



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

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Mr Bill Shorten  
Secretary, Victoria Branch  
The Australian Workers' Union  
685 Spencer Street  
WEST MELBOURNE VIC 3003

Dear Mr Shorten

**Re Financial Return – Victoria Branch – year ending 30 June 2005 (FR2005/472)**

Thank you for lodging the above financial documents. They were received on 23 December 2005.

The documents have been filed.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S Kellett'.

Stephen Kellett  
Assistant Manager, Sydney Registry

9 January 2006


THE AUSTRALIAN WORKER'S UNION  
VICTORIA BRANCH

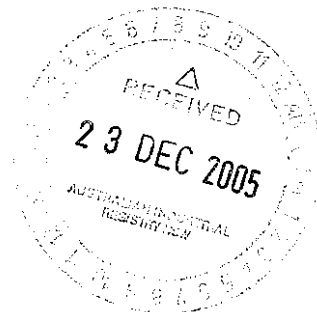
SECRETARY'S CERTIFICATE

I, Bill Shorten, being the Secretary of The Australian Worker's Union Victoria Branch, do hereby state that the attached documents are copies of operating reports, auditor's report and audited accounts and financial statement for the year ending on the 30<sup>th</sup> of June, 2005, that were:

1. made available to the membership in the week commencing 24 October 2005.
2. presented to a general meeting of members on 20 December 2005. The meeting moved a motion of acceptance, which was passed unanimously..

Date *21st* day of December, 2005

  
Bill Shorten  
Secretary



THE AUSTRALIAN WORKERS' UNION

(VICTORIAN BRANCH)

AUDITORS' REPORT,

FINANCIAL STATEMENTS AND NOTES THERETO

FOR THE YEAR ENDED 30 JUNE 2005

# THE AUSTRALIAN WORKERS' UNION

## (VICTORIAN BRANCH)

### OPERATING REPORT JULY 2004 – JUNE 2005

#### **Principal Activities and Changes**

The principal activities of the organisation continued to be those of a registered trade union working for the benefit of its members through negotiating enterprise bargaining agreements, varying Awards, representing members before industrial tribunals, training of delegates and members in Occupational Health and Safety, workplace organising, recruitment and public promotion of the interests of members. There were no significant changes to the activities of the organisation.

#### **Results**

The profit for the financial year amounted to \$336,245.

#### **Financial Affairs**

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

#### **Right of Members to Resign:**

AWU Rule 14 – Resigning as a member – provides for resignation of members in accordance with s174 of Schedule 1B of the Workplace Relations Act 1996

#### **Membership of Superannuation Scheme**

There are no members or officials who hold the position of trustee or director of an entity, scheme or company as described in s.254 (2)(d) of Schedule of 1B, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation.

#### **Number of Members**

Number of persons in register of members: 22,589

#### **Number of Employees**

Number of employees (equivalent full time): 33

#### **Names of members of management committee:**

Beechey, S	Eagles, M
Bellis, S	Gadsden, K
Borrowick, M	Hurst, S
Chopping, M	King, P
Clarence, J	Lee, T
Cooney, G	Leo, F
Cox, A	Lloyd, V
Cragg, D	Lynn, R
Davis, B	Mastrandonakis, J
Dessman, J	Mackley, N

**Names of members of management  
Committee:**

Melhem, C  
Nichols, R  
Noonan, B  
Lineham, R  
Parker, G  
Penn, G  
Pillai, P

Rae, G  
Rosewarne, R  
Shorten, B  
Smoljko, P  
Stevens, B  
Stomps, D  
Watts, P  
Wilson, P

Simone Hurst ceased to be a member of the management committee on 28 September 2004. All other members of the management committee were members for the whole of the reporting period.

**Other Information**

There is no other information that the Union considers relevant

Signed: \_\_\_\_\_

  
Bill Shorten

Date: \_\_\_\_\_

21/10/2005

**THE AUSTRALIAN WORKERS' UNION**

**(VICTORIAN BRANCH)**

**STATUTORY STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE, 2005**

**COMMITTEE OF MANAGEMENT'S STATEMENT**

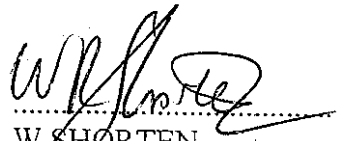
On October, 2005, the Committee of Management of the Victorian Branch passed the following resolution in relation to the general purpose financial report of this reporting unit for the financial year ended 30<sup>th</sup> June, 2005: -

The Committee of Management declares in relation to the General Purpose Financial Report 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 General Purpose Financial Report 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 the branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Workplace Relations Act 1996 Schedule and the Workplace Relations Act 1996 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) there have been no requests for information sought by members of the reporting unit or a Registrar duly made under section 272 of the Workplace Relations Act 1996.
- (vi) there have been no compliance orders for inspection of financial records made by the Commission under section 273 of the Workplace Relations Act 1996 Schedule.

For and on behalf of the Committee of Management

  
W SHORTEN

  
M EAGLES

SIGNED at West Melbourne this 21 day of October, 2005.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

AUSTRALIAN WORKERS UNION

(VICTORIAN BRANCH)

Scope

We have audited the Financial Statements of the Australian Workers Union (Victorian Branch) for the year ended 30 June 2005 consisting of the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and accompanying notes. The Committee of Management is responsible for the preparation and presentation of the Financial Statements and the information they contain. We have conducted an independent audit of these Financial Statements in order to express an opinion on them to the members of the Australian Workers Union (Victorian Branch).

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

We received all the information and explanations that officers and employees of the branch were able to provide.

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

Audit Opinion

In our opinion:

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



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

AUSTRALIAN WORKERS UNION

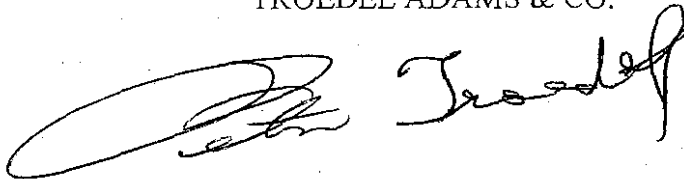
(VICTORIAN BRANCH)

2. The accounts and statements prepared under Section 257 of the Registration of Organisations Schedule (being schedule 1B of the Workplace Relations Act, 1996), we are able to state that in our opinion:

(i) The General Purpose Financial Report is presented fairly in accordance with:

- a) The requirements of the RAO Schedule;
- b) Applicable Australian Accounting Standards;
- c) Other mandatory professional reporting requirements

TROEDEL ADAMS & CO.



P. R. Troedel (F.C.A.)  
Chartered Accountants  
Registered Company Auditor

Dated this 2<sup>nd</sup> day of October, 2005.

**THE AUSTRALIAN WORKERS' UNION**  
**(VICTORIAN BRANCH)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE, 2005**

	<u>2004</u>	<u>2005</u>
<b>ACCUMULATED FUNDS</b>	\$	\$
BALANCE @ YEAR END	<u>778,560</u>	<u>1,114,808</u>
THESE FUNDS ARE REPRESENTED BY:-		
<b>CURRENT ASSETS</b>		
PETTY CASH	468	868
CASH AT BANK - STATE NSW	139,603	135,588
- STATE FUNDS ACCOUNT	173,938	90,659
- DELEGATES COMMISSION	2,015	1,980
- MEMBERS STRIKE FUND A/C	25,128	30,834
- LSL INVESTMENT A/C	151,546	677,264
- GST A/C	66,433	32,654
ACCOUNTS RECEIVABLE	458,589	301,369
SUBSCRIPTIONS OUTSTANDING	296,263	339,635
PREPAYMENTS	378	659
MECHANDISE ON HAND	16,965	38,141
SHARES IN PUBLIC COMPANY	258	258
	<u>1,331,584</u>	<u>1,649,908</u>
<b>NON-CURRENT ASSETS</b>		
NATIONAL OFFICE - LONG SERVICE LEAVE DEBT	409,357	358,987
NATIONAL OFFICE - LOAN	30,188	129,676
	<u>439,545</u>	<u>488,663</u>
<b>FIXED ASSETS (At Written Down Value)</b>		
OFFICE FURNITURE AND EQUIPMENT	156,373	123,624
MOTOR VEHICLES	722,580	640,551
	<u>878,953</u>	<u>764,174</u>
<b><u>TOTAL ASSETS</u></b>	<u>2,650,082</u>	<u>2,902,745</u>
<b>LESS: CURRENT LIABILITIES</b>		
TRADE CREDITORS	609,239	586,341
ACCRUALS	101,556	148,670
AMOUNT DUE UNDER HIRE PURCHASE AGREEMENTS	109,773	-
SHELL PROTEST FUND CONTRIBUTION	13,510	-
GRANT FUNDS RECEIVED IN ADVANCE	45,562	35,833
	<u>879,640</u>	<u>770,844</u>
<b>LESS: DEFERRED LIABILITIES</b>		
AMOUNT DUE UNDER HIRE PURCHASE AGREEMENTS	31,559	-
PROVISION FOR ANNUAL LEAVE	236,362	267,112
PROVISION FOR LONG SERVICE LEAVE	723,961	749,981
	<u>991,882</u>	<u>1,017,093</u>
<b><u>TOTAL LIABILITIES</u></b>	<u>1,871,522</u>	<u>1,787,937</u>
	<u>778,560</u>	<u>1,114,808</u>

**THE AUSTRALIAN WORKERS' UNION**  
**(VICTORIAN BRANCH)**

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

	<u>2004</u>	<u>2005</u>
	\$	\$
<b><u>INCOME</u></b>		
Membership Contribution	5,070,067	5,126,009
Advertising in Membership Card	32,000	50,909
Partners at Work Program	12,500	41,667
Incolink Project	-	60,000
Ecorecycle Project	-	50,000
Roving Reps Project Income	11,400	-
Rural Farm OH&S (Colac-Otway)	20,000	-
Govt Grants Received	66,338	58,062
Red Card Training	129,937	106,591
Occ. Health & Safety Training	66,691	99,436
AWU Functions	96,140	98,910
Seminar Income	109,364	49,500
Paid Education Income	327,008	221,540
Director's Fees	4,000	2,796
Interest	7,453	19,443
Rental Income	60,909	74,545
Sale of Merchandise	960	17,403
Other Income	84,759	25,025
<b>TOTAL INCOME</b>	<u>6,099,526</u>	<u>6,101,835</u>
<b><u>EXPENSES</u></b>		
<b>DIRECT MEMBERSHIP EXPENSES</b>		
AWU Subsidy Transfers	708,028	751,030
Glassworker Branch Restructure	-	96,798
Growth Campaign	-	13,861
Commission Paid Delegates	2,974	3,128
Commission Paid Company	14,835	11,233
Donations	9,535	17,429
Membership Surveys	-	2,869
Affiliation Fees	123,856	131,504
Ambulance Fees	99,327	102,950
Printing (Members)	22,963	66,560
Legal Fees (Members)	226,496	149,271
Depreciation on Membership Comp Sys	20,198	11,707
Membership Mailouts	34,757	41,770
Campaign Videos	27,572	4,152
Research Expenses	28,535	43,119
Merchandise Expense	12,995	20,633
AWU Functions & Promotions	93,051	96,497
<b>TOTAL</b>	<u>1,425,123</u>	<u>1,564,510</u>
<b>OH&amp;S EXPENSES</b>		
OH&S	27,175	27,192
SDF Project Expenses	16,000	-
Safety Switch Project Expenses	(5,479)	(955)
Shearing Shed Project Expenses	4,545	8,449
Offshore Project	20,025	-
Roving Reps Project Expenses	9,000	-
	<u>71,265</u>	<u>34,685</u>

	<u>2004</u>	<u>2005</u>
	\$	\$
<b>SHOP STEWARDS &amp; DELEGATES</b>		
Sponsorship Expense	3,000	450
Media Expenses	619	2,970
Lost Time & Exp	3,731	12,014
Protest Expenses	27,951	704
Meeting Costs	14,027	32,356
Meeting Expenses - Delegates	7,844	54,071
National Conference Meeting	1,100	21,632
<b>TOTAL</b>	<u>58,272</u>	<u>124,197</u>
<b>PAYROLL EXPENSES</b>		
Wages - Allowances	1,889,619	1,890,845
Superannuation Employer	252,612	255,897
Workers Comp Exp	40,702	37,806
Payroll Tax Exp	95,340	100,689
Fringe Benefits Tax	54,099	65,386
Annual Leave Expense	-	30,751
Long Service Leave Expense	159,988	178,722
Casual Employment	1,160	810
Contractors	29,010	-
<b>TOTAL</b>	<u>2,522,530</u>	<u>2,560,904</u>
<b>TRAINING &amp; TUITION</b>		
Delegates & Shop Stewards	3,652	2,836
Red Card Training	42,919	29,111
University Fees	89,136	72,322
Seminar & Conference Costs	25,351	13,589
Training Expenses	13,797	14,587
Recruiting	5,778	4,381
Paid Education	73,476	74,557
<b>TOTAL</b>	<u>254,109</u>	<u>211,383</u>
<b>OFFICIALS</b>		
Accommodation & Meals	49,916	61,983
Air Fares	37,897	37,687
Travel Expenses	1,732	1,146
Misc Expenses	345	811
Media & Publications	192	97
Parking	8,620	9,678
Taxi	1,892	4,734
Web Site Expense	500	890
Internet Expenses	3,060	4,075
<b>TOTAL</b>	<u>104,155</u>	<u>121,102</u>
<b>MOTOR VEHICLE EXP.</b>		
Registration & 3rd party Insurance	12,326	11,682
Car Insurance	33,453	29,971
Petrol	128,732	127,956
Services	21,658	30,007
Tyres	2,713	5,201
Motor Vehicle Exp Other	34,123	41,521
Profit/Loss on Realisation	37,208	58,820
Finance Charges Motor Vehicles	27,913	12,742
Depreciation Motor Vehicles	204,871	195,257
<b>TOTAL</b>	<u>502,998</u>	<u>513,158</u>

	<u>2004</u>	<u>2005</u>
	\$	\$
<b>TELEPHONE EXPENSES</b>		
Telephone Main Account	37,193	39,001
Mobile Phones	105,676	105,109
Home Phones	13,188	11,691
Other Telephone Expenses	6,420	6,031
<b>TOTAL</b>	<u>162,477</u>	<u>161,833</u>
<b>PROPERTY EXPENSES</b>		
Rentals	40,798	35,204
Rates, Insurance & Taxes	2,374	11,541
Rep & Maintenance	59,180	44,567
Depreciation Furniture & Equip	26,711	31,283
Office Furniture	227	1,374
Interest Charges	72,076	71,604
Other Property Expenses	49,308	13,795
<b>TOTAL</b>	<u>250,674</u>	<u>209,369</u>
<b>GENERAL EXPENSES</b>		
Auditing & Accounting	12,930	14,560
Advertising & Subscriptions	1,088	2,081
Bank Fees & Charges	16,234	15,522
Cleaning	23,560	25,782
Lighting & Heating	9,156	16,907
Insurance	20,474	25,272
Staff Amenities & Dispensibles	10,648	12,630
Other Prior Year Adjustments	66,884	16,418
<b>TOTAL</b>	<u>160,976</u>	<u>129,172</u>
<b>OFFICE EXPENSES</b>		
Stationery	6,884	8,083
Postage & Courier	11,410	21,228
Printing	8,905	22,346
Copier Charge & Paper	12,457	12,273
Lease & Rental of Equipment	5,441	14,396
Rep & Maint Office Equipment	1,514	1,031
Computer Maint & Training	34,193	49,318
Software Expenses	-	6,589
<b>TOTAL</b>	<u>80,805</u>	<u>135,265</u>
<b><u>TOTAL EXPENSES</u></b>	<b>5,593,385</b>	<b>5,765,590</b>
<b><u>NET PROFIT /(LOSS)</u></b>	<b><u>506,141</u></b>	<b><u>336,245</u></b>

AUSTRALIAN WORKERS' UNION  
VICTORIAN BRANCH  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE, 2005

	<u>2004</u>	<u>2005</u>
	\$	\$
<b>CASH FUNDS AT COMMENCEMENT</b>	<b>178,401.80</b>	<b>559,132.16</b>
<b><u>CASH INFLOW</u></b>		
<b><u>ADD: PROCEEDS FROM OPERATING ACTIVITIES</u></b>		
MEMBERSHIP FEES	5,546,235.55	5,610,747.96
RECEIPTS FROM MEMBERSHIP ACTIVITIES	1,009,454.30	1,155,723.24
INTEREST RECEIVED	7,456.25	19,443.08
	<b>6,563,146.10</b>	<b>6,785,914.28</b>
<b><u>ADD: PROCEEDS FROM FINANCING ACTIVITIES</u></b>		
PROCEEDS FROM GRANT FUNDING	142,000.00	176,180.00
PROCEEDS FROM THE DISPOSAL OF MOTOR VEHICLES	94,900.50	135,610.91
	<b>236,900.50</b>	<b>311,790.91</b>
<b>TOTAL INFLOW</b>	<b>6,800,046.60</b>	<b>7,097,705.19</b>
<b><u>CASH OUTFLOW</u></b>		
<b><u>LESS: OUTFLOW FROM OPERATING ACTIVITIES</u></b>		
SUBSIDY TO NATIONAL OFFICE	795,636.26	784,510.33
PAYMENTS TO EMPLOYEES	2,279,432.51	2,286,045.96
OTHER OUTGOINGS	2,564,331.65	3,146,649.01
	<b>5,639,400.42</b>	<b>6,217,205.30</b>
<b><u>LESS: OUTFLOW FROM FINANCING ACTIVITIES</u></b>		
NET REPAYMENT OF HIRE PURCHASE DEBTS	324,068.07	161,525.62
PURCHASE OF EQUIPMENT AND MOTOR VEHICLES	328,595.26	230,755.00
PAYMENTS OUT OF GRANT FUNDING	127,252.49	78,373.04
	<b>779,915.82</b>	<b>470,653.66</b>
<b>TOTAL OUTFLOW</b>	<b>6,419,316.24</b>	<b>6,687,858.96</b>
<b>CASH FUNDS AT YEAR END</b>	<b>559,132.16</b>	<b>968,978.39</b>

Note:

The above Statement of Cash Flows by its very nature does not take into account end of year adjustments for accrued income, expenditure, nor the provision of depreciation on non-current assets.

**THE AUSTRALIAN WORKERS' UNION**

**(VICTORIAN BRANCH)**

**NOTES TO AND FORMING PART OF 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 these financial statements are:

**1.1 BASIS OF PREPARATION**

The financial statements of the Union have been drawn up in accordance with applicable Accounting Standards, the RAO Schedule of the Workplace Relations Act 1996 and other requirements of law. They have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year. The accounting records have been kept on an accrual basis.

**1.2 INCOME TAX**

No provision for income tax is necessary as the Union is exempt from income tax under Section 23(f) of the Income Tax Assessment Act.

**1.3 EMPLOYEE ENTITLEMENTS**

**Provision for Annual Leave**

The provision for employee entitlements to 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 plus leave loading.

**2. PROVISION FOR LONG SERVICE LEAVE**

2.1 The liability for Long-Service Leave of Branch officials has been taken up in the books of account. Because this debt is still partly the responsibility of National Office, a corresponding asset exists under Current Assets (\$358,987).

2.2 In accordance with the decision of the National Executive, each Branch now brings to account the annual indebtedness to Long service Leave of its officials. This procedure was first undertaken in the 2001 - 2002 financial year.

**THE AUSTRALIAN WORKERS' UNION**

**(VICTORIAN BRANCH)**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE, 2005**

3. **SALARIES AND WAGES**

In accordance with Sub-regulations 107 (a) (XIV) and (XV) of the Workplace Relations Regulations, we report that the figure Salaries and Wages in the Statement of Financial Performance is made up of the following:-

	2004	2005
	\$	\$
Elected Representatives	881,168	810,033
Employees	992,386	1,080,812
	<u>\$1,873,554</u>	<u>\$1,890,845</u>

4. **MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR**

The Committee of Management is not aware of any post-balance date event or contingent liability which may materially affect the operating results or financial position of the Branch for the year under review or in future years.

5. **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 of the RAO Schedule which reads as follows:

- (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit 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).