide to the law applicable on the date of this letter and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

The legislation has changed since your last return. In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO' <sup>1</sup>). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

**The key differences under the new legislation affecting financial returns are:**

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

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<sup>1</sup> Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

## Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as “*reporting units*”. Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

## Industrial Registrar’s Guidelines

The Industrial Registrar’s reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit’s economic support of, or economic dependency on, other reporting units of the organisation.

## Timeline Planner and Checklist

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar’s Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

## Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor’s Report, comprise the reporting unit’s financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar’s Reporting Guidelines. The GPFR consists of:

Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at *Attachment C*)

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

### **First Meeting (Committee of Management)**

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

### **The Auditor**

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

### **Informing Your Members**

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

## **The Second Meeting - if it is a General Meeting of Members**

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

## **The Second Meeting - if it is a Committee of Management Meeting**

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

### **Lodge full report within 14 days of meeting**

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at [www.airc.gov.au](http://www.airc.gov.au)). When lodging the financial return please quote: **FR2004/538**.

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

### **Complying with time limits**

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

### **Extensions of Time**

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

## Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

## Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at [Peter.McKerrow@air.gov.au](mailto:Peter.McKerrow@air.gov.au) as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

## Information on AIRC Website

We recommend you and your accountant/auditor refer to the following documents on the Commission's website at [www.airc.gov.au](http://www.airc.gov.au):

- [RAO Schedule and RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely

Deputy Industrial Registrar

9 August 2004



## Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
<b>1</b>	<b>General Purpose Financial Report</b>	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
<b>2</b>	<b>Committee of Management Statement</b>	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
<b>3</b>	<b>Auditor's Report</b>	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
<b>4</b>	<b>Operating Report</b>	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
<b>5</b>	<b>Concise report*</b>	
<b>6</b>	<b>Certificate of Secretary or other Authorised Officer</b>	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

\* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

## Committee Of Management Statement

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*:

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 organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been\* managed in accordance with the rules of the organisation 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 organisation consists of 2 or more reporting units, the financial records of the reporting unit have been\* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; 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: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

\* Where compliance or full compliance has not been attained - set out details of non compliance instead.

# Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."



**Certificate of Secretary or other Authorised Officer<sup>1</sup>**

s268 of Schedule 1B *Workplace Relations Act 1996*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]<sup>2</sup>*, referred to in s268 of the RAO Schedule; and
- that the *[full report **OR** concise report]<sup>3</sup>*, was provided to members on *[insert date]*; and
- that the full report was presented to *[a general meeting of members **OR** the last of a series of general meetings of members **OR** a meeting of the committee of management]<sup>3</sup>* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

<sup>1</sup>*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>2</sup>*Only applicable where a concise report is provided to members*

<sup>3</sup>*Insert whichever is applicable*

**McKERROW, Peter**

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**From:** McKERROW, Peter  
**Sent:** Monday, 11 October 2004 10:18 AM  
**To:** 'sswaine@vandam.com.au'  
**Subject:** Financial Returns - Tobacco Workers Branch - AWU

Steve  
I refer to our discussion this morning.

I note you already have copies of the Industrial Registrar's Guidelines. You will also need a copy of the legislation (the Workplace Relations Act which includes the Registration and Accountability of Organisations Schedule (RAO Schedule) and the RAO Regulations).

I understand hard copies are available through the NSW Govt bookshop 9238 0950 - who are agents for the Commonwealth. Alternatively, CCH and other private publishers produce copies of this legislation I understand.

Our website [www.airc.gov.au](http://www.airc.gov.au) has viewable copies of the legislation under "Procedures & Legislation".

I have also attached a set of Fact Sheets produced by the Registry last year when the legislation was first promulgated. They summarise the main provisions. In relation to the the notice which was required under the former



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s274 of the WR Act, the counterpart provision in the RAO Schedule is s272.

Finally, as you will also see, the legislation now includes civil penalty provisions which apply for contraventions of various provisions. These provisions are set out in s305 of the RAO Schedule.

Let me know if you have any futher questions.

Peter McKerrow  
Asst. Manager  
NSW Registry



07\_Information 08\_Financial 09\_Diagramma 10\_Auditors 12\_Penalties 11\_Conduct of 13\_Comparativ  
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8374 6666



**Australian Government**  
**Australian Industrial Registry**

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

Mr Norman McBride  
Branch Secretary  
The Australian Workers' Union - Tobacco Workers Branch  
474A Bunnerong Road  
MATRAVILLE NSW 2036

Dear Mr McBride

**Financial Return - year ending 30 June 2004 Ref: FR2004/538**

This letter is intended to remind you of your obligations to provide members with copies of your reporting unit's financial reports for year ended 30 June 2004 and to lodge the reports in the Industrial Registry by no later than 14 January 2005.

Over the past 18 months you would have received from us information about the major changes made by Schedule 1B of the *Workplace Relations Act 1996* ('RAO'<sup>18</sup>).

**Financial Reports**

Your reporting unit must prepare or have prepared the following three reports as soon as practicable after its financial year:

1. A General Purpose Financial Report (GPFR);
2. An Operating Report; and
3. An Auditor's Report.

**Informing Your Members**

Your reporting unit must provide free of charge to the general membership, copies of the abovementioned reports (the "full report"). Under certain circumstances, your reporting unit can provide a more limited concise report. The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the reporting unit for the presentation of its financial reports.

A reporting unit may make application to a Registrar to extend the period within which copies of the full report or concise report are to be provided to members by no more than one month.

**The Second Meeting - if it is a General Meeting of Members**

After providing the full report to members it must be presented to a general meeting of members (the *second meeting*). This meeting must be held within 6 months of the end of the financial year. You may make application to a Registrar to extend this time limit by no more than one month so that the time limit for providing to members copies of the full report or concise report may in turn be extended.

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<sup>18</sup> Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

### **The Second Meeting - if it is a Committee of Management Meeting**

If your rules contain a provision that allows up to 5% of members to demand a general meeting to be held to consider the full report (see s266(3)), it is permissible to present the full report directly to a Committee of Management meeting. This meeting must be held within 6 months of the end of the financial year.

There is no provision for extending the time limit for presenting the full report to a committee of management meeting.

### **Lodge full report within 14 days of meeting**

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. Your reporting unit's financial reports should, therefore, be lodged by no later than 14 January 2005.

### **Contact the Registry**

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at [peter.mckerrow@air.gov.au](mailto:peter.mckerrow@air.gov.au) as early as possible if you have any queries. If you have already taken steps to ensure that your reporting unit complies with the time scale requirements of RAO, please ignore this letter.

### **Information on AIRC Website**

We recommend you and your accountant/auditor refer to the following documents on the Commission's website at [www.airc.gov.au](http://www.airc.gov.au):

- [RAO Schedule and RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFs must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely



Peter McKerrow  
for Deputy Industrial Registrar

23 November 2004

# The Tobacco Workers' Branch

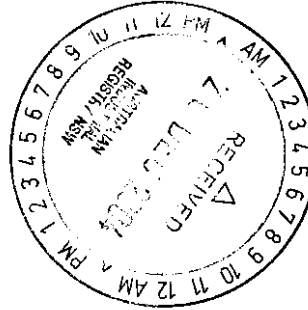
Branch Office: 474A Bunnerong Road Matraville NSW 2036  
P.O. Box 194 Matraville NSW 2036  
Telephone: (02) 9 311.1958 Facsimile: (02) 9 311.3139  
e-mail: [tobaccounion@cherry.com.au](mailto:tobaccounion@cherry.com.au)  
ABN 36357805105



**Branch Secretary:**  
**Norman McBride**

December 17 2004

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



Dear Sir,

Please find enclosed annual financial statements and certificates for The Tobacco Workers' Branch of the AWU for the financial year ending 30<sup>th</sup> June 2004 in accordance with the Workplace Relation's Act 1996.

The Financial Report contains the following:

1. A General Purpose Financial Report (GPFR)
  2. An Operating Report; and
  3. An Auditors Report
- Copies of the abovementioned reports (the "full report") have been provided to the general membership and have been in their possession for at least 21 days for their consideration free of charge in accordance with the Act.
  - A second meeting of the Committee of Management has been held within the 6 months of the end of the financial year in accordance with the Act.
  - A copy of the full report has been lodged with the Industrial Registry within 14 days of the second meeting in accordance with the Act.

Yours truly,

Norman McBride  
Branch Secretary

**THE TOBACCO WORKERS BRANCH OF THE  
AUSTRALIAN WORKERS UNION**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 JUNE 2004**

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1. Committee of Management Statement.
2. Operating Report.
3. Auditors Report.
4. Statement of Financial Performance.
7. Statement of Financial Position.
8. Statement of Cash Flows.
9. Notes to the Financial Statements.

**STEPHEN B. SWAINE  
CHARTERED ACCOUNTANT  
LEVEL 6, 9 BARRACK STREET  
SYDNEY NSW 2000  
PHONE (02) 9299 9429  
FAX (02) 9262 1188**

THE TOBACCO WORKERS BRANCH OF THE  
AUSTRALIAN WORKERS UNION

COMMITTEE OF MANAGEMENT STATEMENT

On NOVEMBER 11<sup>th</sup> 2004 the Committee of Management of The Tobacco Workers Branch of the Australian Workers Union ("Branch") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2004.

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

- (a) the financial statements and notes comply with 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 organisation including the rules of a 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 organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; 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:

Christine Wilson

*C. Wilson*

Patricia Gutierrez

*Patricia Gutierrez*

Signed this 11<sup>th</sup> day of NOVEMBER, 2004

**THE TOBACCO WORKERS' BRANCH OF THE**  
**AUSTRALIAN WORKERS' UNION**

**OPERATING REPORT**

The Committee of Management presents their report together with the financial report of the Tobacco Workers' Branch of the Australian Workers' Union for the year ended 30 June 2004 and the auditors thereon.

The names of the Committee of Management in office at any time during or since the end of the year are:

Ms. Cheryl Ustianowski  
Ms. Christine Wilson  
Mr. Norman McBride  
Ms. Patricia Gutierrez  
Ms. Irene Brickley

Committee of Management members have been in office since the start of the financial year to the date of this report unless otherwise stated.

The number of members as of 30 June 2004 is 431.

The number of full time elected employees is (1) one.

The Principal Activities of the organisation are the provision of range of services relating to the needs of members. These services include:

Regulate and protect the conditions of labour and relations between workers' and employers  
Protect and foster the best interests of members  
Promote the general and material welfare of members  
Health & Safety in the Workplace  
Advocacy on a range of issues  
Negotiation & Representation for members  
Investment of Members funds supporting Principal Activities

There have been no significant changes in the nature of those activities during the year.

Resignation of members: A member may resign from membership in accordance with Rule 14 - RESIGNING AS A MEMBER of the Rules of the Australian Workers' Union.

Signed in accordance with a resolution of the Branch Executive.



N. McBride  
Branch Secretary  
AWU - Tobacco Workers' Branch

Dated: 11<sup>th</sup> November 2004



**THE TOBACCO WORKERS BRANCH OF THE**  
**AUSTRALIAN WORKERS UNION**

**AUDITOR'S REPORT**

**Scope**

I have audited the general purpose financial report of The Tobacco Workers Branch of the Australian Workers Union ("Branch") for the financial year ended 30 June 2004 comprising the statement of financial performance, statement of financial position, statement of cash flows and notes to the financial statements.

The Committee of Management are responsible for the financial report. I have conducted an independent audit of this financial report in order to express an opinion on it to the members of the reporting unit.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. My 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 and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with my understanding of the reporting unit's financial position and performance as represented by the results of its operations and its cash flows.

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

**Audit Opinion**

In my opinion, the general purpose financial report of The Tobacco Workers Branch of the Australian Workers Union ("Branch") is in accordance with:

- (a) the Workplace Relations Act 1996, including:
  - (i) giving a true and fair view of the reporting unit's financial position as at 30 June 2004 and of its performance for the year ended on that date; and
  - (ii) complying with Accounting Standards in Australia; and
- (b) other mandatory professional reporting requirements.



Stephen B. Swaine  
Chartered Accountant  
Level 6,  
9 Barrack Street,  
Sydney NSW 2000

17 November 2004  
.....  
Date

**THE TOBACCO WORKERS BRANCH OF THE  
AUSTRALIAN WORKERS UNION**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2004**

	<u>2004</u>	<u>2003</u>
	\$	\$
Operating Surplus for the Year	34,814	38,559
Accumulated Surplus at the Beginning of the Year	<u>990,772</u>	<u>952,213</u>
Accumulated Surplus at the End of the Year	<u><u>1,025,586</u></u>	<u><u>990,772</u></u>

**THE TOBACCO WORKERS BRANCH OF THE**  
**AUSTRALIAN WORKERS UNION**

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2004**

	<u>2004</u>	<u>2003</u>
	\$	\$
INCOME		
Membership Fees Received	133,945	118,087
Interest Received	43,832	39,328
Sundry Income	<u>100</u>	<u>24,018</u>
TOTAL INCOME	177,877	181,433
EXPENDITURE (attached schedule)	<u>143,063</u>	<u>142,874</u>
Surplus for the Year	<u><u>34,814</u></u>	<u><u>38,559</u></u>

**THE TOBACCO WORKERS BRANCH OF THE  
AUSTRALIAN WORKERS UNION**

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2004**

	<u>Note</u>	<u>2004</u> \$	<u>2003</u> \$
<b>EXPENDITURE</b>			
Affiliation Fees		1,513	1,449
Audit Fees		5,989	4,880
Bank Charges		109	71
Commission Paid		1,169	1,246
Conference and Travel Expenses		8,260	16,072
Computer Expenses		641	613
Depreciation		6,016	7,053
Donations		818	500
Electricity		456	536
Fringe Benefits Tax		898	1,143
General Expenses		184	64
Honorariums		4,650	4,950
Insurance		2,470	3,186
Legal Fees		5,636	26
Loss on Disposal of Assets		-	787
Lost Time		-	50
Mortality Payments		-	1,364
Motor Vehicle Expenses		5,477	5,512
Postage, Printing and Stationery		420	272
Provision for Holiday Pay		4,665	1,631
Provision for Long Service Leave		2,695	5,140
Repairs and Maintenance		1,971	634
Rates and Taxes		2,750	2,518
Salaries and Wages	3	66,247	68,844
Security		336	346
Staff Amenities		125	38
Subscriptions		897	808
Superannuation		13,862	8,013
Telephone		4,809	5,128
<b>TOTAL EXPENDITURE</b>		<u>143,063</u>	<u>142,874</u>

**THE TOBACCO WORKERS BRANCH OF THE  
AUSTRALIAN WORKERS UNION**

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2004**

	<u>Note</u>	<u>2004</u> \$	<u>2003</u> \$
<b>CURRENT ASSETS</b>			
Accrued Interest		13,040	6,921
Cash at Bank		75,667	68,731
Cash on Hand		574	349
Trade Debtors		<u>4,225</u>	<u>7,512</u>
<b>TOTAL CURRENT ASSETS</b>		<u>93,506</u>	<u>83,513</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	4	218,682	224,698
Investments	5	10	10
Other	6	<u>870,214</u>	<u>833,017</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>1,088,906</u>	<u>1,057,725</u>
<b>TOTAL ASSETS</b>		<u>1,182,412</u>	<u>1,141,238</u>
<b>CURRENT LIABILITIES</b>			
Provision for Annual Leave		24,326	19,661
Provision for Long Service Leave		48,518	45,823
Provision for GST		3,759	4,074
Other Creditors and Accruals		<u>8,940</u>	<u>9,625</u>
<b>TOTAL LIABILITIES</b>		<u>85,543</u>	<u>79,183</u>
<b>NET ASSETS</b>		<u>1,096,869</u>	<u>1,062,055</u>
<b>MEMBERS FUNDS</b>			
Accumulated Surplus		1,025,586	990,772
Reserves	7	<u>71,283</u>	<u>71,283</u>
		<u>1,096,869</u>	<u>1,062,055</u>
Contingent Liabilities	8		

**THE TOBACCO WORKERS BRANCH OF THE  
AUSTRALIAN WORKERS UNION**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 JUNE 2004**

	<u>Note</u>	<u>2004</u> \$	<u>2003</u> \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts in the course of operations		137,332	118,452
Cash payments in the course of operations		(130,687)	(128,468)
Interest Received		<u>516</u>	<u>804</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	9 (ii)	<u>7,161</u>	<u>(9,212)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of plant and equipment		-	-
Purchase of plant and equipment		-	(4,932)
Proceeds from sale of investments		<u>-</u>	<u>24,895</u>
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>		<u>-</u>	<u>19,963</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts from borrowings		-	-
Repayment of borrowings		<u>-</u>	<u>-</u>
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		<u>-</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		7,161	10,751
Cash at the beginning of the financial year		<u>69,080</u>	<u>58,329</u>
Cash at the end of the financial year	9 (i)	<u>76,241</u>	<u>69,080</u>

**THE TOBACCO WORKERS BRANCH OF THE  
AUSTRALIAN WORKERS UNION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report represents the position of The Tobacco Workers' Branch of The Australian Workers' Union ("Branch"), registered under the relevant Federal Act. The combined processing of income and expenditure, and assets and liabilities is consistent with the presentation of similar financial statements for prior years and is presented solely for the information of members of the Branch.

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 specific accounting policies have been adopted in the preparation of these financial statements. They are consistent with the policies of the previous year, unless otherwise stated:

- a) The accounts have not been adjusted to record either changes in the general purchasing power of the dollar or in the prices of specific assets.
- b) Depreciation of Fixed Assets is calculated on the diminishing value basis in order to write the assets off over their estimated useful life.
- c) Provision for employee benefits in the form of Long Service and Annual Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.
- d) No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 23 of the Income Tax Assessment Act.

**THE TOBACCO WORKERS BRANCH OF THE  
AUSTRALIAN WORKERS UNION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004**

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 sub-sections (1), (2) and (3) 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 Sub-Section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under Sub-Section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

	<u>2004</u>	<u>2003</u>
	\$	\$
<b>3. SALARIES AND WAGES</b>		
Officials	66,247	68,844
Employees	-	-
	<u>66,247</u>	<u>68,844</u>
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>		
Land and Buildings - at independent valuation	200,000	200,000
Plant and Equipment - at cost	40,351	40,351
<u>Less</u> Accumulated Depreciation	33,959	31,512
	<u>6,392</u>	<u>8,839</u>
Motor Vehicle - at cost	36,615	36,615
<u>Less</u> Accumulated Depreciation	24,325	20,756
	<u>12,290</u>	<u>15,859</u>
	<u>218,682</u>	<u>224,698</u>



**THE TOBACCO WORKERS BRANCH OF THE  
AUSTRALIAN WORKERS UNION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004**

	<u>2004</u> \$	<u>2003</u> \$
<b>5. INVESTMENTS</b>		
Shares - Other	<u>10</u>	<u>10</u>
<b>6. NON-CURRENT ASSETS - OTHER</b>		
Short Term Deposits	<u>870,214</u>	<u>833,017</u>
<b>7. RESERVES</b>		
Asset Revaluation Reserve	<u>71,283</u>	<u>71,283</u>
<b>8. CONTINGENT LIABILITIES</b>		

There is a Contingent Liability for Funeral Benefits payable to the next-of-kin of Deceased Members who are still entitled to benefits under the Rules of the Union

**THE TOBACCO WORKERS BRANCH OF THE  
AUSTRALIAN WORKERS UNION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004**

<b>9. <u>NOTES TO THE STATEMENT OF CASH FLOWS</u></b>	<b><u>2004</u></b>	<b><u>2003</u></b>
	<b>\$</b>	<b>\$</b>
<b>(i) Reconciliation of Cash</b>		
For the purposes of the Statement of Cash flows, cash includes cash on hand and at bank and short term deposits at call, net 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 balance sheet as follows:		
Cash on Hand	574	349
Cash at Bank	<u>75,667</u>	<u>68,731</u>
	<u>76,241</u>	<u>69,080</u>
 <b>(ii) Reconciliation of cash flow from operations with operating surplus (deficiency)</b>		
Operating surplus	34,814	38,559
Non cash flows in operating surplus (deficiency)		
Loss on disposal of plant and equipment	-	787
Depreciation	6,016	7,053
Net gain on disposal of investments	-	(23,927)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Decrease (increase) in trade debtors	3,287	274
Increase (decrease) in other creditors	(685)	(1,528)
Increase (decrease) in provisions	7,045	8,094
Decrease (increase) in other debtors	(6,119)	(6,646)
Decrease (increase) in deposits	<u>(37,197)</u>	<u>(31,878)</u>
Cash Flows from Operations	<u>7,161</u>	<u>(9,212)</u>



**Australian Government**  
**Australian Industrial Registry**

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

Mr Norman McBride  
Branch Secretary  
The Australian Workers Union  
Tobacco Workers' Branch  
PO Box 194  
MATRIVILLE NSW 2036

Dear Mr McBride

**Re: Lodgement of Financial Statements and Accounts for the AWU Tobacco Workers' Branch for the year ending 30 June 2004 (FR2004/5387)**

Receipt is acknowledged of the abovementioned financial documents which were lodged in the Registry on 20 December 2004.

Please note for your reference when preparing future financial returns that section 272 (5) of the RAO Schedule provides that the GPFR must include a notice setting out subsections 272(1), (2) and (3) of s272. Note 2 of the accounts refers to and cites the former provisions of the Act (s274). It should refer to s272 of the RAO Schedule (not the Act) and set out the relevant subsections.

Thank you for your attention to this matter. The documents have been filed, and may be viewed on the internet at [www.e-airc.gov.au/002ntw/financial](http://www.e-airc.gov.au/002ntw/financial).

I would like to take this opportunity to remind you that information about the financial reporting obligations under the Registration and Accountability of Organisations Schedule (Schedule 1B to the *Workplace Relations Act 1996*) which apply to your organisation can be found at [www.airc.gov.au/fact\\_sheets/factsheets.html](http://www.airc.gov.au/fact_sheets/factsheets.html).

Yours sincerely,

A handwritten signature in cursive script that reads "Belinda Penna".

Belinda Penna  
for Deputy Industrial Registrar

10 February 2005