



23 March 2014

Mr Ben Davis  
Secretary, Victorian Branch  
The Australian Workers' Union  
685 Spencer Street  
WEST MELBOURNE VIC 3003

Sent by email: [mei.lin@awu.net.au](mailto:mei.lin@awu.net.au)

Dear Mr Davis

**The Australian Workers' Union, Victorian Branch - Financial Report for year ended 30 June 2013 - (FR2013/278)**

I acknowledge receipt of the financial report of The Australian Workers' Union, Victorian Branch (the reporting unit). The documents were lodged with the Fair Work Commission on 29 October 2013. The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2014 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the 2013 report lodged but the Fair Work Commission will confirm these matters have been addressed prior to filing next year's report.

Application of Tier 1 reporting requirements

Paragraph 8 of the Reporting Guidelines<sup>1</sup> states *'it is a requirement that all reporting units apply the Tier 1 reporting requirements as per the Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards'*. The notes to the financial statements state that *'The financial report is a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards-Reduced Disclosure Requirements.'* In future please ensure that the reporting unit adheres to paragraph 8 of the Reporting Guidelines.

Disclosure of employee provisions/benefits to office holders and other employees

The financial statements have disclosed employee expenses separately for officers and employees, by wages, superannuation, annual leave, long-service leave, separation and redundancies and other employee expenses but have not disclosed separate employee *provisions* for officers and employees. The Reporting Guidelines require either the statement of financial position or the notes to disclose any liability for employee benefits in respect of office

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<sup>1</sup> Issued 26 June 2013, applying to all financial reports ending 30 June 2013 onwards

holders and other employees (paragraph 21(c) and 21 (d)). In future years please ensure that provisions for office holders and other employees are disclosed separately.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (02) [REDACTED] or by email at [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au).

Yours sincerely

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett

Senior Adviser, Regulatory Compliance Branch

## THE AUSTRALIAN WORKER'S UNION VICTORIAN BRANCH

### SECRETARY'S CERTIFICATE

I, Ben Davis, being the Secretary of The Australian Workers' Union Victorian 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 2013, that were:

1. presented to Victorian Branch Executive on 12<sup>th</sup> September 2013.
2. made available to the membership in the week commencing 16<sup>th</sup> September 2013.
3. presented by way of postal ballot to Victorian Branch Executive. The ballot was conducted on 17<sup>th</sup> October 2013, and closed at 4:00 pm on 25<sup>th</sup> October 2013. Postal ballot was completed with result in favour of adopting the 2012/2013 Victorian Branch Operating Report, Financial Accounts, Statements and Auditor's Report.

Date 28th of October 2013



BEN DAVIS  
Secretary

THE AUSTRALIAN WORKERS' UNION

(VICTORIAN BRANCH)

AUDITORS' REPORT,

FINANCIAL STATEMENTS AND NOTES THERETO

FOR THE YEAR ENDED 30 JUNE 2013

**THE AUSTRALIAN WORKERS' UNION**  
**(VICTORIAN BRANCH)**  
**OPERATING REPORT JULY 2012 – JUNE 2013**

**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 surplus for the financial year amounted to \$141,573. (2012 \$ 611,249)

**FINANCIAL AFFAIRS**

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

**REVIEW OF OPERATIONS**

A review of operations of the Branch during the Financial Year showed the impact of the weaker economy with the drop in membership income by 7.5% and its flow on affect to the rest of the results.

Although costs were limited to an increase of only 0.8% it resulted in a fall in the Net Surplus of more than \$450,000.

**EVENTS AFTER THE REPORTING PERIOD**

The structural problems with the building at 685 Spencer Street has made the Executive acutely aware of the need to control costs in the future should large maintenance costs be necessary.

**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 Fair Work (Registered Organisations) Act 2009

**MEMBERSHIP OF SUPERANNUATION SCHEME**

Pursuant to s.254 (2) (d) of schedule 113 of the Fair Work (Registered Organisations) Act 2009 the following members held office in Superannuation Funds as stated below:

|           |  |
|-----------|--|
| Melhem. C | CBUS<br>-Chifley Financial Services (Resigned from both on 8 <sup>th</sup> May,2013) |
| Davis.B   | CBUS Alternate Director.   |
| Leo.F     | -Chifley Financial Services  |
| O'Brien L | Australian Super (Alternate Director)  |

**NUMBER OF MEMBERS**

Number of persons in register of members: 26,697 (2012- 28,852)

**NUMBER OF EMPLOYEES**

Number of employees (equivalent full time): 45 (2012- 48)

**NAMES OF MEMBERS ON BRANCH EXECUTIVE:**

The following were members of the Branch Executive as at 30<sup>th</sup> June, 2013:

|                    |           |                  |
|--------------------|-----------|------------------|
| Beechey,S          | Bantis,A  | Blandthorn,JP    |
| Christie,R         | Cragg.D   | Dixon,H          |
| Davis,B            | Heath,C   | King,P           |
| Krishnan,R         | Leo,F     | Lynn,R           |
| Lumanovski,H       | Lineham,R | Mastrandonakis,J |
| Noonan,B           | Nasr,R    | O'Brien,L        |
| Oates,B            | Penn,G    | Pillai,P         |
| Palemo,I           | Rudd,R    | Rae,G            |
| Stomps,D           | Spear,P   | Sharp,J          |
| Threlfall-Clarke S | Tacey,N   |                  |

During the year the following members resigned from the Branch Executive.

|   |          |
|---|----------|
| Gray D  | Lee T    |
| Melhem C  | Wilson P |
| Lineham R (has<br>resigned since<br>30 <sup>th</sup> June,2013) |          |

During the year, the following members were appointed to the Branch Executive .

|          |         |
|----------|---------|
| Oates B  | Sharp J |
| Pillai P | Spear P |

**OTHER INFORMATION**

There is no other information that the Union considers relevant

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

*Ben Davis*  
Ben Davis

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

*12/9/13*

**THE AUSTRALIAN WORKERS' UNION**

**(VICTORIAN BRANCH)**

**STATUTORY STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE, 2013**

**BRANCH EXECUTIVE'S STATEMENT**

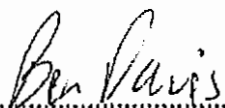
On 12<sup>th</sup> September, 2013, the Branch Executive of the Victorian Branch passed the following resolution in relation to the general purpose financial report of this reporting unit for the financial year ended 30<sup>th</sup> June, 2013: -

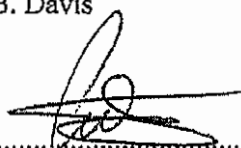
The Branch Executive declares in relation to the General Purpose Financial Report that in its opinion:

- (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 Branch Executive 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 Fair Work(Registered Organisations) Act 2009 Schedule and the Fair Work (Registered Organisations) Act 2009 Regulations;

- (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 Fair Work (Registered Organisations) Act 2009.
- (vi) there have been no compliance orders for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) during the year the organisation did not participate in any recovery of wages activity.

For and on behalf of the Branch Executive

  
.....  
B. Davis

  
.....  
J. Mastrandonakis

SIGNED at West Melbourne this 12th day of September, 2013.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

AUSTRALIAN WORKERS UNION

(VICTORIAN BRANCH)

YEAR ENDED 30<sup>TH</sup> JUNE, 2013

Scope

We have audited the Financial Statements of the Australian Workers Union (Victorian Branch) for the year ended 30 June 2013 consisting of the Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows and accompanying notes. The Branch Executive 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.

There was no recovery of wages activity during the year under review.

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;  
and
  - b) records of the nature and purposes of the expenditure of the Organisation.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

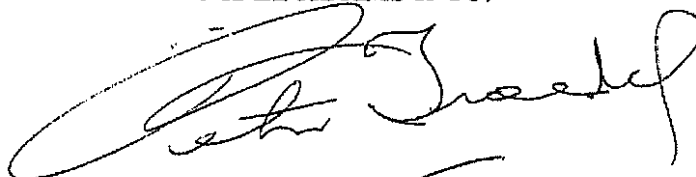
AUSTRALIAN WORKERS UNION

(VICTORIAN BRANCH)

YEAR ENDED 30<sup>TH</sup> JUNE, 2013

2. As required under Section 257 of the Registration and Accountability of Organisations Schedule (being schedule 1B of the Fair Work (Registered Organisations) Act 2009), 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
  - (ii) We have complied with the independence requirements of the major Accounting Bodies.
  - (iii) It is appropriate for the organization to use the going concern basis of Accounting in the preparation of the Financial Statements.
3. I am an approved auditor as required under the Act and hold a current Public Practice Certificate with the Institute of Chartered Accountants in Australia.

TROEDEL ADAMS & CO.



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

Dated this 12<sup>th</sup> day of September, 2013.

**THE AUSTRALIAN WORKERS' UNION**  
**(VICTORIAN BRANCH)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE, 2013**

|   | Notes<br>to a/cs | <u>2012</u><br>\$ | <u>2013</u><br>\$ |
|---|------------------|-------------------|-------------------|
| <b>ACCUMULATED FUNDS</b>                    |                  |                   |                   |
| BALANCE @ YEAR END                          |                  | <u>5,880,162</u>  | <u>6,021,735</u>  |
| <b>THESE FUNDS ARE REPRESENTED BY:-</b>     |                  |                   |                   |
| <b>CURRENT ASSETS</b>                       |                  |                   |                   |
| <b>CASH AT BANK</b>                         |                  |                   |                   |
| GENERAL OPERATING ACCOUNTS                  |                  | 234,768           | 217,574           |
| LONG SERVICES LEAVE ACCOUNTS                |                  | <u>3,656,287</u>  | <u>3,919,397</u>  |
|   |                  | 3,891,055         | 4,136,971         |
| <br>  |                  |                   |                   |
| PETTY CASH                                  |                  | 741               | 468               |
| ACCOUNTS RECEIVABLE                         |                  | 461,604           | 395,896           |
| SUBSCRIPTIONS OUTSTANDING                   |                  | 518,071           | 523,770           |
| PREPAYMENTS                                 |                  | 26,901            | 21,242            |
| MECHANDISE ON HAND                          |                  | <u>34,845</u>     | <u>39,766</u>     |
|   |                  | 4,933,217         | 5,118,113         |
| <br>  |                  |                   |                   |
| <b>NON-CURRENT ASSETS</b>                   |                  |                   |                   |
| NATIONAL OFFICE - LONG SERVICE LEAVE DEBT   | 2                | 158,331           | 81,252            |
| NATIONAL OFFICE - LOAN                      |                  | 1,231,180         | 1,231,180         |
| SHARES IN OTHER COMPANIES                   |                  | <u>342,258</u>    | <u>453,744</u>    |
|   |                  | 1,731,769         | 1,766,176         |
| <br>  |                  |                   |                   |
| <b>FIXED ASSETS (At Written Down Value)</b> |                  |                   |                   |
| LAND & BUILDINGS                            | 3                | 338,629           | 332,269           |
| OFFICE FURNITURE, EQUIPMENT AND RENOVATIONS |                  | 264,362           | 244,815           |
| MOTOR VEHICLES                              |                  | <u>825,773</u>    | <u>670,920</u>    |
|   |                  | 1,428,764         | 1,248,004         |
| <br>  |                  |                   |                   |
| <b><u>TOTAL ASSETS</u></b>                  |                  | <u>8,093,750</u>  | <u>8,132,293</u>  |
| <br>  |                  |                   |                   |
| <b>LESS: CURRENT LIABILITIES</b>            |                  |                   |                   |
| TRADE CREDITORS                             |                  | 441,112           | 412,419           |
| ACCRUALS                                    |                  | <u>267,099</u>    | <u>236,855</u>    |
|   |                  | 708,211           | 649,274           |
| <br>  |                  |                   |                   |
| <b>LESS: DEFERRED LIABILITIES</b>           |                  |                   |                   |
| PROVISION FOR ANNUAL LEAVE                  |                  | 275,874           | 303,554           |
| PROVISION FOR LONG SERVICE LEAVE            |                  | <u>1,229,503</u>  | <u>1,157,730</u>  |
|   |                  | 1,505,377         | 1,461,284         |
| <br>  |                  |                   |                   |
| <b><u>TOTAL LIABILITIES</u></b>             |                  | <u>2,213,588</u>  | <u>2,110,558</u>  |
|   |                  | <u>5,880,162</u>  | <u>6,021,735</u>  |

NOTE: These Financial Statements should be read in conjunction with the attached Auditor's Report and Notes thereto.

**THE AUSTRALIAN WORKERS' UNION**  
**(VICTORIAN BRANCH)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE, 2013**

| <b><u>INCOME</u></b>                     | <b><u>2012</u></b><br>\$ | <b><u>2013</u></b><br>\$ |
|--|--------------------------|--------------------------|
| MEMBERSHIP CONTRIBUTIONS                 | 7,061,051                | 6,533,682                |
| PROJECT FUNDING                          | 746,050                  | 748,954                  |
| OCC. HEALTH & SAFETY TRAINING            | 140,341                  | 141,813                  |
| PAID EDUCATION INCOME                    | 4,909                    | 4,909                    |
| KTT PROJECT - CONTRIBUTION TO LEGAL FEES | 175,350                  | 500                      |
| INSURANCE BROKERAGE FEES                 | 880,915                  | 945,007                  |
| SPONSORSHIP INCOME                       | 90,000                   | 160,091                  |
| DIVIDENDS RECEIVED                       | 33                       | 150,033                  |
| CONSULTING FEES RECEIVED                 | -                        | 62,618                   |
| AWU FUNCTIONS                            | 42,400                   | 29,955                   |
| INTEREST                                 | 184,763                  | 166,186                  |
| SALE OF MERCHANDISE                      | 8,455                    | 5,555                    |
| RENTAL INCOME                            | 5,200                    | 5,200                    |
| ADVERTISING IN MEMBERSHIP CARD           | 8,000                    | -                        |
| OTHER INCOME                             | 10,748                   | 1,607                    |
| <b><u>TOTAL INCOME</u></b>               | <b><u>9,358,213</u></b>  | <b><u>8,956,110</u></b>  |
| <br>                                     |                          |                          |
| <b><u>EXPENSES</u></b>                   |                          |                          |
| <b>DIRECT MEMBERSHIP EXPENSES</b>        |                          |                          |
| AWU SUBSIDY TRANSFERS                    | 994,271                  | 834,546                  |
| AFFILIATION FEES                         | 180,351                  | 191,144                  |
| AMBULANCE CLAIMS                         | 239,081                  | 214,609                  |
| LEGAL EXPENSES - MEMBERS                 | 490,341                  | 250,006                  |
| NATIONAL OFFICE ACTU IR LEVY             | -                        | 25,940                   |
| GROWTH CAMPAIGN                          | 6,885                    | 4,964                    |
| COMMISSION PAID - EMPLOYERS              | 6,310                    | 7,108                    |
| DONATIONS                                | 43,245                   | 47,790                   |
| PRINTING (MEMBERS)                       | 21,171                   | 44,092                   |
| DEPN OF M/SHIP COMPUTER SYSTEM           | 20,757                   | 22,882                   |
| MEMBERSHIP MAILOUTS                      | 68,741                   | 69,388                   |
| RESEARCH EXPENSES                        | 67,985                   | 48,039                   |
| MERCHANDISE EXPENSE                      | 60,830                   | 23,705                   |
| AWU FUNCTIONS & PROMOTIONS               | 198,734                  | 230,607                  |
| MEMBERSHIP SURVEYS                       | 60,042                   | -                        |
| TOTAL                                    | <b><u>2,458,744</u></b>  | <b><u>2,014,820</u></b>  |

Note: These Financial Statements Should be read in conjunction with the attached Auditor's Report and Notes Thereto.

**THE AUSTRALIAN WORKERS' UNION**  
**(VICTORIAN BRANCH)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE, 2013**

|                                      | <u>2012</u>      | <u>2013</u>      |
|--------------------------------------|------------------|------------------|
|                                      | \$               | \$               |
| <b>OH&amp;S EXPENSES</b>             |                  |                  |
| TRAINING                             | 54,195           | 63,850           |
| FARM SAFE PROJECT                    | 65,167           | 30,406           |
|                                      | <u>119,362</u>   | <u>94,255</u>    |
| <b>SHOP STEWARDS &amp; DELEGATES</b> |                  |                  |
| LOST TIME & OTHER EXPENSES           | 4,900            | 27,250           |
| DELEGATES CONFERENCE                 | 35,662           | 11,550           |
| SPONSORSHIP                          | 5,500            | -                |
| MEETING EXPENSES - DELEGATES         | 9,898            | 18,895           |
| NATIONAL CONFERENCE COSTS            | -                | 91,168           |
| PROTEST EXPENSES                     | -                | 2,294            |
| TOTAL                                | <u>55,960</u>    | <u>151,158</u>   |
| <b>PAYROLL EXPENSES</b>              |                  |                  |
| SALARIES & WAGES                     | 3,463,501        | 3,729,502        |
| SUPERANNUATION - EMPLOYER            | 461,860          | 463,940          |
| WORKCOVER EXPENSES                   | 32,135           | 34,239           |
| PAYROLL TAX                          | 175,520          | 190,545          |
| FRINGE BENEFITS TAX                  | 68,174           | 80,743           |
| ANNUAL LEAVE EXPENSE                 | (8,887)          | 11,480           |
| LONG SERVICE LEAVE ACCRUAL           | 180,048          | 360,180          |
| CONSULTANCY                          | 78,510           | 4,409            |
| CASUAL EMPLOYMENT                    | 17,717           | 21,636           |
| CONTRACTORS                          | -                | 37,423           |
| RDO EXPENSES                         | 468              | 1,460            |
| TOTAL                                | <u>4,469,046</u> | <u>4,935,557</u> |
| <b>TRAINING &amp; TUITION</b>        |                  |                  |
| UNIVERSITY FEES                      | 34,450           | 9,497            |
| SEMINAR & CONFERENCE COSTS           | 8,961            | 5,730            |
| TRAINING EXPENSES                    | 15,188           | 17,765           |
| RECRUITING                           | 2,058            | 475              |
| TOTAL                                | <u>60,657</u>    | <u>33,467</u>    |
| <b>OFFICIALS</b>                     |                  |                  |
| ACCOMMODATION & MEALS                | 116,452          | 90,133           |
| AIR FARES                            | 29,579           | 30,189           |
| TRAVEL EXPENSES                      | 620              | 724              |
| MEETING EXPENSES                     | 14,456           | 29,512           |
| NATIONAL EXECUTIVE MEETING           | 12,932           | 11,769           |
| PARKING & TAXIS                      | 29,439           | 26,388           |
| WEB SITE EXPENSES                    | 571              | 366              |
| INTERNET EXPENSES                    | 14,800           | 13,317           |
| MISC. EXPENSES                       | 305              | -                |
| TOTAL                                | <u>219,154</u>   | <u>202,398</u>   |

Note: These Financial Statements Should be read in conjunction with the attached Auditor's Report and Notes Thereto.

**THE AUSTRALIAN WORKERS' UNION**  
**(VICTORIAN BRANCH)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE, 2013**

|                                   | <u>2012</u>    | <u>2013</u>    |
|-----------------------------------|----------------|----------------|
|                                   | \$             | \$             |
| <b>MOTOR VEHICLE EXP.</b>         |                |                |
| REGISTRATION                      | 22,394         | 20,369         |
| CAR INSURANCE                     | 53,405         | 39,935         |
| PETROL                            | 192,431        | 199,391        |
| SERVICES                          | 64,501         | 63,106         |
| TYRES                             | 17,252         | 15,802         |
| MOTOR VEHICLE EXPENSES OTHERS     | 48,759         | 50,218         |
| PROFIT ON REALISATION             | (18,777)       | 17,849         |
| DEPRECIATION MOTOR VEHICLES       | 258,710        | 263,097        |
| TOTAL                             | <u>638,675</u> | <u>669,767</u> |
| <b>TELEPHONE EXPENSES</b>         |                |                |
| TELEPHONE MAIN ACCOUNT            | 26,663         | 28,442         |
| MOBILE PHONES                     | 70,603         | 77,546         |
| HOME PHONES                       | 7,523          | 6,579          |
| SERVICE & EQUIP MAINTENANCE       | 4,542          | 6,519          |
| TOTAL                             | <u>109,331</u> | <u>119,086</u> |
| <b>PROPERTY EXPENSES</b>          |                |                |
| RENTAL                            | 21,616         | 9,108          |
| PROPERTY RATES & INSURANCE        | 21,067         | 19,200         |
| PROPERTY MAINTENANCE              | 39,434         | 30,990         |
| DEPRECIATION BUILDING             | -              | 6,360          |
| DEPRECIATION OF FURNITURE & EQUIP | 45,542         | 40,981         |
| BODY CORPORATE FEES               | 10,506         | 7,818          |
| OFFICE FURNITURE                  | 2,851          | 934            |
| SUNDRY EXPENSES                   | 54,286         | 59,774         |
| TOTAL                             | <u>195,302</u> | <u>175,165</u> |
| <b>GENERAL EXPENSES</b>           |                |                |
| ADVERTISING & SUBSCRIPTIONS       | 5,060          | 15,904         |
| AUDITING FEES                     | 15,500         | 17,000         |
| BANK FEES & CHARGES               | 30,936         | 27,116         |
| CLEANING                          | 42,283         | 42,566         |
| HEATING AND LIGHTING              | 30,398         | 47,015         |
| GENERAL INSURANCE                 | 12,291         | 11,825         |
| STAFF AMENITIES AND DISPENSIBLES  | 27,626         | 26,384         |
| TOTAL                             | <u>164,094</u> | <u>187,809</u> |

**THE AUSTRALIAN WORKERS' UNION**  
**(VICTORIAN BRANCH)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30TH JUNE, 2013**

|                                 |                              |                |
|---------------------------------|------------------------------|----------------|
| <b>OFFICE EXPENSES</b>          |                              |                |
| STATIONERY                      | 9,238                        | 7,611          |
| POSTAGE & COURIER               | 25,684                       | 23,558         |
| PRINTING                        | 41,874                       | 18,770         |
| COURIER & FREIGHT/STORAGE       | -                            | 55             |
| COPIER CHARGE & PAPER           | 18,898                       | 18,672         |
| OFFICE RENTAL EQUIPMENT         | 34,804                       | 37,968         |
| MAINTENANCE OF OFFICE EQUIPMENT | 2,992                        | 1,974          |
| COMPUTER MAINTENANCE & SUPPORT  | 109,309                      | 111,548        |
| SOFTWARE EXPENSES               | 13,840                       | 10,899         |
| TOTAL                           | <u>256,639</u>               | <u>231,055</u> |
|                                 | <b><u>TOTAL EXPENSES</u></b> |                |
|                                 | 8,746,964                    | 8,814,537      |
| <b><u>NET SURPLUS</u></b>       | <u>611,249</u>               | <u>141,573</u> |

**STATEMENT OF CHANGES IN EQUITY**

|  |    |                  |
|--|----|------------------|
| Balance 1st July 2011                          | \$ | 5,268,913        |
| Add: Net Surplus for year ended 30th June,2012 |    | <u>611,249</u>   |
| <u>Balance 30th June,2012</u>                  |    | 5,680,162        |
| Add: Net Surplus for year ended 30th June,2013 |    | 141,573          |
| <u>Balance 30th June, 2013</u>                 | \$ | <u>6,021,735</u> |

Note: These Financial Statements Should be read in conjunction with the attached Auditor's Report and Notes Thereto.

**AUSTRALIAN WORKERS' UNION  
VICTORIAN BRANCH  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE, 2013**

|  | <u>2012</u>       | <u>2013</u>      |
|--|-------------------|------------------|
|  | \$                | \$               |
| <b>CASH FUNDS AT COMMENCEMENT</b>              | <u>3,610,560</u>  | <u>3,891,056</u> |
| <b>CASH INFLOW</b>                             |                   |                  |
| <b>ADD: PROCEEDS FROM OPERATING ACTIVITIES</b> |                   |                  |
| MEMBERSHIP FEES                                | 7,827,970         | 7,147,626        |
| RECEIPTS FROM MEMBERSHIP ACTIVITIES            | 1,591,547         | 1,704,064        |
| INTEREST RECEIVED                              | 184,764           | 166,186          |
|  | <u>9,604,281</u>  | <u>9,017,876</u> |
| <b>ADD: PROCEEDS FROM FINANCING ACTIVITIES</b> |                   |                  |
| PROCEEDS FROM GRANT FUNDING                    | 811,910           | 851,569          |
| PROCEEDS FROM THE DISPOSAL OF MOTOR VEHICLES   | 119,164           | 128,303          |
|  | <u>931,074</u>    | <u>979,872</u>   |
| <b>TOTAL INFLOW</b>                            | <u>10,535,355</u> | <u>9,997,748</u> |
| <b>CASH OUTFLOW</b>                            |                   |                  |
| <b>LESS: OUTFLOW FROM OPERATING ACTIVITIES</b> |                   |                  |
| SUBSIDY TO NATIONAL OFFICE                     | 1,090,293         | 934,687          |
| PAYMENTS TO EMPLOYEES                          | 3,138,351         | 3,550,034        |
| OTHER OUTGOINGS                                | 5,124,176         | 4,655,112        |
|  | <u>9,350,820</u>  | <u>9,139,833</u> |
| <b>LESS: OUTFLOW FROM FINANCING ACTIVITIES</b> |                   |                  |
| PURCHASE OF EQUIPMENT AND MOTOR VEHICLES       | 464,759           | 263,019          |
| PAYMENTS OUT OF GRANT FUNDING                  | 439,280           | 348,981          |
|  | <u>904,039</u>    | <u>612,000</u>   |
| <b>TOTAL OUTFLOW</b>                           | <u>10,254,859</u> | <u>9,751,833</u> |
| <b>CASH FUNDS AT YEAR END</b>                  | <u>3,891,056</u>  | <u>4,136,971</u> |

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, 2013

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 report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organizations) Act 2009. The Branch Executive has determined that The Australian Workers' Union (Victoria Branch) is permitted to apply the Tier 2 reporting requirements (Australian Accounting Standards – Reduced Disclosure Requirements) as set out in AASB 1053 Application of Tiers of Australian Accounting Standards because it is a not-for-profit private sector entity that does not have public accountability. 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 (\$81,252).

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.

THE AUSTRALIAN WORKERS' UNION

(VICTORIAN BRANCH)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE, 2013

**3. LAND & BUILDINGS**

The branch holds two properties in country Victoria.

|                                    | <u>Balance at</u><br><u>30<sup>th</sup> June, 2012</u> | <u>Balance at</u><br><u>30<sup>th</sup> June, 2013</u> |
|------------------------------------|--|--|
| Portland                           |  |  |
| 103-111 Percy<br>Street - Cost     | \$ 99,536  | 99,536   |
| Sale                               |  |  |
| 3/396 Raymond Street - Cost        | <u>248,086</u>   | <u>248,086</u>   |
|                                    | 347,622  | 347,622  |
| Less: Depreciation of<br>Buildings | 8,993  | 15,353   |
|                                    | <u>\$ 338,629</u>                                      | <u>332,269</u>   |

Under the rules of the Union, both properties are registered in the name of the National Executive in Sydney.

**4. CONTRACTS WITH RELATED PARTIES**

The Branch Executive has confirmed that during the year under review, the Branch has not engaged the services of any person or entity that is related to a member of the Executive or their families, other than in the ordinary course of employment.

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

The Branch Executive is aware that there are serious failings within the foundations and structure of the building at 685 Spencer Street, West Melbourne. Independent research has indicated that between \$150,000 to \$200,000 will need to be spent to rectify the current problem. There may still be further costs in future years which cannot be identified at this point in time.

**THE AUSTRALIAN WORKERS' UNION**

**(VICTORIAN BRANCH)**

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

**FOR THE YEAR ENDED 30 JUNE, 2013**

**6. REPORTING REQUIREMENTS**

**(1) GOING CONCERN**

In regards to subsections (1)(2) and (3) of section 272 of the Act the Executive can state:-

- (a) The Branch is not reliant upon the financial support of another reporting unit to continue as a going concern.
- (b) No financial support has been given or agreed to be given to another reporting entity to enable it to survive as a going concern.
- (c) There has been no restructuring or amalgamation of the Branch with any other reporting entity during the period under review.
- (d) The Australian Accounting Standards in regard to the above have been complied with.

**(2) REVENUE**

The Statement of Comprehensive Income does not include the following as no such items of revenue were received during the year:-

- (a) Capitation Fees.
- (b) Compulsory Levies.
- (c) Donations.
- (d) Financial support from another reporting unit.

**(3) EXPENSES**

The following expenses were or were not incurred during the financial year:-

- (a) Commission to the amount of \$7,108 was paid to employers in consideration of making payroll deductions on behalf of members.
- (b) No Capitation fees were paid during the year.
- (c) Affiliation Fees totaling \$138,274 were paid in respect of the Branch's political affiliations.  
The balance of affiliation fees were paid to associated labour councils.

**THE AUSTRALIAN WORKERS' UNION**

**(VICTORIAN BRANCH)**

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

**FOR THE YEAR ENDED 30 JUNE, 2013**

**(3) EXPENSES (Continued)**

(d) Compulsory Levies disclosed in the Statement of Comprehensive Income.

(e) Donations disclosed in the Statement of Comprehensive Income. There were no grants dispersed during the year.

(f) to (i) Employees expenses were:-

|                                   |    | Office Holders | Other Employees | Total         |
|-----------------------------------|----|----------------|-----------------|---------------|
| Wages & Salaries                  | \$ | 442,790        | 3,662,329       | 4,105,119     |
| Superannuation                    | \$ | 60,969         | 402,971         | 463,940       |
| Annual Leave & Other Entitlements | \$ | 64,583         | 236,172         | 300,755       |
| Long Service Leave                | \$ | 546,453        | 611,277         | 1,157,730     |
| Redundancies & Separation         | \$ | 558,694        | 389,138         | 947,832       |
| Attendance at Conferences         | \$ | <u>39,101</u>  | <u>-</u>        | <u>39,101</u> |

Redundancies & Separation Expenses are included in the Financial Statements under wages & Salaries

(j) All legal costs were incurred in litigation activities on behalf of members.

(k) There were no penalties imposed on the Branch in regard to conduct under the Act.

**(4) LIABILITIES**

Legal expenses to the amount of \$78,833 are included in accruals at 30<sup>th</sup> June, 2013.

**7. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Section 274 which reads as follows:

- a) " A member of an organization, or a registrar, may apply to the organization for specified proscribed information in relation to the organization.
- b) An organization shall, on application made under Subsection (1) by a member of the organization or a Registrar, make the specified information available to a member or the Registrar in such manner, and within such time, as is prescribed;
- c) A Registrar may only make an application under Subsection (1) at the request of a member of the organization concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member."