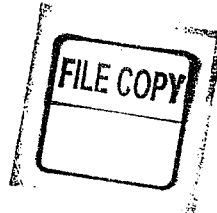




FAIR WORK  
AUSTRALIA

25 January 2011

Mr Stephen Price  
Secretary, West Australia Branch  
The Australian Workers' Union  
PO Box 8122, Perth Business Centre  
PERTH WA 6849



Dear Mr Price

**Re: Lodgement of Financial Statements and Accounts – The Australian Workers' Union,  
West Australia Branch – for year ending 30 June 2010 (FR2010/2769)**

Thank you for lodging the above financial return which was received by Fair Work Australia on 20 December 2010.

The documents have been filed.

Yours sincerely,

Stephen Kellett

Organisations and Research

Fair Work Australia

The Registrar  
Australian Industrial Registry  
AIRC Western Australia  
111 St Georges Tce  
PERTH WA 6000

20 December 2010

Dear Sir,

**Re: Audited Financial Returns 2009/2010**

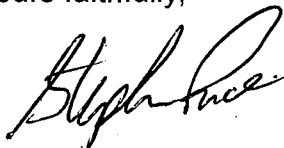
Enclosed please find a copy of the audited financial accounts for the West Australian Branch of the AWU for the 2009/2010 financial year.

I certify that these accounts were presented to the Branch executive of the union and accepted at a meeting held Friday 12 November 2010.

The audited accounts were posted on the WA website on Friday 19 November 2010.

An Annual General Meeting of the union held on Friday 17 December 2010 endorsed the accounts and instructed me to lodge a copy with the AIRC in accordance with the Act.

Yours faithfully,



Stephen Price  
**BRANCH SECRETARY**

sp:hf

Encls.



WEST AUSTRALIAN BRANCH

LEVEL 4, 25 BARRACK ST  
PERTH WA 6000

PO BOX 8122  
PERTH BUSINESS CENTRE  
PERTH WA 6849

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A.B.N. 23 613 523 164

STEPHEN PRICE  
Branch Secretary

**Stronger Together**

**putting  
members  
first**

**AUSTRALIAN WORKERS UNION  
WEST AUSTRALIAN BRANCH**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE 2010**

**AUSTRALIAN WORKERS UNION  
WEST AUSTRALIAN BRANCH  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN WORKERS' UNION - WA BRANCH**

We have audited the accompanying financial report of Australian Workers' Union - WA Branch, which comprises the statement of financial position as at 30 June 2010, and the statements of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the statement of the committee of management.

### **Directors' Responsibility for the Financial Report**

The committee of management of the Australian Workers' Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee of management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Independence**

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

### **Basis of Qualified Auditors' Opinion**

Membership contributions are a significant source of income for the Branch. The Branch has determined that it is impracticable to establish control over the collection of membership contributions prior to entry into the financial records. Accordingly, as evidence available to us regarding receipts from this source was limited, our audit procedures with respect to membership contributions have to be restricted to the amounts recorded in the financial records. We, therefore, are unable to express an opinion whether membership contributions the Branch receives are complete.



### Qualified Auditor's Opinion

In our opinion, except for the effects on the financial statements of the matter referred to in the preceding paragraph, (if any), the financial report presents fairly, in all material respects, the financial position of Australian Workers' Union - WA Branch as at 30 June 2010 and of its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Accounting Interpretations) and the Workplace Relations Act 1996.

**BDO Audit (WA) Pty Ltd**

*BDO Audit*

A handwritten signature in black ink, appearing to read 'C. Burton'.

**Chris Burton**  
Director

Perth, Western Australia  
Dated this 12<sup>th</sup> day of November 2010



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Fax: +8 6382 4601  
www.bdo.com.au

38 Station Street  
Subiaco, WA 6008  
PO Box 700 West Perth WA 6872  
Australia

12 November 2010

The Branch Executive Committee  
Australian Workers' Union - WA Branch  
PO Box 414  
SUBIACO WA 6904

Dear Sirs

**DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE BRANCH EXECUTIVE COMMITTEE OF THE AUSTRALIAN WORKERS' UNION - WA BRANCH**

As lead auditor of the Australian Workers' Union - WA Branch for the year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Australian Workers' Union - WA Branch.

  
Chris Burton  
Director

*BDO Audit*  
BDO Audit (WA) Pty Ltd  
Perth, Western Australia.

**AUSTRALIAN WORKERS UNION  
WEST AUSTRALIAN BRANCH**


**STATEMENT OF THE COMMITTEE OF MANAGEMENT**

The Committee of Management has determined that the Union is a reporting entity. In accordance with a resolution of the Committee of Management, we state that in the opinion of the Committee:

- (a) The accompanying 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; and
- (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 Union 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 Union 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) 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
  - (v) There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Signed on behalf of the Committee of Management.

Signed At Perth this 12<sup>th</sup> day of November 2010.

  
\_\_\_\_\_  
Stephen Price  
BRANCH SECRETARY



**AUSTRALIAN WORKERS UNION  
WEST AUSTRALIAN BRANCH**

**STATEMENT BY THE SECRETARY**

I, Stephen Price, being the officer responsible for keeping the accounting records of the Australian Workers Union - WA Branch, certify that as at 30 June 2010 the number of members of the Union was 5,294 (2009: 4,805).

In my opinion,

- (i) The attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2010 and the result of operations for the period then ended;
- (ii) A register of members has, during the immediately preceding calendar year, been kept and maintained as required by section 230(1)(a) and section 230(2) of the Workplace Relations Act 1996;
- (iii) A copy of the records required to be kept under sections 230(1) (b), (c) and (d) of the Workplace Relations Act 1996, have been provided to the Industrial Registry as required by section 233 of the Workplace Relations Act 1996.

Signed at Perth this .....12<sup>th</sup>..... day of.....November..... 2010.

  
\_\_\_\_\_  
Stephen Price  
BRANCH SECRETARY

**AUSTRALIAN WORKERS UNION  
WEST AUSTRALIAN BRANCH**

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

	Note	2010 \$	2009 \$
Revenues from continuing operations	4	2,285,247	2,121,767
Affiliation fees		(46,454)	(44,351)
Employee costs		(1,165,617)	(980,520)
Depreciation	5	(86,578)	(76,019)
Property costs		(77,292)	(78,481)
Organising costs		(240,703)	(188,705)
Office costs		(79,539)	(76,651)
Administration		(169,572)	(181,730)
Head Office Fees		(320,848)	(286,562)
Legal Expenses		(140,182)	(44,296)
Other expenses from ordinary activities		(49,916)	(48,015)
<b>Surplus/ (Deficiency) for the year</b>	<b>5</b>	<b>(91,452)</b> =====	<b>116,437</b> =====
Other comprehensive income		-	-
<b>Total Comprehensive Income for the year attributable the members of the entity</b>		<b>(91,452)</b> =====	<b>116,437</b> =====
<b>Attributable to:</b>			
General Fund		(68,951)	349,733
Long Service Leave Reserve		(22,501)	(233,296)
		(91,452) =====	116,437 =====

The accompanying notes form part of these financial statements.

**AUSTRALIAN WORKERS UNION  
WEST AUSTRALIAN BRANCH**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	506,049	634,215
Trade and other receivables	7	68,079	52,790
<b>Total current assets</b>		<b>574,128</b>	<b>687,005</b>
<b>Non-current assets</b>			
Property, plant and equipment	8	876,648	764,772
<b>Total non-current assets</b>		<b>876,648</b>	<b>764,772</b>
<b>TOTAL ASSETS</b>		<b>1,450,776</b>	<b>1,451,777</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	9	324,753	250,497
Income received in advance	10	115,842	77,144
Provisions	11	65,405	30,166
Borrowings		-	-
<b>Total current liabilities</b>		<b>506,000</b>	<b>357,807</b>
<b>Non-current liabilities</b>			
Provisions	11	11,907	69,648
<b>Total non-current liabilities</b>		<b>11,907</b>	<b>69,648</b>
<b>TOTAL LIABILITIES</b>		<b>517,907</b>	<b>427,455</b>
<b>NET ASSETS</b>		<b>932,869</b>	<b>1,024,322</b>
<b>EQUITY</b>			
General funds		617,956	686,908
Reserves	12	314,913	337,414
<b>TOTAL EQUITY</b>		<b>932,869</b>	<b>1,024,322</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN WORKERS UNION  
WEST AUSTRALIAN BRANCH**

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>Total Equity at the beginning of the Financial Year</b>		<b>1,024,322</b>	<b>907,885</b>
<b>General Fund Movements:</b>			
(Loss)/Profit for the year		(91,452)	116,437
Transfer of profits from/(to) long service leave reserve		22,501	233,296
<b>Reserve Fund Movements:</b>			
Transfer recognised in long service leave reserve	12	(22,501)	(233,296)
		-----	-----
<b>Total Equity at the end of the Financial Year</b>		<b>923,869</b>	<b>1,024,322</b>
		=====	=====

The accompanying notes form part of these financial statements.

**AUSTRALIAN WORKERS UNION  
WEST AUSTRALIAN BRANCH**

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

	Note	2010 \$	2009 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members		2,170,398	1,972,066
Other income		138,257	182,406
Payments to suppliers and employees		(2,227,304)	(2,119,828)
Interest & other costs of finance paid		(11,062)	(6,899)
<b>Net cash inflow from operating activities</b>	<b>13(b)</b>	<b>70,289</b>	<b>27,745</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		-	14,000
Payment for property, plant and equipment		(198,454)	(181,739)
<b>Net cash (outflow) from investing activities</b>		<b>(198,454)</b>	<b>(167,739)</b>
Net (decrease) in cash and cash equivalents		(128,165)	(139,994)
Cash and cash equivalents at the beginning of the financial year		634,215	774,209
<b>Cash and cash equivalents at the end of the financial year</b>	<b>13(a)</b>	<b>506,049</b>	<b>634,215</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented.

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRSs), other authoritative pronouncements of the Australian Accounting Standards Boards, Australian Interpretations and the requirements of the Workplace Relations Act, 1996.

The financial report is prepared for the Australian Workers Union - WA Branch. The Union is the State Branch of a federally registered union, domiciled in Australia.

*Historical Cost Convention*

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money valuations. Cost is based on the fair values of the consideration given in exchange for assets.

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

**(a) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised for major business activities as follows:

*(i) Membership contributions*

Membership contributions are accounted for on an accruals basis. Memberships paid in advance as at year-end, are recorded as deferred income and included as a current liability in the statement of financial position.

*(ii) Interest income*

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(b) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

**(c) Income tax**

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*.

**(d) Cash and cash equivalents**

For the purposes of the statement of cash flows, the Union considers cash and cash equivalents to include cash on hand, at banks or financial institutions and on deposit.

**(e) Trade and other receivables**

All trade and sundry debtors are recognised at the amounts receivable, as they are due for settlement within 30 days. Recoverability of debtors is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off.

**(f) Property, plant and equipment**

Each class of property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

**Plant and Equipment**

The carrying amount of plant and equipment is reviewed annually by the Union to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

**(f) Depreciation**

The depreciation amount of all fixed assets is calculated using the diminishing value basis in order to write off the net cost of each fixed asset during its expected useful life to the Union.

The depreciation rates used for each class of depreciable assets are:

<u>Class of fixed asset</u>	<u>Depreciation rate</u>
Buildings	2 to 5%
Chattels, furniture, fittings and office equipment	15 to 20%
Motor vehicles	22.5%

**(g) Impairment of assets**

At each reporting date, the Union reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

---

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(h) Trade and other payables**

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

**(i) Employee entitlements**

Provision is made for the Union's liability for employee entitlements arising from services rendered by employees to balance date.

Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Provision for employee entitlements have been measured to include salary on-costs including superannuation, payroll tax and workers compensation.

**(j) Superannuation**

Contributions are made by the Union to an employee superannuation fund and are charged as expenses when incurred.

**(k) Interest rate risk**

The Union's exposure to interest rate risk, which is the risk that financial instruments value will fluctuate as a result of changes in market interest rates, is considered negligible.

**(l) Credit risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date for financial assets is the carrying amount, net any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements. The Union does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Union.

**(m) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and redemption amount is recognised in the statement of comprehensive income over the period of the borrowing using the effective interest method.

**(n) Reserves**

Nature and purpose of reserves:

-Asset revaluation reserve: The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.

-Long service leave reserve: The long service leave reserve is used to recognise the value of long service leave owed to the Union's officials. The reserve is calculated at approximately 3% of the membership revenue for the year. The Union is responsible for paying of their Officials long service leave based on the reserves available.

-Capital reserves: The capital reserve represents the cost of assets previously gifted to the Union by the Pilbara/Kimberley Committee.

**(o) Comparatives**

Where required, comparative figures have been adjusted to conform to changes in presentation for the current financial year.



**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 2: INFORMATION TO BE PROVIDED TO THE MEMBERS OR REGISTRAR**

In accordance with the requirements of Section 272(5) of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Sections 272(1) to Section 272(3) of the Act, which reads as, follows:

- (1) A member of the branch, or a Registrar, may apply to the branch for specified prescribed information in relation to the branch 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 branch.
- (3) The branch must comply with an application made under subsection (1).

**NOTE 3: FINANCIAL RISK MANAGEMENT**

The Union's activities expose it to a variety of financial risks: interest rate risk and liquidity risk. The Union's overall risk management program seeks to minimise potential adverse effects on the financial performance of the Union. The Union uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks, and aging analysis for credit risk.

The Union holds the following financial instruments:

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>		
Cash and cash equivalents	506,049	634,215
Trade and other receivables	68,079	52,790
	<b>574,128</b>	<b>687,005</b>
<b>Financial Liabilities</b>		
Trade and other payables	324,753	250,497
	<b>324,753</b>	<b>250,497</b>

**(a) Interest Rate Risk**

The Union's main interest rate risk arises from cash and cash equivalents, which are at variable rates and denominated in Australian dollars.

As at the year end, the Union had the following variable rate cash and cash equivalents:

AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2010

**NOTE 3: FINANCIAL RISK MANAGEMENT (Cont)**

	Weighted average interest rates	Floating interest rate	Fixed interest maturing within one year	Non- interest bearing	Total
<b>As at 30 June 2010</b>					
<b>(i) Financial assets</b>					
Cash	2.42%	327,341	123,268	55,440	506,049
Receivables		-	-	68,079	68,079
<b>Total financial assets</b>		<b>327,341</b>	<b>123,268</b>	<b>123,519</b>	<b>574,128</b>

	Weighted average interest rates	Floating interest rate	Fixed interest maturing within one year	Non- interest bearing	Total
<b>(ii) Financial liabilities</b>					
Payables		-	-	324,753	324,753
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>324,753</b>	<b>324,753</b>

	Weighted average interest rates	Floating interest rate	Fixed interest maturing within one year	Non- interest bearing	Total
<b>As at 30 June 2009</b>					
<b>(i) Financial assets</b>					
Cash	0.98%	514,296	-	119,919	634,215
Receivables		-	-	52,790	52,790
<b>Total financial assets</b>		<b>514,296</b>	<b>-</b>	<b>172,709</b>	<b>687,005</b>
<b>(ii) Financial liabilities</b>					
Payables		-	-	250,497	250,497
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>250,497</b>	<b>250,497</b>

An analysis by maturities is provided at (c) below.

**(b) Credit Risk**

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The credit quality of customers is assessed based on past experience, trading history, and other factors. Individual credit limits are set.

**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 3: FINANCIAL RISK MANAGEMENT (Cont)**

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised above.

**(c) Liquidity Risk**

Prudent liquidity risk management involves maintaining sufficient cash reserves. The Union manages liquidity risk by continuously monitoring forecast and actual cash flows. Surplus funds are generally only deposited in savings accounts with high interest rates.

**(d) Sensitivity Analysis**

The following table summarises the sensitivity of the Union's financial assets and financial liabilities to interest rate risk.

30 June 2010	Carrying Amount	Interest Rate Risk		Interest Rate Risk	
		+100 bps		-100bps	
		Profit	Equity	Profit	Equity
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash and cash equivalents	506,049	5,060	5,060	(5,060)	(5,060)
<b>Total increase/ (decrease)</b>		5,060	5,060	(5,060)	(5,060)

**(e) Capital Risk Management**

The Union's objectives when managing capital are to safeguard their ability to continue as a going concern, so they can continue to provide benefits to members and to maintain an optimal capital structure to reduce the cost of capital.

	2010 \$	2009 \$
Cash and cash equivalents	506,049	634,215
Total equity	932,869	1,024,322
Total Capital	(426,820)	(390,107)

**(f) Impaired Trade Receivables**

There were no impaired trade receivables for the Union in 2010 and 2009.

**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 3: FINANCIAL RISK MANAGEMENT (Cont)**

**(g) Past Due But Not Impaired**

As of 30 June 2010, trade receivables of \$8,803 (2009 - \$11,463) were past due but not impaired. These relate mainly to the National Office. The ageing analysis of these trade receivables is as follows:

	<b>2010</b>	<b>2009</b>
	\$	\$
0 to 12 months	0	1,373
Over 12 months	8,803	10,090
	-----	-----
	8,803	11,463
	=====	=====

The other classes of within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due.

**NOTE 4: REVENUE**

	<b>2010</b>	<b>2009</b>
	\$	\$
Continuing Operations		
Contributions	2,165,404	1,940,815
Rent received	116,516	156,801
Other income	21,742	25,605
Salary reimbursements	(18,415)	(1,454)
	-----	-----
	2,285,247	2,121,767
	=====	=====

**NOTE 5: SURPLUS/(DEFICIT) FROM CONTINUING OPERATIONS**

Profit from continuing operations has been determined after:

**Expenses**

Affiliation fees		
ALP	14,788	14,530
ShopRite	4,500	4,160
Trades & Labor Council	21,663	21,116
Campaign Levy	5,504	4,545
	-----	-----
Total Affiliation fees	46,455	44,351
	-----	-----
Depreciation		
Office Equipment	16,011	11,076
Motor Vehicles	50,887	44,486
Buildings	19,680	20,457
	-----	-----
Total Depreciation	86,578	76,019
	-----	-----

**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 5: SURPLUS/(DEFICIT) FROM CONTINUING OPERATIONS (Cont)**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Donations	3,818	13,484
Employee benefits (other than office holders)	807,047	418,674
Remuneration of Auditor		
Audit	20,870	20,000
Other Services	-	-
	-----	-----
	20,870	20,000
	-----	-----

**NOTE 6: CASH AND CASH EQUIVALENTS**

Cash on hand	231	231
Cash at bank	388,377	538,414
Cash at bank - LSL Officials	117,493	95,570
	-----	-----
	506,101	634,215
	=====	=====

**NOTE 7: TRADE AND OTHER RECEIVABLES**

**CURRENT**

Sundry debtors	68,079	52,790
Head Office Reimbursements	-	-
Prepayments	-	-
	-----	-----
	68,079	52,790
	=====	=====

**NOTE 8: PROPERTY, PLANT AND EQUIPMENT**

Land and Buildings		
At valuation 2005	865,000	865,000
Less: Accumulated depreciation	366,789	347,109
	-----	-----
	498,211	517,891
	-----	-----
Office Equipment		
At cost	210,040	172,410
Less: Accumulated depreciation	159,748	145,304
	-----	-----
	50,293	27,106
	-----	-----
Furniture & Fittings		
At cost	362,222	357,886
Less: Accumulated depreciation	346,571	345,003
	-----	-----
	15,651	12,883
	-----	-----

**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 8: PROPERTY, PLANT AND EQUIPMENT (Cont)**

	<b>2010</b>	<b>2009</b>
	\$	\$
Motor Vehicles		
At cost	463,018	306,530
Less: Accumulated depreciation	150,525	99,638
	-----	-----
	312,493	206,892
	-----	-----
Total Property, Plant and Equipment	876,648	764,772
	=====	=====

**Reconciliations**

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and the comparative financial year are set out below:

	<b>Carrying Amount at 1 July 2009</b>	<b>Additions</b>	<b>Disposals</b>	<b>Depreciation</b>	<b>Carrying Amount at 30 June 2010</b>
Land & Buildings	517,891	-	-	(19,680)	498,211
Office Equipment	27,106	37,631	-	(14,444)	50,293
Motor Vehicles	206,892	156,488	-	(50,886)	312,493
Furniture & Fittings	12,883	4,335	-	(1,568)	15,650
<b>TOTAL</b>	<b>764,772</b>	<b>198,454</b>	<b>-</b>	<b>(86,578)</b>	<b>876,647</b>

	<b>Carrying Amount at 1 July 2008</b>	<b>Additions</b>	<b>Disposals</b>	<b>Depreciation</b>	<b>Carrying Amount at 30 June 2009</b>
Land & Buildings	538,348	-	-	(20,457)	517,891
Office Equipment	15,890	20,871	-	(9,655)	27,106
Motor Vehicles	117,573	158,625	(24,819)	(44,487)	206,892
Furniture & Fittings	12,060	2,243	-	(1,420)	12,883
<b>TOTAL</b>	<b>683,871</b>	<b>181,739</b>	<b>(24,819)</b>	<b>(76,019)</b>	<b>764,772</b>

**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 9: TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Trade Creditors	184,663	108,131
Accrued Expenses	39,437	52,984
GST Liabilities	372	33,327
Accrued Annual Leave	100,281	56,055
	-----	-----
	324,753	250,497
	=====	=====
<b>NOTE 10: INCOME RECEIVED IN ADVANCE</b>		
Memberships received in advance	115,842	77,144
	-----	-----
	115,842	77,144
	=====	=====
<b>NOTE 11: PROVISIONS</b>		
<b>CURRENT</b>		
Provision for long service leave	65,405	30,166
	-----	-----
	65,405	30,166
	=====	=====
<b>NON-CURRENT</b>		
Provision for long service leave	11,907	69,648
	-----	-----
	11,907	69,648
	=====	=====
<b>NOTE 12: RESERVES</b>		
Asset Revaluation Reserve	237,146	237,146
	-----	-----
Capital Reserves	72,749	72,749
	-----	-----
Long Service Leave Reserves		
Beginning of year	27,519	260,815
Transfer from/(to) General Funds	(22,501)	(233,296)
	-----	-----
Balance at end of year	5,018	27,519
	-----	-----
Total Reserves	314,913	337,414
	=====	=====

The capital reserve represents the cost of assets previously gifted to the Union by the Pilbara/Kimberley Committee.

**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 13: CASH FLOW INFORMATION**

**(a) Reconciliation of Cash and Cash Equivalents**

Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	391	231
Cash at bank	505,658	633,984
	<u>506,049</u>	<u>634,215</u>

**(b) Reconciliation of profit to net cash inflow from operating activities.**

Surplus/(deficiency) for the year	(91,452)	116,437
Non-cash flows in operating profit		
Depreciation	86,578	76,019
(Profit)/loss on sale of plant and equipment	-	10,819
Changes in assets and liabilities		
(Increase)/decrease in debtors & prepayments	(15,289)	6,204
(Decrease)/increase in membership dues in advance	38,698	26,501
(Decrease)/increase in provision for employee benefits	(22,502)	(199,016)
(Decrease)/increase in trade creditors and accruals	74,256	(8,324)
(Decrease)/increase in borrowings	-	(895)
Net cash inflow from operations activities	<u>70,289</u>	<u>27,745</u>

**NOTE 14: CONTINGENT LIABILITIES**

During the period and as part of its ongoing operations the Union is pursuing legal action against a number of parties. The Branch Executive have assessed the potential exposure to liability as a result of these actions to be remote and has not provided for any liability amounts as a result of this assessment. The Union considers that providing any further details of these cases at this time may prejudice its position and as such no further details have been provided.

At balance date there are no further known contingent liabilities that would have a material effect on the presentation of the annual financial statements.



**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 15: RELATED PARTY TRANSACTIONS**

**(a) The Officers of the Branch Executive Committee during the year were:**

A. D. Hacking	Branch President
S. G. Baker	Branch Vice President
P. Asplin	Branch Assistant Secretary
C. King	Branch Vice President
S. Price	Branch Secretary
F. Van Maris	Committee Member
P. Hampton	Committee Member
C. Ramirez	Committee Member
W. Hope	Committee Member
M. Southall	Committee Member
J. Pascoe	Committee Member (elected July 2009)
R. Craddock	Committee Member
S. Devir	Committee Member (elected July 2009)
D. Cullen	Committee Member (elected July 2009)

Members of the Branch Executive Committee were in office from the beginning of the financial year until the date of this report, unless otherwise stated.

	<b>2010</b>	<b>2009</b>
	\$	\$
<b>(b) Remuneration of Officer Holders</b>		
Remuneration received or receivable by all officers of the Branch Executive:		
From the Union or any related party in connection with the management of the Union	165,743 =====	631,906 =====
<b>Transactions with Executive Members</b>		
Remuneration received or receivable by officers in respect of their attendances as representatives of the organisation at conferences or other meetings which is not included in the above remuneration	- =====	- =====

**AUSTRALIAN WORKERS UNION - WEST AUSTRALIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

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**NOTE 15: RELATED PARTY TRANSACTIONS (Cont)**

(c) The following transactions occurred with related parties:

	<b>2010</b>	<b>2009</b>
	\$	\$
Combined Head Office fees	320,848	286,562
	=====	=====

**NOTE 17 SEGMENT REPORTING**

The Union operates predominantly in one business and geographical segment, in its capacity to provide services to members of the Union throughout Western Australia.

**NOTE 18 GEOGRAPHICAL LOCATIONS**

The Union operates from Barrack Street, Perth in the state of Western Australia.

**NOTE 19 EMPLOYEE NUMBERS**

	<b>2010</b>	<b>2009</b>
	Numbers	Numbers
Number of employees at the end of the financial year	15	11

## AUDITORS' DISCLAIMER

### Disclaimer to the members of Australian Workers Union - West Australian Branch

The additional financial data presented in the following pages is in accordance with the books and records of the Australian Workers Union - West Australian Branch which have been subject to the auditing procedures applied in our statutory audit of the Union for the year ended 30 June 2010. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

In accordance with our Firm policy, we advise that neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any person in respect of such data, including any errors or omissions therein, arising through negligence or otherwise however caused.

**BDO Audit (WA) Pty Ltd**

*BDO Audit*



**Chris Burton**  
Director

Perth, Western Australia

Dated this 12<sup>th</sup> day of November 2010

**AUSTRALIAN WORKERS UNION  
WEST AUSTRALIAN BRANCH**

**DETAILED STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30 JUNE 2010**

	<b>2010</b>	<b>2009</b>
	\$	\$
<b>INCOME</b>		
Members' contributions	2,165,404	1,940,815
Other income	21,742	25,605
Rental income	116,516	156,801
Salary reimbursements	(18,415)	(1,454)
	-----	-----
<b>TOTAL INCOME</b>	<b>2,285,247</b>	<b>2,121,767</b>
	-----	-----
<b>EXPENDITURE</b>		
<u>GENERAL</u>		
Affiliation fees	40,950	39,806
Campaign levy	5,504	4,545
Donations	3,818	13,484
Head office maintenance fees	320,848	286,562
Legal costs	140,182	44,296
Sundry expenses	47,059	34,531
Death Benefit	10,400	-
	-----	-----
	568,761	423,224
	-----	-----
<u>STAFFING COSTS</u>		
Fringe benefits tax	19,728	14,279
Movement in leave provision	14,768	(212,976)
Payroll tax	25,140	22,289
Salaries	972,790	1,050,580
Superannuation	133,191	106,348
	-----	-----
	1,165,617	980,520
	-----	-----
<u>ORGANISING COSTS</u>		
Meeting expenses	1,295	4,944
Motor vehicle expenses	118,257	76,280
Traveling expenses	121,151	107,481
	-----	-----
	240,703	188,705
	-----	-----

**AUSTRALIAN WORKERS UNION (WEST AUSTRALIAN BRANCH)  
 DETAILED STATEMENT OF INCOME AND EXPENDITURE (CONTINUED)  
 FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
	\$	\$
<b><u>PROPERTY COSTS</u></b>		
Electricity	7,560	10,480
Leasing charges	-	-
Rates & taxes	640	3,432
Rent	44,492	19,792
Repairs & maintenance	2,856	23,022
Strata levy	21,484	21,755
	-----	-----
	77,032	78,481
	-----	-----
<b><u>OFFICE COSTS</u></b>		
Cleaning	1,697	4,020
Computer expenses	11,157	16,069
Hire of plant & equipment	8,846	11,085
Telephone	56,078	42,108
Office equipment repairs and maintenance	1,761	3,369
	-----	-----
	79,539	76,651
	-----	-----
<b><u>ADMINISTRATION</u></b>		
Accounting fees	16,365	22,406
Advertising	562	2,951
Audit fees	20,870	20,000
Bank charges	11,062	6,899
Depreciation	86,577	76,019
Employees' amenities	13,505	9,780
Insurance	17,827	36,946
Postage and couriers	10,932	11,627
Printing & stationery	38,643	36,485
Staff training & welfare	10,147	13,940
Storage fees	3,731	3,731
Subscriptions	2,212	7,942
Ticket printing	7,516	7,345
Sponsorship	5,100	1,678
	-----	-----
	245,049	257,749
	-----	-----
<b>TOTAL EXPENDITURE</b>	<b>2,376,701</b>	<b>2,005,330</b>
	=====	=====
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>(91,454)</b>	<b>116,437</b>
	=====	=====

# **The Australian Workers Union WA Branch**

## **Operating Report July 2009 – 2010**

### **Principal Activities and Changes**

The principal activities of the organizations continued to be those of a registered trade union working for the benefit of members through negotiating enterprise bargaining agreements, varying awards, representing members before industrial tribunals, training delegates in workplace organizing, recruitment and the public promotion of the interests of members.

During the 2009-010 there were a number of staff changes. Craig Beveridge (Organiser), Shaun Maddock (Kalgoorlie based Organiser), Mahmut Melkic (Hydro-carbons Organiser) Matt Dixon (Growth and Campaigns Organiser) and Stefan Banovich (Lawyer) commenced during the year.

The State Executive of the WA Branch were re-elected in July 2009 un-opposed.

### **RESULTS**

The deficit for the financial year was \$91,452.

### **FINANCIAL AFFAIRS**

The Branch financial position tightened during the last year due an increase in resources and the additional costs associated with this, continuation of the upgrade to the Branch IT system, redevelopment of the office and an increase in our industrial pursuits through the jurisdictions. The Branch has continued to provide for long service leave provision. Overall there was a decrease in this provision due to the pay of out a former employee.

### **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**

The ex-Branch Secretary (Tim Daly) is a Trustee of the Industry Superannuation Fund.

### **NUMBERS OF MEMBERS**

The number of persons in the register of members is 6132.

### **NUMBERS OF EMPLOYEES**

The Branch employed seventeen employees and one consultant during the year although a number of these employees did not work for the full financial year.

### **NAMES OF THE MEMBERS OF THE MANAGEMENT COMMITTEE:**

A Hacking – President

S G Baker – Vice President

C King – Vice President

S. J Price – Secretary

P. Asplin- Assistant Branch Secretary

F R Van Maris – Pinjarra Sub Branch (appointed October 2004)

W Hope – Pinjarra Sub Branch Member (appointed August 2007)

Martin Southall- Branch Committee of Management Member

C Ramirez – Branch Committee of Management Member (appointed August 2007)

Roy Craddock – Branch Committee of Management Member (appointed April 2008)  
P Hampton – Branch Committee of Management Member  
J.Pascoe- Branch Committee of Management Member (elected July 2009)  
S. Devir- Branch Committee of Management Member (elected July 2009)  
D. Cullen - Branch Committee of Management Member (elected July 2009)

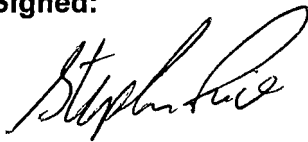
Members of the Committee of Management were members of the Committee of the duration of the financial year.

**OTHER INFORMATION**

The Branch has maintained its affiliation with both the ALP and Unions WA during the financial year.

**Signed:**

**Date: 12<sup>th</sup> November 2010**

A handwritten signature in black ink, appearing to read 'Stephen Price', written in a cursive style.

**Stephen Price**  
**Branch Secretary**

27 July 2010

Mr Stephen Price  
Secretary, West Australia Branch  
The Australian Workers' Union  
Level 4, 25 Barrack Street  
PERTH WA 6000



FAIR WORK  
AUSTRALIA



Dear Mr Price,

**Re: Lodgement of Financial Statements and Accounts – The Australian Workers' Union, West Australia Branch – for year ending 30 June 2010 (FR2010/2769)**

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

The documents you must lodge include:

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

I draw your particular attention to

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

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

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

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

Yours sincerely,

Stephen Kellett

Statutory Services Branch