



**Australian Government**

**Australian Industrial Registry**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994S, Melbourne, VIC 3001  
Telephone: (03) 8661 7985  
Fax: (03) 9654 6672

Mr Charles Donnelly  
General Secretary  
National Union of Workers  
PO Box 343  
NORTH MELBOURNE Vic 3051

Dear Mr Donnelly

**Financial Documents for years ended 30 June 2002 and 30 June 2003 - FR2004/237 and FR2004/238**

I refer to the financial documents of the National Union of Workers for financial years ended 30 June 2002 and 30 June 2003. The documents were lodged in the Australian Industrial Registry on 5 April 2004.

The documents have been filed. Such documents are available for public viewing at <http://www.e-airc.gov.au/080v>.

Although the documents are acceptable for filing, there is one issue arising out of the report that requires further attention.

**Donations**

Subsection 269(1) of the Workplace Relations Act 1996 (which applies to these reports) requires an organisation to lodge in the Registry as soon as practicable after each financial year a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year. The income and expenditure statement and statement of financial performance discloses \$12,118 of donations for financial year ended 30 June 2002 and \$3,223 of donations for financial year ended 30 June 2003.

Accordingly, would you please advise either that no particular donation exceeded \$1,000, or if any donation exceeded that amount, arrange lodgement in the Registry of a statement covering the particulars of any such donations as required by subsection 269(5).

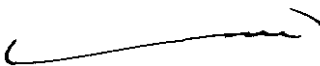
**New legislation - shorter reporting cycle**

Significantly changed financial reporting requirements will apply to the next financial reports of the organisation for year ending 30 June 2004. Such changes arise from the enactment of the Registration and Accountability of Organisations Schedule (Schedule 1B to the Workplace Relations Act 1996) on 12 May 2003. The Registry has produced a number of Fact Sheets in relation to the new requirements ([http://www.airc.gov.au/fact\\_sheets/factsheets.html](http://www.airc.gov.au/fact_sheets/factsheets.html)) and intends to provide further assistance to organisations in the second half of this year about those new requirements. Without going into detail at this stage, one issue immediately apparent in relation to the National Union of Workers National Office accounts, is that the new

requirements impose a much shorter reporting and disclosure cycle than was available under the former provisions of the Act. In other words, the practice of the Union in publishing its audited financial statements in the Union Journal up to 12 or 14 months after the end of the financial year (generally with appropriate extensions granted by the Registrar), is not contemplated under the new provisions. While I note that the year ended 30 June 2003 accounts have been lodged close to the conformable "nine-month limit" of the former provisions, even that nine-month limit is contracted by the new provisions.

Should you wish to discuss this letter I may be contacted on 03-8661 7788.

Yours sincerely



Andrew Schultz  
Statutory Services Branch  
Principal Registry

8 July 2004



**National Union of Workers**

2002: FR2004/237  
2003: FR2004/238

TK:RB

Our Ref: D15/04

Friday, 2 April 2004

Industrial Registrar  
Australian Industrial Relations Commission  
Nauru House  
80 Collins Street  
Melbourne VIC 3000



Attention: ~~Mark Elliot~~ 

Dear Registrar,

**Re: National Union of Workers National Office – Summary of Auditors Reports and Annual Accounts for the Years 2002 and 2003.**


Please find attached in accordance with s.280 of the *Workplace Relations Act 1996* copies of the Financial Report and Summary Financial Statements for the financial years ending 30 June 2002 and 30 June 2003.

Both the reports were presented for a meeting of the National Committee of Management for approval on 20 March 2003 and 18 March 2004 respectively.

Also attached is a certificate of the General Secretary that the documents lodged are copies of those presented to the National Committee of Management.

If you require further information or assistance please contact Assistant General Secretary Tim Kennedy.

Yours faithfully,

  
for **CHARLES DONNELLY**  
**GENERAL SECRETARY**

**NATIONAL OFFICE**

552 - 568 Victoria Street, North Melbourne, P.O. Box 343, North Melbourne, Victoria 3051  
Telephone: 03 9287 1850 Facsimile: 03 9287 1818 Email: nuwnat@nuw.org.au

ABN 19 834 341 836

**Workplace Relations Act 1996**

**S.280(1) Certificate**

I, Charles Donnelly, General Secretary of the National Union of Workers, hereby certify pursuant to sub-section 280(1) of the Workplace Relations Act 1996 that the documents attached are those presented to and endorsed by the meeting of the National Committee of Management of the NUW on 20 March 2003 and 18 March 2004 respectively.

DATED: Friday, 2 April 2004



**CHARLES DONNELLY**  
**GENERAL SECRETARY**

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2003**

**BRAMWELL GILES LEECHMAN & ASSOCIATES**  
**Chartered Accountants**  
**Suite One, G/F., 598 St Kilda Road, Melbourne VIC 3004**  
**PO Box 6094 ST KILDA ROAD CENTRAL VIC 8008**  
**Tel: (03) 9525 2511      Fax: (03) 9525 2829**  
**Email: [bgl@bglassociates.com.au](mailto:bgl@bglassociates.com.au)**

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

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**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2003**

	Notes	2003 \$	2002 \$
Revenue from ordinary activities	3	2,302,868	2,226,904
Administrative expenses		(267,006)	(155,104)
Advance to Tasmania Branch		(76,724)	(53,182)
Affiliation fees		(267,632)	(266,311)
Rental expenses		(67,078)	(70,193)
Conference and seminar expenses		(40,362)	(44,043)
Consulting fees		(11,465)	(127,924)
David Dispute settlement		-	(210,000)
Depreciation and amortisation expenses	6	(103,855)	(111,684)
Donations		(3,223)	(12,118)
Employee benefits expense	4	(1,046,390)	(970,320)
Insurance expenses		(33,010)	(27,952)
Legal and professional fees		(50,312)	(45,986)
Motor vehicles expenses		(36,835)	(36,213)
Printing and communication expenses		(97,690)	(128,543)
Travel expenses		(173,053)	(206,178)
Other expenses		<u>(5,405)</u>	<u>(14,344)</u>
<b>Surplus (Deficit) from ordinary activities</b>		<b><u>22,828</u></b>	<b><u>(253,191)</u></b>

The accompanying notes form part of these financial statements.

NATIONAL UNION OF WORKERS - NATIONAL OFFICE

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2003

	Notes	2003 \$	2002 \$
<b>CURRENT ASSETS</b>			
Cash assets	7	386,311	59,992
Receivables	8	933,394	900,445
Other financial assets	10	202,815	640,637
Other	9	<u>55,216</u>	<u>88,390</u>
<b>TOTAL CURRENT ASSETS</b>		<u><b>1,577,736</b></u>	<u><b>1,689,464</b></u>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	10	893,102	743,102
Property, plant and equipment	11	<u>1,633,771</u>	<u>1,653,652</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u><b>2,526,873</b></u>	<u><b>2,396,754</b></u>
<b>TOTAL ASSETS</b>		<u><b>4,104,609</b></u>	<u><b>4,086,218</b></u>
<b>CURRENT LIABILITIES</b>			
Payables	12	366,239	385,485
Provisions	13	<u>149,975</u>	<u>140,474</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u><b>516,214</b></u>	<u><b>525,959</b></u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	13	<u>100,529</u>	<u>95,221</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u><b>100,529</b></u>	<u><b>95,221</b></u>
<b>TOTAL LIABILITIES</b>		<u><b>616,743</b></u>	<u><b>621,180</b></u>
<b>NET ASSETS</b>		<u><b>3,487,866</b></u>	<u><b>3,465,038</b></u>
<b>MEMBERS FUND</b>			
Reserves	14	-	474,187
Accumulated surplus	15	<u>3,487,866</u>	<u>2,990,851</u>
<b>TOTAL MEMBERS FUND</b>		<u><b>3,487,866</b></u>	<u><b>3,465,038</b></u>

The accompanying notes form part of these financial statements.



**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2003**

	Notes	2003 \$	2002 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Sustentation fees received		2,135,287	2,113,856
Other income		371,317	128,746
Payments to suppliers and employees		(2,300,541)	(2,597,133)
Interest received		<u>16,159</u>	<u>30,372</u>
Net cash provided by/(used in) operating activities	19 (b)	<u>222,222</u>	<u>(324,159)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		123,688	-
Payment for property, plant and equipment		(207,413)	(66,337)
Payment for investments		<u>(150,000)</u>	<u>-</u>
Net cash used in investing activities		<u>(233,725)</u>	<u>(66,337)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Loan advanced to Newskills		<u>(100,000)</u>	<u>-</u>
Net cash used in financing activities		<u>(100,000)</u>	<u>-</u>
Net decrease in cash held		(111,503)	(390,496)
Cash at beginning of financial year		<u>700,629</u>	<u>1,091,125</u>
Cash at end of financial year	19 (a)	<u>589,126</u>	<u>700,629</u>

The accompanying notes form part of these financial statements.

## NATIONAL UNION OF WORKERS - NATIONAL OFFICE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial report is for the entity National Union of Workers - National Office as an individual entity. National Union of Workers - National Office is a registered trade union, established and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

#### **(a) Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

#### **(b) Property, Plant and Equipment**

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

##### *Property*

Freehold land and buildings are measured on the fair value basis being the amount which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

##### *Plant and equipment*

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Committee of Management 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.

##### *Depreciation*

The depreciable amount of all fixed assets including buildings and capitalised leased assets, are depreciated over their estimated useful lives to the entity commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(c) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduced the liability.

**(d) Investments**

Non-current investments are measured on the cost basis. The carrying amount of investments is reviewed annually by Committee of Management's to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for shares in listed companies or the underlying net assets for other non-listed corporations. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

**(e) Employee Benefits**

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

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

**(f) Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at banks including at call deposits with banks.

**(g) Revenue**

Sustentation fees are recognised as revenue when the right to the fees has been established

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

Other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of goods and services tax (GST).

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) 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 Taxation 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.

**(i) Comparative Figures**

Certain comparative figures have been adjusted to conform with changes in presentation for the current financial year

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

In accordance with the requirements of the Workplace Relations Act, 1996 the attention of members is drawn to the provisions of subsection (1), (2) and (3) of section 274, which read as follows:

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

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2003 \$	2002 \$
<b>NOTE 3: REVENUE</b>			
<b>Operating activities</b>			
- sustentation fees		1,990,528	1,943,545
- reimbursement from LUI for support services		83,153	138,591
- interest	3(a)	14,988	28,706
- other revenue		<u>90,511</u>	<u>116,062</u>
		<u>2,179,180</u>	<u>2,226,904</u>
<b>Non - operating activities</b>			
- proceeds of sale of property, plant and equipment		<u>123,688</u>	-
Total Revenue		<u>2,302,868</u>	<u>2,226,904</u>
 (a) Interest from:			
- other persons		14,988	28,706
 <b>NOTE 4: EMPLOYEES' EXPENSES</b>			
Holiday pay		8,336	3,954
Long service leave		12,600	24,251
Wages & Salaries- Officers		200,482	224,216
Wages & Salaries- Staff		692,573	594,404
Staff training and welfare		1,388	2,371
Superannuation		<u>131,011</u>	<u>121,124</u>
		<u>1,046,390</u>	<u>970,320</u>
 <b>NOTE 5: SUSTENTATION FEES</b>			
NUW - New South Wales		608,241	579,992
NUW - Queensland		189,992	176,179
NUW - South Australia		104,797	98,980
NUW - Victoria		1,059,975	1,060,032
NUW - Western Australia		<u>27,523</u>	<u>28,363</u>
		<u>1,990,528</u>	<u>1,943,546</u>

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2003 \$	2002 \$
<b>NOTE 6: SURPLUS (DEFICIT) FROM ORDINARY ACTIVITIES</b>			
Surplus (deficit) from ordinary activities has been determined after:			
(a) Expenses:			
Depreciation of non-current assets			
- Other capital assets		103,855	111,684
Bad and doubtful debts:			
- trade debtors		-	38,382
Remuneration of the auditors for:			
- audit services		5,850	5,150
- other services		2,950	2,950
Accounting fee		13,200	13,260
Conference expenses		40,362	37,998
Consulting fee		11,465	127,924
Legal fee		28,312	24,626
(b) Revenue and Net Gains			
Net gain on disposal of non-current assets			
- property, plant and equipment		6,334	-
(c) Significant Revenues and Expenses:			
David Dispute Settlement		-	210,000
<b>NOTE 7: CASH ASSETS</b>			
Cash on hand		500	500
Cash at bank		<u>385,811</u>	<u>59,492</u>
		<u>386,311</u>	<u>59,992</u>

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2003 \$	2002 \$
<b>NOTE 8: RECEIVABLES</b>			
CURRENT			
Trade debtors		611,216	338,622
Less provision for doubtful debts		<u>(42,220)</u>	<u>(41,470)</u>
		<u>568,996</u>	<u>297,152</u>
Other debtors		152,921	493,293
Amounts receivable from:			
- NUW - SA Branch		40,000	40,000
- Newskills Limited		<u>171,477</u>	<u>70,000</u>
		<u>364,398</u>	<u>603,293</u>
		<u>933,394</u>	<u>900,445</u>
<b>NOTE 9: OTHER ASSETS</b>			
CURRENT			
Prepayments		<u>55,216</u>	<u>88,390</u>
<b>NOTE 10: OTHER FINANCIAL ASSETS</b>			
CURRENT			
Long Service Leave Account		129,018	124,315
Short term deposit		22,297	464,822
Adelaide Bank - Floating Rate Capital Note		50,000	50,000
CBA Term Deposit		<u>1,500</u>	<u>1,500</u>
		<u>202,815</u>	<u>640,637</u>
NON-CURRENT			
Investments comprise of			
- Shares in Bell Assets Managements Pty Ltd		179,895	179,895
- Units in ACTU Member Connect		13,200	13,200
- Shares in Labour Union Insurance (Brokers) Pty Ltd		350,002	200,002
- Shares in ACN 090 706 942 Pty Ltd		150,000	150,000
- Shares in Labour Union Insurance Co-operative Retirement Fund Pty Ltd		2	2
- Shares in Labour Union Investment Pty Ltd		3	3
- Units in IPP Property Trust		75,250	75,250
- Shares in Industrial Printing and Publishing Pty Ltd		<u>124,750</u>	<u>124,750</u>
		<u>893,102</u>	<u>743,102</u>

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2003 \$	2002 \$
<b>NOTE 11: PROPERTY, PLANT AND EQUIPMENT</b>			
<b>LAND</b>			
Freehold land:			
At cost		<u>116,000</u>	<u>116,000</u>
<b>BUILDINGS</b>			
At cost		1,453,269	1,453,269
Less accumulated depreciation		<u>(320,435)</u>	<u>(297,316)</u>
		<u>1,132,834</u>	<u>1,155,953</u>
Total land and buildings		<u>1,248,834</u>	<u>1,271,953</u>
<b>PLANT AND EQUIPMENT</b>			
(a) Motor vehicles			
At cost		288,651	288,404
Less accumulated depreciation		<u>(60,042)</u>	<u>(80,507)</u>
		<u>228,609</u>	<u>207,897</u>
(b) Office equipment			
At cost		106,450	104,045
Less accumulated depreciation		<u>(77,784)</u>	<u>(74,204)</u>
		<u>28,666</u>	<u>29,841</u>
(c) Computer equipment			
At cost		193,414	183,863
Less accumulated depreciation		<u>(145,270)</u>	<u>(128,275)</u>
		<u>48,144</u>	<u>55,588</u>
(d) Furniture, fixtures and fittings			
At cost		285,143	285,143
Less accumulated depreciation		<u>(205,625)</u>	<u>(196,770)</u>
		<u>79,518</u>	<u>88,373</u>
Total plant and equipment		<u>384,937</u>	<u>381,699</u>
Total property, plant and equipment		<u>1,633,771</u>	<u>1,653,652</u>



NATIONAL UNION OF WORKERS - NATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 \$	2002 \$
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**NOTE 11: PROPERTY, PLANT AND EQUIPMENT (Continued)**

**(a) Movements in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Freehold land \$	Buildings \$	Motor vehicles \$	Office equipment \$
<b>2003</b>				
Balance at the beginning of the year	116,000	1,155,953	207,897	29,841
Additions	-	-	191,506	2,631
Disposals	-	-	(121,547)	(226)
Depreciation expense	-	(23,119)	(49,247)	(3,580)
Carrying amount at end of year	<u>116,000</u>	<u>1,132,834</u>	<u>228,609</u>	<u>28,666</u>
		Furniture, fixtures & fittings \$	Computer equipment \$	Total \$
<b>2003</b>				
Balance at the beginning of the year		88,373	55,588	1,653,652
Additions		-	13,276	207,413
Disposals		-	(1,666)	(123,439)
Depreciation expense		(8,855)	(19,054)	(103,855)
Carrying amount at the end of the year		<u>79,518</u>	<u>48,144</u>	<u>1,633,771</u>

**NOTE 12: PAYABLES**

**CURRENT**

Unsecured liabilities

Trade creditors	<b>300,143</b>	354,382
Sundry creditors and accruals	<b>15,768</b>	3,061
Net GST owed	<b>50,328</b>	28,042
	<u><b>366,239</b></u>	<u>385,485</u>

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2003 \$	2002 \$
<b>NOTE 13: PROVISIONS</b>			
<b>CURRENT</b>			
Employee benefits	(a)	<b>144,682</b>	135,181
Other		<u>5,293</u>	<u>5,293</u>
		<u><b>149,975</b></u>	<u>140,474</u>
<b>NON-CURRENT</b>			
Employee benefits	(a)	<u><b>100,529</b></u>	<u>95,221</u>
(a) Aggregate employee benefits liability		<u><b>245,211</b></u>	<u>230,402</u>
(b) Number of employees at year end		<u><b>16</b></u>	<u>16</u>
<b>NOTE 14: RESERVES</b>			
General reserve	(a)	<u>-</u>	<u>474,187</u>
(a) General reserve			
Movements during the financial year:			
Opening balance		474,187	474,187
Transfer to accumulated surplus		<u>(474,187)</u>	<u>-</u>
Closing balance		<u>-</u>	<u>474,187</u>
The general reserve was used in prior years to record amounts set aside of fund the future expansion of the union.			
<b>NOTE 15: ACCUMULATED SURPLUS</b>			
Accumulated surplus at the beginning of the financial year		<b>2,990,851</b>	3,244,042
Net surplus (deficit) attributable to members of the entity		<b>22,828</b>	(253,191)
Transfers from reserves		<u>474,187</u>	<u>-</u>
Accumulated surplus at the end of the financial year		<u><b>3,487,866</b></u>	<u>2,990,851</u>

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2003 \$	2002 \$
<b>NOTE 16: CAPITAL AND LEASING COMMITMENTS</b>			
(a) Operating lease commitments			
Non-cancellable operating leases contracted for but not capitalised in the financial statements:			
Payable			
- not later than one year		2,561	-
- later than one year and not later than five years		<u>8,323</u>	<u>-</u>
		<u><u>10,884</u></u>	<u><u>-</u></u>
General description of leasing arrangement:			
The lease is related to the rental of photocopier.			

**NOTE 17: RELATED PARTY TRANSACTIONS**

- (a) The members of the Committee of Management during the year are:
- Paul Stafford (resigned on 2 October 2003)
  - Greg Sword
  - Lloyd Freeburn (resigned on 11 September 2003)
  - Charlie Donnelly
  - Gail Burmeister
  - Dani Shanahan
  - Derrick Belan (appointed on 11 November 2003)
  - Doug Stevens (appointed on 11 November 2003)
  - Nick Thredgold
  - Darryl Strickland (resigned on 19 April 2003)
  - Martin Pritchard
  - Paul Richardson (resigned on 10 November 2003)
  - Marlene Wheatley
  - David Trenouth
  - Tim Kennedy (appointed on 11 November 2003)

(b) Pursuant to an agreement between National Union of Workers - National Office ("the union") and Newskills Limited "the company"), the union agreed to lend \$100,000 to the company. The loan was secured and the interest rate is 7% per annum. Mr. Greg Sword is one of the directors of the Company.

**NOTE 18: SEGMENT REPORTING**

The National Union of Workers - National Office operates in the area of industrial relations primarily within Australia.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2003 \$	2002 \$
<b>NOTE 19: CASH FLOW INFORMATION</b>			
(a) Reconciliation of cash			
Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Cash on hand		500	500
Cash at bank		385,811	59,492
Other short term facilities		<u>202,815</u>	<u>640,637</u>
		<u>589,126</u>	<u>700,629</u>
(b) Reconciliation of cash flow from operations with surplus from ordinary activities			
Surplus (deficit) from ordinary activities		22,828	(253,191)
Non-cash flows in surplus (deficit) from ordinary activities			
Depreciation		103,855	111,684
Provision for bad debts		-	38,382
Net (gain) / loss on disposal of property, plant and equipment		(252)	1,101
Changes in assets and liabilities			
(Increase)/decrease in receivables		66,301	(210,654)
(Increase)/decrease in other assets		33,174	(67,928)
Increase/(decrease) in payables		(18,493)	28,243
Increase in provisions		<u>14,809</u>	<u>28,204</u>
Cash flows from operations		<u>222,222</u>	<u>(324,159)</u>

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

**NOTE 20: FINANCIAL INSTRUMENTS**

**(a) Interest Rate Risk**

The entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Fixed Interest Rate Maturing					
			Floating Interest Rate		Within 1 Year		1 to 5 Years	
	2003 %	2002 %	2003 \$	2002 \$	2003 \$	2002 \$	2003 \$	2002 \$
Financial Assets:								
Cash	0.65	0.30	385,811	59,492	-	-	-	-
Receivables	7.00	-	-	-	100,000	-	-	-
Investments	3.48	3.40	<u>202,815</u>	<u>640,637</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Financial Assets			<u><u>588,626</u></u>	<u><u>700,129</u></u>	<u><u>100,000</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

**NOTE 20: FINANCIAL INSTRUMENTS (Continued)**

	<b>Fixed Interest Rate Maturing</b>		<b>Non-Interest Bearing</b>		<b>Total</b>	
	<b>Over 5 Years</b>					
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Financial Assets:						
Cash	-	-	500	500	386,311	59,992
Receivables	-	-	833,394	900,445	933,394	900,445
Investments	-	-	893,102	743,104	1,095,917	1,383,741
Total Financial Assets	<u>-</u>	<u>-</u>	<u>1,726,996</u>	<u>1,644,049</u>	<u>2,415,622</u>	<u>2,344,178</u>
Financial Liabilities:						
Trade and sundry creditors	-	-	366,239	385,485	366,239	385,485
Total Financial Liabilities	<u>-</u>	<u>-</u>	<u>366,239</u>	<u>385,485</u>	<u>366,239</u>	<u>385,485</u>

**(b) Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial report.

The entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the entity.

**(c) Net Fair Values**

For other assets and other liabilities the net fair value approximates their carrying value.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

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**NOTE 21: TRADE UNION DETAILS**

The principal place of business of the trade union is:

National Union of Workers - National Office

552 - 568 Victoria Street

North Melbourne Vic 3051

The principal activities of the trade union during the financial year were overseeing the overall management and development of the Union and providing support to the Branches in their role of looking after members' needs.

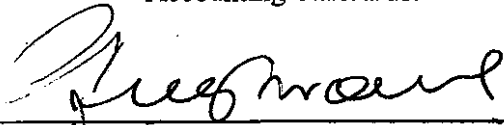
**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**ACCOUNTING OFFICER CERTIFICATE**

I, Gregory Brian Sword, being the officer responsible for keeping the accounting records of the National Union of Workers - National Office certify that as at 30 June 2003 the number of members of the Organisation was 90,000.

In my opinion:

- (a) the attached accounts show a true and fair view of the financial affairs of the National Union of Workers - National Office as at 30 June 2003 ;
- (b) a record has been kept of all moneys paid by, or collected from members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited in terms of the rules of National Union of Workers - National Office ;
- (c) before any expenditure was incurred, approval of the incurring of the expenditure was obtained in accordance with the rules of National Union of Workers - National Office ;
- (d) no payments was made out of any fund raised by compulsory levies or voluntary contributions from members or other funds other than the general fund operated in accordance with the rules, for purposes other than those for which the fund was operated ;
- (e) no loans or other financial benefits, other than approved remuneration in respect of their full time employment with National Union of Workers - National Office, were made to persons holding office in National Union of Workers - National Office ; and
- (f) the register of members of the National Union of Workers - National Office was maintained in accordance with the Act.
- (g) the attached accounts have been prepared in accordance with applicable Australian Accounting Standards.



Greg Sword

Dated: 18/3/04



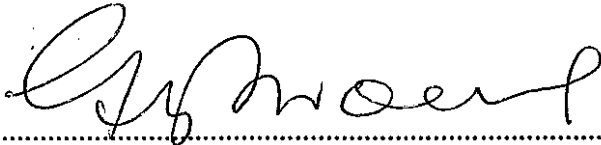
NATIONAL UNION OF WORKERS - NATIONAL OFFICE

STATUTORY STATEMENT

COMMITTEE OF MANAGEMENT'S CERTIFICATE  
FOR THE YEAR ENDED 30 JUNE 2003

We, Greg Sword and Doug Stevens, being two members of the Committee of Management of the National Union of Workers - National Office do state that on behalf of the Committee of Management and in accordance with a resolution passed by the Committee of management that:

- (a) in the opinion of the Committee of Management the attached accounts show a true and fair view of the financial affairs of National Union of Workers - National Office as at 30 June 2003 ;
- (b) in the opinion of the Committee of Management, meetings of the Committee of Management were held during the year ended 30 June 2003 in accordance with the rules of National Union of Workers - National Office ;
- (c) to the knowledge of any members of the Committee of Management, there have been no instances where records or other documents (not being documents containing information made available to a member under subsection 274 (2) of the Workplace Relations Act, 1996) or copies of those records or documents, or copies of the rules of the National Union of Workers - National Office, have not been furnished, or made available, to members in accordance with the Workplace Relations Act, 1996, the regulations or the rules of National Union of Workers - National Office ; and
- (d) National Union of Workers - National Office has not fully complied with Section 279(1) and 279(6) of the Workplace Relations Act, 1996 in that the financial accounts for the year ended 30 June 2002 were published and lodged outside the required timeframe.



.....  
Greg Sword



.....  
Doug Stevens

Dated this

18/3/04

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**Scope**

We have audited the financial report of National Union of Workers - National Office for the financial year ended 30 June 2003 comprising of Accounting Officer Certificate, Committee of Management Certificate, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements. The Committee of Management is responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and the Workplace Relations Act 1996 so as to present a view which is consistent with our understanding of the entity's financial position, the results of its operations and its cash flows.

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

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**Audit Opinion**

In our opinion,

- (a) satisfactory accounting records have been kept by the National Union of Workers - National Office, so far as appears from our examination of these books including:
  - (i) records of the sources and nature of the income of the National Union of Workers - National Office (including income from members); and
  - (ii) records of the nature and purposes of expenditure of National Union of Workers - National Office,
- (b) the accompanying accounts and statements prepared in accordance with section 273 of the Workplace Relations Act, 1996 are properly drawn up so as to fairly present :
  - (i) the financial affairs of the National Union of Workers - National Office as at 30 June 2003; and
  - (ii) the income and expenditure, and any surplus or deficit of the National Union of Workers - National Office for the year on that date; and
- (c) the accounts have been prepared in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements.

Where necessary we have obtained all information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

*Bramwell Giles Leechman & Associates*

Bramwell Giles Leechman & Associates  
Chartered Accountants  
Suite One, Ground Floor  
598 St Kilda Road  
Melbourne VIC 3004

*I. A. Hinds*

I. A. Hinds - A.C.A.  
Partner

18 March 2004  
Melbourne

**DISCLAIMER TO THE MEMBERS OF  
NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

The additional financial data presented on pages 23 - 24 is in accordance with the books and records of the entity which have been subjected to the auditing procedures applied in our statutory audit of the entity for the financial year ended 30 June 2003. 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 we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than National Union of Workers - National Office) in respect of such data, including any errors of omissions therein however caused.

*Bramwell Giles Leechman & Associates*

Bramwell Giles Leechman & Associates  
Chartered Accountants  
Suite One, Ground Floor  
598 St Kilda Road  
Melbourne VIC 3004

*I. A. Hinds*

I. A. Hinds - A.C.A.  
Partner

18 March 2004  
Melbourne

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**PRIVATE INFORMATION FOR THE COMMITTEE OF MANAGEMENT ON THE 2003  
FINANCIAL STATEMENTS**

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2003**

	2003 \$	2002 \$
<b>INCOME</b>		
Sustentation fee	1,990,528	1,943,545
Income from IPP	11,111	11,111
Delegates training	-	9,282
Virtual C - St. George Marketing	-	30,000
Interest	14,988	28,706
Insurance recoveries	-	3,846
Reimb. from LUI	83,153	138,591
Education	2,000	1,500
Other income	<u>83,734</u>	<u>60,323</u>
<b>TOTAL INCOME</b>	<u><b>2,185,514</b></u>	<u><b>2,226,904</b></u>
<b>LESS EXPENSES</b>		
Accounting fees	13,200	13,260
ACTU Worksite sponsorship	2,000	2,000
Advertising	1,017	874
Affiliation fee	267,632	266,311
Audit and accounting fees	8,800	8,100
Bad debts	-	38,382
Bank charges	1,555	2,048
Casual wages	4,848	1,433
Conference expenses	40,362	37,998
Computer expenses	3,055	-
Consultancy fees	11,465	127,924
Advance to Tasmania	76,724	53,182
Depreciation	103,855	111,684
Donations	3,223	12,118
David Dispute settlement	-	210,000
Entertainment expenses	15,733	11,301
Freight and cartage	146	272
Fringe benefits	38,736	23,015
Holiday pay	8,336	3,954
Insurance	33,010	27,952
Internet services	1,268	(2,213)
Legal costs	28,312	24,626
<b>Expenses carried forward</b>	<u><b>663,277</b></u>	<u><b>974,221</b></u>

These financial statements should be read in conjunction with the attached Disclaimer.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**PRIVATE INFORMATION FOR THE COMMITTEE OF MANAGEMENT ON THE 2003  
FINANCIAL STATEMENTS**

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2003**

	2003 \$	2002 \$
Expenses brought forward	663,277	974,221
Long service leave	12,600	24,251
Loss on disposal/revaluation of non current assets	6,082	-
Magazines, journals and periodicals	6,869	3,634
Motor vehicle expenses	36,835	36,213
NUW Journal	-	23,066
Payroll tax	52,836	50,297
Photographic expenses	213	244
Photocopy charges	24,212	13,755
Promotional material	(448)	2,006
Postage	7,818	14,088
Printing and stationery	11,376	20,019
Rent	67,078	70,193
Repairs and maintenance	2,021	861
Salaries and wages	893,054	818,620
Seminars expenses	-	6,045
Staff training and welfare	1,388	2,371
Subscriptions	14,789	16,095
Sundry expenses	5,405	14,344
Superannuation	131,011	121,124
Telephone	52,803	59,584
Theatre tickets	414	2,886
Travelling expenses	<u>173,053</u>	<u>206,178</u>
<b>TOTAL EXPENSES</b>	<u><b>2,162,686</b></u>	<u><b>2,480,095</b></u>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<u><b>22,828</b></u>	<u><b>(253,191)</b></u>

These financial statements should be read in conjunction with the attached Disclaimer.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**SUMMARY FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

**BRAMWELL GILES LEECHMAN & ASSOCIATES**

Chartered Accountants

Suite One, Ground Floor, 598 St Kilda Road, Melbourne VIC 3004

PO Box 6094 St Kilda Road Central VIC 8008

Phone: (03) 9525 2511 Fax: (03) 9525 2829

Email: [bgl@bglassociates.com.au](mailto:bgl@bglassociates.com.au)

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**SUMMARY FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

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Summary Statement of Financial Position (Balance Sheet)

Summary Statement of Cash Flows



**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**AUDITORS' CERTIFICATE  
FOR THE YEAR ENDED 30 JUNE 2003**

We certify that the attached summary is a fair and accurate summary of the Statement of Financial Performance (Statement of Income and Expenditure), Statement of Financial Position (Balance Sheet), Statement of Cash Flows and Notes to and Forming Part of the Accounts of the National Union Of Workers - National Office for the year ended 30 June 2003.

Our Auditors' Report dated 18 March 2004 on the Financial Statements did not contain particulars of any deficiency, failure or shortcoming as referred to in the Workplace Relations Act 1996.

*Bramwell Giles Leechman & Associates*

**Bramwell Giles Leechman & Associates  
Chartered Accountants**

*I. A. Hinds*

I. A. Hinds - A.C.A. - Partner

Melbourne

Dated: *18 March 2004*

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE  
SUMMARY OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2003**

The Financial Report of the National Union Of Workers - National Office has been audited in accordance with the provisions of the Workplace Relations Act, 1996 (the Act), and the following summary is provided for members in accordance with Section 279 (1) of the Act.

- (a) A copy of the Auditors' Report, Accounts and Statements will be supplied free of charge to members who request them ; and
  
- (b) Certificates required to be given under the Act by the Accounting Officer and the Committee of Management have been completed in accordance with the provisions of the Act and contain the following qualifications:
  - the union has not fully complied with Section 279(1) and 279(6) of the Workplace Relations Act, 1996 in that the financial accounts for the year ended 30 June 2002 were published and lodged outside the required timeframe.

In accordance with the requirements of the Act, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of Section 274 which reads as follows:

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

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE**

**SUMMARY INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2003**

	<b>2003</b>	<b>2002</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Sustentation fee	1,990,528	1,943,545
Interest	14,988	28,706
Other income	<u>179,998</u>	<u>254,653</u>
<b>TOTAL INCOME</b>	2,185,514	2,226,904
<b>TOTAL EXPENSES</b>	<u>2,162,686</u>	<u>2,480,095</u>
<b>OPERATING SURPLUS (DEFICIT)</b>	22,828	(253,191)
<b>ACCUMULATED SURPLUS AT BEGINNING OF THE FINANCIAL YEAR</b>	2,990,851	3,244,042
<b>Transfer from reserves</b>	<u>474,187</u>	<u>-</u>
<b>ACCUMULATED SURPLUS AT END OF THE FINANCIAL YEAR</b>	<u><u>3,487,866</u></u>	<u><u>2,990,851</u></u>

NATIONAL UNION OF WORKERS - NATIONAL OFFICE

SUMMARY STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2003

	Notes	2003 \$	2002 \$
<b>ASSETS</b>			
Current Assets		1,577,736	1,689,464
Non-current assets		<u>2,526,873</u>	<u>2,396,754</u>
<b>TOTAL ASSETS</b>		<u>4,104,609</u>	<u>4,086,218</u>
<b>LIABILITIES</b>			
Current Liabilities		516,214	525,959
Non-current liabilities		<u>100,529</u>	<u>95,221</u>
<b>TOTAL LIABILITIES</b>		<u>616,743</u>	<u>621,180</u>
<b>NET ASSETS</b>		<u>3,487,866</u>	<u>3,465,038</u>
 <b>MEMBERS FUNDS</b>			
Reserves		-	474,187
Accumulated surplus		<u>3,487,866</u>	<u>2,990,851</u>
<b>TOTAL MEMBERS FUNDS</b>		<u>3,487,866</u>	<u>3,465,038</u>

NATIONAL UNION OF WORKERS - NATIONAL OFFICE

SUMMARY STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2003

	2003 \$	2002 \$
Net cash used in operating activities	222,222	(324,159)
Net cash used in investing activities	(233,725)	(66,337)
Net cash used in financing activities	<u>(100,000)</u>	<u>-</u>
Net decrease in cash held	(111,503)	(390,496)
Cash at beginning of financial year	<u>700,629</u>	<u>1,091,125</u>
Cash at end of financial year	<u>589,126</u>	<u>700,629</u>