



Australian Government
Australian Industrial Registry

Level 36, 80 Collins Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0401
Email: melbourne@air.gov.au

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

Dear Mr Donnelly,

National Union of Workers – National Office
Financial Report for the Year Ended 30th June 2006 - FR2006/406
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

Thank you for the financial report of the National Office of the National Union of Workers for the year ended 30th June 2006. The documents were lodged in the Industrial Registry on 20th December 2006. Receipt is also acknowledged of a Statement of Loans, Grants and Donations that was lodged in the Registry on 9th February, 2007.

I apologise for the delay in responding.

The documents have been filed.

I make the following comments to assist you in preparing financial documents in the future. You do not need to take any further action in respect of the documents which have been lodged.

Additional Financial Data – Auditor’s Disclaimer

Three pages of additional financial data in the form of a detailed income and expenditure statement have been provided under cover of a disclaimer from BGL & Associates. The disclaimer states that the auditors do not express an opinion on such financial data and give no warranty of accuracy or reliability.

The additional financial data sets out many of the items of revenue and expense that are required to be disclosed by Guidelines 10 and 11 respectively of the Registrar’s Reporting Guidelines.

This approach is not consistent with the requirements of the RAO Schedule. Section 253 of the Schedule expressly requires each reporting unit to prepare a General Purpose Financial Report (GPFR), which is defined as including a profit and loss statement (s.253(2)(a)(i)). That GPFR must then be audited and the auditor must state whether, in his or her opinion, the GPFR is presented fairly in accordance with Australian Accounting Standards and the requirements of the RAO Schedule.

The Schedule does not allow for the provision of additional, unaudited financial data. The items that are disclosed in the detailed income and expenditure statement **must**, in future, be included in the GPFR which is audited.

A copy of this letter will be sent to your auditors for their information.

Secretary’s Certificate

Section 268(c) of the RAO Schedule requires the Secretary’s Certificate to state not only that the lodged documents are copies of those presented to a meeting but also that they are copies of documents that were *provided to members*. You are also requested to include the *date* upon which the documents were provided to members.

The lodged Secretary’s certificate omitted information about circulation of documents to members.

A sample Secretary's Certificate is enclosed for future reference.

Disclosure of Expenses

When preparing a GPFR, section 253(2) of the RAO Schedule requires a reporting unit to provide information that is specified in the Industrial Registrar's Reporting Guidelines. In particular, Guideline 11 sets out in detail those items of expense that must be disclosed by a reporting unit either in the notes to, or on the face of, a financial statement. Included are such items as:

- legal costs (11(j));
- fees and/or allowances paid for attendance at conferences (11(i));
- conference and meeting expenses (11(k));

Each of these items must be *separately* disclosed. It is therefore necessary to ensure, for instance, that any amounts that were paid as *fees and/or allowances for attendance at conferences* do not get bundled into other items, such as 'travel and accommodation'.

Similarly, while the additional, unaudited financial data discloses separate expenditure for 'legal costs' and for other professional services, the GPFR only discloses one composite figure for 'legal and professional fees'. This does not meet the requirements of Guideline 11(j) which requires separate disclosure of 'legal costs and other expenses related to litigation or other legal matters' in the GPFR.

Would you please ensure that items are disclosed in the GPFR in accordance with the Reporting Guidelines in the future.

Concise Report – Resolution of Committee of Management

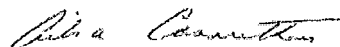
A concise report may only be circulated to members if, under the rules, the committee of management has passed a resolution to that effect (see section 265(2) of the RAO Schedule).

You are requested, when a concise report is to be circulated in the future, to include in that report a statement to the effect that it is being provided to members in accordance with a committee of management resolution and to include the date of that resolution. Such a statement could, for instance, appear in the Discussion and Analysis of the Financial Statements which appears as the first document of the Concise Report.

Please contact me by email at ailsa.carruthers@air.gov.au or by telephone on a Monday, Wednesday or Thursday on (03) 8661 7767 if you wish to discuss this letter.

A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/080Vfed>.

Yours sincerely,



Ailsa Carruthers
Statutory Services Branch

5th September, 2007

cc: I A Hinds
BGL & Associates
Suite 1, Ground Floor
598 St Kilda Road
MELBOURNE VIC 3004

Designated Officer's¹ Certificate

s268 of Schedule 1B Workplace Relations Act 1996

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

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

Signature

Date:

¹RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:

(a) the secretary; or

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

²Only applicable where a concise report is provided to members

³Insert whichever is applicable



National Union of Workers

FR 2006/406

TK:RB

Our Ref: L8/06

Monday, 18 December, 2006

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

Dear Registrar,

Re: National Union of Workers National Office Financial Reports for year ending 30 June 2006

Please find attached a copy of the National Union of Workers National Office financial reports for the year ending 30 June 2006.

The financial reports were presented to a meeting of the National Committee of Management for approval on 18 December 2006.

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

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

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Charles Donnelly', is written over a white background.

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.268(1) Certificate of Schedule 1B Workplace Relations Act 1996

I, Charles Donnelly, General Secretary of the National Union of Workers, hereby certify pursuant to S.268 of the RAO Schedule of the Workplace Relations Act 1996 that the documents attached are those presented and endorsed by the meeting of the National Committee of Management of the NUW on 18 November 2006.

DATED: Monday, 18 November, 2006

A handwritten signature in black ink, appearing to be 'C. Donnelly', written in a cursive style.

CHARLES DONNELLY
GENERAL SECRETARY

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

**B.G.L. & ASSOCIATES
Chartered Accountants
Suite One, Ground Floor, 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**

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

TABLE OF CONTENTS

Operating Report.....	1
Financial Report	
Income Statement	3
Balance Sheet	4
Statement of Changes in Equity	4
Cash Flow Statement	6
Notes to the Financial Statements	7 - 28
Committee of Management Certificate	29
Independent Audit Report	30

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

OPERATING REPORT

Your committee members present their report on the National Union of Workers - National Office and its controlled entities for the financial year ended 30 June 2006.

Members of Committee

The names of the members of National committee of management (NCOM) in office at any time during or since the end of the financial year are:

Charles Donnelly
Derrick Belan
Gail Burmeister
Martin Pakula
Tim Kennedy
Martin Pritchard
Mark Furner
Ron Herbert
Marissa Bernardi
Doug Stevens
Antony Thow
Nick Thredgold
Antonia Parkes
Marlene Wheatley

The members of the committee of management have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Results

The consolidated surplus of the economic entity for the financial year after providing for income tax amounted to \$690,475 (2005: \$73,892).

Review of Operations

A review of the operations of the economic entity during the financial year and the results of those operations found that during the year, the economic entity continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant Changes in State of Affairs

No significant changes in the state of affairs of the economic entity occurred during the financial year.

Principal Activities

The principal activities of the economic entity 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.

No significant change in the nature of these activities occurred during the year.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

OPERATING REPORT (Continued)

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

Union's detail

As at 30 June 2006, the union has 89,050 (2005: 95,500) members and 17 (2005: 18) employees.

Members Right

The rules of the union provide that Rule 59 - resignation from membership: that a member of the union may resign from the Union in accordance with the Rules. The Rules are in similar terms to s. 174 and meets the requirements of the Act.

Directorships of Superannuation Funds

Charles Donnelly and Martin Pakula are both non-beneficial shareholders and directors of Labour Union Insurance Co-operative Retirement Fund Pty Ltd (LUCRF)

The following NCOM members are directors of LUCRF:

Charles Donnelly

Tim Kennedy

Martin Pakula

Antony Thow

Signed in accordance with a resolution of the Committee of Management:



Charles Donnelly - Secretary

Dated this 23 OCT 2006

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

	Note	Economic Entity		Parent Entity	
		2006 \$	2005 \$	2006 \$	2005 \$
Revenue	4	<u>5,167,387</u>	<u>3,886,864</u>	<u>3,931,424</u>	<u>2,575,714</u>
Administrative expenses		(134,372)	(149,154)	(42,308)	(77,656)
Affiliation fees		(285,902)	(298,322)	(285,902)	(298,322)
Campaign expenses		(527,545)	(45,455)	(527,545)	(45,455)
Conference and seminar expenses		(29,986)	(34,192)	(29,986)	(34,192)
Consulting fee		(32,998)	(18,685)	-	-
Depreciation and amortisation		(138,412)	(142,891)	(81,173)	(86,131)
Donations		(33,000)	(12,740)	(33,000)	(12,740)
Employee benefit expenses	8	(2,431,881)	(2,319,222)	(1,611,223)	(1,429,414)
Finance costs		(12,919)	(19,133)	-	-
Insurance expenses		(104,005)	(70,359)	(47,236)	(25,133)
Legal and professional fees		(56,424)	(53,652)	(22,153)	(18,705)
Motor vehicles expenses		(58,654)	(63,265)	(34,354)	(33,137)
NUW Organising Fund		-	(50,837)	-	(50,837)
Occupancy expenses		(98,614)	(99,189)	(72,227)	(72,023)
Printing and communication expenses		(260,684)	(183,693)	(225,389)	(133,975)
SA Organising Fund		(54,500)	(50,000)	(54,500)	(50,000)
Travel and accommodation expenses		(178,691)	(186,034)	(170,906)	(175,234)
Other expenses		<u>(10,566)</u>	<u>(5,467)</u>	<u>(2,081)</u>	<u>(1,614)</u>
		<u>(4,449,153)</u>	<u>(3,802,290)</u>	<u>(3,239,983)</u>	<u>(2,544,568)</u>
Surplus before income tax		718,234	84,574	691,441	31,146
Income tax expense	9	<u>(27,759)</u>	<u>(10,682)</u>	-	-
Surplus attributable to members of the parent entity	5	<u>690,475</u>	<u>73,892</u>	<u>691,441</u>	<u>31,146</u>

The accompanying notes form part of these financial statements.

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

BALANCE SHEET
AS AT 30 JUNE 2006

	Note	Economic Entity		Parent Entity	
		2006 \$	2005 \$	2006 \$	2005 \$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	10	2,682,552	2,156,469	1,343,584	821,022
Trade and other receivables	11	<u>989,442</u>	<u>762,469</u>	<u>978,224</u>	<u>711,425</u>
TOTAL CURRENT ASSETS		<u>3,671,994</u>	<u>2,918,938</u>	<u>2,321,808</u>	<u>1,532,447</u>
NON-CURRENT ASSETS					
Financial assets	12	684,451	529,097	1,364,458	1,209,104
Property, plant and equipment	13	2,696,416	2,753,468	1,456,483	1,507,798
Intangible assets	14	<u>52,316</u>	<u>52,316</u>	-	-
TOTAL NON-CURRENT ASSETS		<u>3,433,183</u>	<u>3,334,881</u>	<u>2,820,941</u>	<u>2,716,902</u>
TOTAL ASSETS		<u>7,105,177</u>	<u>6,253,819</u>	<u>5,142,749</u>	<u>4,249,349</u>
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	15	492,231	429,352	398,669	349,659
Current tax liabilities	17	1,576	2,350	-	-
Short-term provisions	18	<u>718,261</u>	<u>561,643</u>	<u>595,206</u>	<u>448,063</u>
TOTAL CURRENT LIABILITIES		<u>1,212,068</u>	<u>993,345</u>	<u>993,875</u>	<u>797,722</u>
NON-CURRENT LIABILITIES					
Long-term borrowings	16	<u>184,278</u>	<u>247,924</u>	-	-
TOTAL NON-CURRENT LIABILITIES		<u>184,278</u>	<u>247,924</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>1,396,346</u>	<u>1,241,269</u>	<u>993,875</u>	<u>797,722</u>
NET ASSETS		<u>5,708,831</u>	<u>5,012,550</u>	<u>4,148,874</u>	<u>3,451,627</u>
EQUITY					
Reserves	19	10,766	4,960	5,806	-
Retained Surplus		<u>5,698,065</u>	<u>5,007,590</u>	<u>4,143,068</u>	<u>3,451,627</u>
TOTAL EQUITY		<u>5,708,831</u>	<u>5,012,550</u>	<u>4,148,874</u>	<u>3,451,627</u>

The accompanying notes form part of these financial statements.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
 ABN 19 834 341 836
 AND CONTROLLED ENTITIES**

**STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2006**

Economic Entity	Accumulated Surplus	Reserves	Total
	\$	\$	\$
Balance at 1 July 2004	4,933,698	4,960	4,938,658
Surplus for the year	<u>73,892</u>	<u>-</u>	<u>73,892</u>
Balance at 30 June 2005	<u>5,007,590</u>	<u>4,960</u>	<u>5,012,550</u>
Balance at 1 July 2005	5,007,590	4,960	5,012,550
Surplus for the year	690,475	-	690,475
Available for sale financial assets	<u>-</u>	<u>5,806</u>	<u>5,806</u>
Balance at 30 June 2006	<u><u>5,698,065</u></u>	<u><u>10,766</u></u>	<u><u>5,708,831</u></u>

Parent Entity	Accumulated Surplus	Reserves	Total
	\$	\$	\$
Balance at 1 July 2004	3,420,481	-	3,420,481
Surplus for the year	<u>31,146</u>	<u>-</u>	<u>31,146</u>
Balance at 30 June 2005	<u>3,451,627</u>	<u>-</u>	<u>3,451,627</u>
Balance at 1 July 2005	3,451,627	-	3,451,627
Surplus for the year	691,441	-	691,441
Available for sale financial assets	<u>-</u>	<u>5,806</u>	<u>5,806</u>
Balance at 30 June 2006	<u><u>4,143,068</u></u>	<u><u>5,806</u></u>	<u><u>4,148,874</u></u>

The accompanying notes form part of these financial statements.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	Economic Entity		Parent Entity	
		2006 \$	2005 \$	2006 \$	2005 \$
CASH FLOW FROM OPERATING ACTIVITIES					
Sustentation fee received		2,768,300	2,548,286	2,768,300	2,548,286
Other income		294,239	204,131	313,458	204,131
Campaign income		588,386	-	588,386	-
Commission received		1,294,856	1,012,029	-	-
Payments to suppliers and employees		(4,635,325)	(3,729,294)	(3,423,543)	(2,840,664)
Investment income received		151,967	64,500	151,967	64,500
Interest received		156,115	143,496	48,783	8,490
Finance costs		(12,919)	(19,133)	-	-
Income tax paid		(22,216)	(49,614)	-	-
Net cash inflow from operating activities	22(a)	<u>583,403</u>	<u>174,401</u>	<u>447,351</u>	<u>(15,257)</u>
CASH FLOW FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment		129,244	24,545	82,037	9,091
Proceeds from sale of investments		577,080	64,000	577,080	64,000
Money received from NUW Central Branch		100,000	-	100,000	-
Payment for property, plant and equipment		(254,555)	(22,588)	(138,463)	(14,873)
Payment for investments		(400,443)	-	(400,443)	-
Net cash (outflow) from investing activities		<u>151,326</u>	<u>65,957</u>	<u>220,211</u>	<u>58,218</u>
CASH FLOW FROM FINANCING ACTIVITIES					
Loan to Newskills Ltd		(145,000)	-	(145,000)	-
Loan repayment from NUW SA Branch		-	40,000	-	40,000
Repayments of bank loan		(63,646)	(62,995)	-	-
Net cash (outflow) financing activities		<u>(208,646)</u>	<u>(22,995)</u>	<u>(145,000)</u>	<u>40,000</u>
Net increase/(decrease) in cash and cash equivalents		526,083	217,363	522,562	82,961
Cash and cash equivalents at beginning of financial year		<u>2,156,469</u>	<u>1,939,106</u>	<u>821,022</u>	<u>738,061</u>
Cash and cash equivalents at end of financial year	10	<u><u>2,682,552</u></u>	<u><u>2,156,469</u></u>	<u><u>1,343,584</u></u>	<u><u>821,022</u></u>

The accompanying notes form part of these financial statements.

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 1: ENTITY INFORMATION

The financial report of the National Union of Workers - National Office for year ended 30 June 2006 was authorised for issue in accordance with the resolution of committee of management on 23rd October 2006.

The financial report covers the National Union of Workers - National Office as an individual parent entity and National Union of Workers - National Office and controlled entities as an economic entity. The National Union of Workers - National Office is a union registered under the Workplace Relation Act 1996, incorporated and domiciled in Australia. The principal activities of the economic entity 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.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report.

Basic 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, unless otherwise stated.

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRSs), Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

Application of AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards

These financial statements are the economic entity's first financial statements to be prepared in accordance with AIFRSs. AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these financial statements.

Financial statements of the economic entity until 30 June 2005 had been prepared in accordance with previous Australian Generally Accepted Accounting Principles (AGAAP). AGAAP differs in certain respects from AIFRS. When preparing the economic entity's financial statements, management has amended certain accounting and valuation methods applied in the AGAAP financial statements to comply with AIFRS. With the exception of financial instruments, the comparative figures in respect of 2005 were restated to reflect these adjustments. The economic entity has taken the exemption available under AASB 1 to only apply AASB 132 and AASB 139 from 1 July 2005.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the economic entity's accounting policies. In preparing the financial statements, no such estimates were made.

Statement of Compliance

The financial report complies with Australian Accounting Standards, which include AIFRS. A Statement of compliance with International Financial Reporting Standards cannot be made due to the entity applying the not for profit sector requirements contained in AIFRS.

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Policies

(a) Principles of Consolidations

A controlled entity is any entity controlled by National Union of Workers - National Office. Control exists where National Union of Workers - National Office has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with National Union of Workers - National Office to achieve the objectives of National Union of Workers - National Office. Details of the controlled entities are contained in Note 21.

All inter-entity balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where a controlled entity has entered or left the economic entity during the year its operating results have been included/excluded from the date control was obtained or until the date control ceased.

(b) Property, Plant and Equipment

Each class of property plant and equipment is carried at cost less any accumulated depreciation and impairment loss.

Depreciation

The depreciable amount of all fixed assets including capitalised leased assets are depreciated over their estimated useful lives to the economic entity commencing from the time the asset is held ready for use.

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

Class of fixed asset	Depreciation rates/useful lives	Depreciation basis
Buildings	2.5 %	Diminishing Value
Motor Vehicles	18.75 %	Diminishing Value
Office Equipment	10 - 37.5 %	Diminishing Value
Furniture Fixtures and Fittings	10 - 11.25 %	Diminishing Value
Computer Equipment	10 - 50 %	Diminishing Value

The assets' residual values and useful lives are reviewed, adjusted if appropriate, at each balance sheet date. Gains or losses on disposals on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If such an indication exists and where carrying values exceed the recoverable amount, the asset is written down to the recoverable amount. Recoverable amount is the greater of fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(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 economic 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 economic 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

(d) Income Tax

The income tax expenses or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements, and unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax assets or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(e) Employee Benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Investment and Other Financial Assets

From 1 July 2004 to 30 June 2005

The economic entity has taken the exemption available under AASB 1 to apply AASB 132 and AASB 139 only from 1 July 2005 and has applied previous AGAAP to the comparative information on financial instruments within the scope of AASB 132 and AASB 139.

Adjustments on transition date: 1 July 2005

The economic entity does not hold any financial assets measured at fair value under AGAAP, and therefore no adjustments are required on transition to AIFRS.

From 1 July 2005

The economic entity classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date. The economic entity does not hold any investments in the following categories: financial assets at fair value through profit or loss, loans and receivables and held-to-maturity investments.

Controlled entities

Investments in controlled entities are measured at cost.

Other investments

Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date - the date on which the economic entity commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the economic entity has transferred substantially all the risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the economic entity establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The economic entity assesses at each balance date whether there is objective evidence that a financial asset is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the economic entity is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the economic entity for similar financial instruments.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at call deposits with banks or financial institutions, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance dates.

(h) Intangibles

Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(i) Trade and other payables

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and that it can be reliably measured. Revenue is recognised for the major business activities as follows:

Sustentation Fee

Sustentation fee is recognised when the right to receive the fees has been established.

Interest

Interest revenue is recognised as interest accrues, taking into account the yield on the financial assets.

Investment revenue

Investment revenue is recognised in the period in which it is earned.

Commission revenue

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

Sale of Non-current assets

The net gain (loss) of non-current asset sales are included as revenue (expenses) at the date control passes to the buyer, usually when an unconditional contract of sale is signed. The net gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal

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

Other revenue

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).

(k) 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.

(l) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 3: 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 sections 272, which read as follows:

(1) a member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) the application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) a reporting unit must comply with an application made under subsection (1).

NOTE 4: REVENUE

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
From continuing activities				
- management fee	44,250	-	104,954	-
- interest 4(a)	170,423	143,496	63,092	15,490
- profit on sales of investments	326,185	-	326,185	-
- sustentation fees 7	2,516,143	2,376,162	2,516,143	2,376,162
- commission received	1,166,512	1,117,044	-	-
- campaign income	536,715	-	536,715	-
- director fees	215,849	118,920	215,849	118,920
- investment income	151,967	64,500	151,967	64,500
- other revenue	39,343	66,742	16,519	642
	<u>5,167,387</u>	<u>3,886,864</u>	<u>3,931,424</u>	<u>2,575,714</u>
(a) Interest from:				
- other persons	<u>170,423</u>	<u>143,496</u>	<u>63,092</u>	<u>15,490</u>

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 5: SURPLUS FOR THE YEAR

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
Surplus for the year included the following specific items				
(a) Expenses				
Finance costs - external parties	12,919	19,133	-	-
Depreciation of property, plant and equipment	138,412	142,891	81,173	86,131
Conference expenses	25,942	31,470	25,942	31,470
Legal fee	8,045	1,684	6,053	1,684
Net loss on disposal of non-current assets				
- Property, plant and equipment	17,383	13,463	-	6,960
(b) Revenue and Net Gains				
Net gain on disposal of non-current assets				
- property, plant and equipment	7,298	-	7,186	-
- investments	326,185	-	326,185	-

NOTE 6: AUDITORS REMUNERATION

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
Remuneration of the auditor of the parent entity for:				
- auditing or reviewing the financial report	8,900	8,600	8,900	8,600
- other services	2,450	2,500	2,450	2,500
	<u>11,350</u>	<u>11,100</u>	<u>11,350</u>	<u>11,100</u>
Remuneration of other auditors of subsidiaries for:				
- auditing or reviewing the financial report	20,500	19,400	-	-
- other services	10,229	5,918	-	-
	<u>30,729</u>	<u>25,318</u>	<u>-</u>	<u>-</u>

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 7: SUSTENTATION FEES

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
New South Wales	726,156	700,580	726,156	700,580
South Australia	131,303	112,886	131,303	112,886
Queensland	241,055	211,284	241,055	211,284
Victorian	1,381,846	1,317,136	1,381,846	1,317,136
Western Australia	35,783	34,276	35,783	34,276
	<u>2,516,143</u>	<u>2,376,162</u>	<u>2,516,143</u>	<u>2,376,162</u>

NOTE 8: EMPLOYEE BENEFIT EXPENSES

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
Holiday pay - staff	(253)	6,968	(606)	8,365
Holiday pay - holders of office	56,980	16,543	56,980	16,543
Long service leave - staff	31,802	18,024	22,959	25,071
Long service leave - holders of office	60,423	11,242	60,143	11,242
Staff training and welfare	14,516	22,769	1,031	7,436
Salaries and wages - staff	1,399,405	1,437,406	739,681	714,755
Salaries and wages - holders of office	415,056	324,834	415,056	324,834
Superannuation - staff	211,291	227,231	115,169	112,986
Superannuation - holders of office	67,544	50,989	67,544	50,989
Payroll tax	69,508	90,099	57,205	73,624
Fringe benefits tax	105,609	113,117	76,061	83,569
	<u>2,431,881</u>	<u>2,319,222</u>	<u>1,611,223</u>	<u>1,429,414</u>

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 9: INCOME TAX EXPENSE

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
a. The components of tax expenses comprise:				
Current tax	23,492	21,602	-	-
Recoupment of prior year tax losses	-	(10,920)	-	-
Under/(over) provision in respect of prior years	<u>4,267</u>	-	<u>-</u>	<u>-</u>
	<u><u>27,759</u></u>	<u><u>10,682</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
b. The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:				
Prima facie income tax payable on profit from ordinary activities before income tax at 30.0% (2005 - 30.0%)	215,470	25,372	207,433	9,344
Add:				
Tax effect of:				
–other non-allowable items	15,465	-	-	-
Under provision for income tax in prior year	<u>4,267</u>	-	<u>-</u>	<u>-</u>
	<u>235,202</u>	25,372	<u>207,433</u>	9,344
Less:				
Tax effect of:				
–non-taxable income	(207,443)	(9,344)	(207,433)	(9,344)
–other non-assessable items	<u>-</u>	<u>(5,346)</u>	<u>-</u>	<u>-</u>
Income tax expense attributable to profit from ordinary activities	<u><u>27,759</u></u>	<u><u>10,682</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
The applicable weighted average effective tax rates are as follows:	3.9%	12.6%	-	-

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

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 10: CASH AND CASH EQUIVALENTS

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
Cash on hand	622	622	500	500
Cash at bank	<u>2,681,930</u>	<u>2,155,847</u>	<u>1,343,084</u>	<u>820,522</u>
	<u>2,682,552</u>	<u>2,156,469</u>	<u>1,343,584</u>	<u>821,022</u>

(a) Cash on hand - this is non-interest bearing

(b) Cash at bank - these bear floating interest rates of between 0% and 5.75% (2005: 1.45% and 5.5%)

(c) The above figures are reconciled to cash at the end of the financial year as shown in the cash flow statement.

NOTE 11: TRADE AND OTHER RECEIVABLE

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
CURRENT				
Branches				
NUW Central Branch	58,665	46,570	58,665	46,570
NUW NSW Branch	186,278	213,825	186,278	213,825
NUW Queensland Branch	40,177	19,503	40,177	19,503
NUW SA Branch	74,768	32,492	74,768	32,492
NUW Victorian Branch	175,720	149,420	175,720	149,420
NUW WA Branch	<u>10,456</u>	<u>18,685</u>	<u>10,456</u>	<u>18,685</u>
	546,064	480,495	546,064	480,495
Less provision for doubtful debts	<u>(42,220)</u>	<u>(42,220)</u>	<u>(42,220)</u>	<u>(42,220)</u>
	<u>503,844</u>	<u>438,275</u>	<u>503,844</u>	<u>438,275</u>
Other				
Other debtors	95,728	116,885	89,093	76,741
Income tax refund	4,583	10,900	-	-
Prepayments	40,502	10,932	40,502	10,932
Loan - Newskills Limited	<u>344,785</u>	<u>185,477</u>	<u>344,785</u>	<u>185,477</u>
	<u>485,598</u>	<u>324,194</u>	<u>474,380</u>	<u>273,150</u>
TOTAL	<u>989,442</u>	<u>762,469</u>	<u>978,224</u>	<u>711,425</u>

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 12: FINANCIAL ASSETS

		Economic Entity		Parent Entity	
		2006	2005	2006	2005
		\$	\$	\$	\$
NON-CURRENT					
Listed securities					
- at fair value	12(a)	456,249	-	456,249	-
- at cost		<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
		456,249	50,000	456,249	50,000
Unlisted investments					
- shares in other related parties	12(b)	139,752	319,647	139,752	319,647
- shares in controlled companies		-	-	680,007	680,007
- units in unit trusts		<u>88,450</u>	<u>159,450</u>	<u>88,450</u>	<u>159,450</u>
		684,451	529,097	1,364,458	1,209,104
(a) Movements in fair value					
At beginning of year		-	-	-	-
Addition		450,443	-	450,443	-
Revaluation		<u>5,806</u>	-	<u>5,806</u>	-
At end of year		456,249	-	456,249	-

(b) The fair value of unlisted available-for-sale financial assets cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. As a result, all unlisted investments are reflected at cost.

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 13: PROPERTY, PLANT AND EQUIPMENT	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
LAND				
Freehold land:				
At cost	<u>476,000</u>	<u>476,000</u>	<u>116,000</u>	<u>116,000</u>
BUILDINGS				
At cost	2,264,513	2,264,513	1,453,269	1,453,269
Less accumulated depreciation	<u>(478,229)</u>	<u>(436,188)</u>	<u>(387,055)</u>	<u>(365,295)</u>
	<u>1,786,284</u>	<u>1,828,325</u>	<u>1,066,214</u>	<u>1,087,974</u>
Total property	<u>2,262,284</u>	<u>2,304,325</u>	<u>1,182,214</u>	<u>1,203,974</u>
PLANT AND EQUIPMENT				
Motor vehicles				
At cost	365,749	446,054	223,417	275,857
Less accumulated depreciation	<u>(111,851)</u>	<u>(187,308)</u>	<u>(59,900)</u>	<u>(96,708)</u>
	<u>253,898</u>	<u>258,746</u>	<u>163,517</u>	<u>179,149</u>
Office equipment				
At cost	119,501	117,002	115,781	113,282
Less accumulated depreciation	<u>(88,721)</u>	<u>(84,445)</u>	<u>(88,721)</u>	<u>(84,445)</u>
	<u>30,780</u>	<u>32,557</u>	<u>27,060</u>	<u>28,837</u>
Computer equipment				
At cost	206,258	200,264	191,292	185,298
Less accumulated depreciation	<u>(178,648)</u>	<u>(163,604)</u>	<u>(167,392)</u>	<u>(155,938)</u>
	<u>27,610</u>	<u>36,660</u>	<u>23,900</u>	<u>29,360</u>
Furniture, fixtures and fittings				
At cost	494,830	505,077	287,507	287,507
Less accumulated depreciation	<u>(372,986)</u>	<u>(383,897)</u>	<u>(227,715)</u>	<u>(221,029)</u>
	<u>121,844</u>	<u>121,180</u>	<u>59,792</u>	<u>66,478</u>
Total plant and equipment	<u>434,132</u>	<u>449,143</u>	<u>274,269</u>	<u>303,824</u>
Total property, plant and equipment	<u>2,696,416</u>	<u>2,753,468</u>	<u>1,456,483</u>	<u>1,507,798</u>

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 13: 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 year.

	Freehold land		Buildings	
	Economic Entity	Parent Entity	Economic Entity	Parent Entity
	\$	\$	\$	\$
2005				
Balance at the beginning of the year	476,000	116,000	1,870,809	1,110,177
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	-	-	(42,484)	(22,203)
Carrying amount at the end of the year	<u>476,000</u>	<u>116,000</u>	<u>1,828,325</u>	<u>1,087,974</u>

	Motor vehicles		Office equipment	
	Economic Entity	Parent Entity	Economic Entity	Parent Entity
	\$	\$	\$	\$
2005				
Balance at the beginning of the year	357,189	236,602	28,892	25,172
Additions	222,809	-	6,832	6,832
Disposals	(38,009)	(16,051)	-	-
Depreciation expense	(60,434)	(41,402)	(3,167)	(3,167)
Carrying amount at the end of the year	<u>258,746</u>	<u>179,149</u>	<u>32,557</u>	<u>28,837</u>

	Furniture, fixtures & fittings		Computer equipment	
	Economic Entity	Parent Entity	Economic Entity	Parent Entity
	\$	\$	\$	\$
2005				
Balance at the beginning of the year	139,865	73,012	39,025	34,144
Additions	4,981	863	10,775	7,178
Disposals	(863)	-	-	-
Depreciation expense	(23,666)	(7,397)	(15,044)	(1,962)
Carrying amount at the end of the year	<u>121,180</u>	<u>66,478</u>	<u>36,660</u>	<u>29,360</u>

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 13: PROPERTY, PLANT AND EQUIPMENT (Continued)

	Total			
	Economic	Parent Entity		
	Entity	Parent Entity		
	\$	\$		
2005				
Balance at the beginning of the year	2,911,780	1,595,107		
Additions	22,588	14,873		
Disposals	(38,009)	(16,051)		
Depreciation expense	<u>(142,891)</u>	<u>(86,131)</u>		
Carrying amount at the end of the year	<u>2,753,468</u>	<u>1,507,798</u>		
	Freehold land		Buildings	
	Economic	Parent Entity	Economic	Parent Entity
	Entity	Parent Entity	Entity	Parent Entity
	\$	\$	\$	\$
2006				
Balance at the beginning of the year	476,000	116,000	1,828,325	1,087,974
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	<u>-</u>	<u>-</u>	<u>(42,041)</u>	<u>(21,760)</u>
Carrying amount at the end of the year	<u>476,000</u>	<u>116,000</u>	<u>1,786,284</u>	<u>1,066,214</u>
	Motor vehicles		Office equipment	
	Economic	Parent Entity	Economic	Parent Entity
	Entity	Parent Entity	Entity	Parent Entity
	\$	\$	\$	\$
2006				
Balance at the beginning of the year	258,746	179,149	32,557	28,837
Additions	222,809	129,970	2,499	2,499
Disposals	(172,331)	(108,605)	-	-
Depreciation expense	<u>(55,326)</u>	<u>(36,997)</u>	<u>(4,276)</u>	<u>(4,276)</u>
Carrying amount at the end of the year	<u>253,898</u>	<u>163,517</u>	<u>30,780</u>	<u>27,060</u>

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 13: PROPERTY, PLANT AND EQUIPMENT (Continued)

	Furniture, fixtures & fittings		Computer equipment	
	Economic Entity	Parent Entity	Economic Entity	Parent Entity
	\$	\$	\$	\$
2006				
Balance at the beginning of the year	121,180	66,478	36,660	29,360
Additions	23,252	-	5,994	5,994
Disposals	(863)	-	-	-
Depreciation expense	<u>(21,725)</u>	<u>(6,686)</u>	<u>(15,044)</u>	<u>(11,454)</u>
Carrying amount at the end of the year	<u>121,844</u>	<u>59,792</u>	<u>27,610</u>	<u>23,900</u>

	Total	
	Economic Entity	Parent Entity
	\$	\$
2006		
Balance at the beginning of the year	2,753,468	1,507,798
Additions	254,554	138,463
Disposals	(173,194)	(108,605)
Depreciation expense	<u>(138,412)</u>	<u>(81,173)</u>
Carrying amount at the end of the year	<u>2,696,416</u>	<u>1,456,483</u>

NOTE 14: INTANGIBLE ASSETS

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
Goodwill on consolidation at cost	<u>52,316</u>	<u>52,316</u>	<u>-</u>	<u>-</u>

NOTE 15: TRADE AND OTHER PAYABLES

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
CURRENT				
Trade payables	314,905	354,424	221,343	274,731
NUW Queensland Branch	20,000	20,000	20,000	20,000
NUW Victorian Branch	57,326	54,928	57,326	54,928
Money held in trust for NUW Central Branch	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
	<u>492,231</u>	<u>429,352</u>	<u>398,669</u>	<u>349,659</u>

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
 ABN 19 834 341 836
 AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 16: BORROWINGS

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
NON-CURRENT				
Secured liabilities				
Bank loans	<u>184,278</u>	<u>247,924</u>	<u>-</u>	<u>-</u>

NOTE 17: TAX LIABILITIES

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
CURRENT				
Income tax	<u>1,576</u>	<u>2,350</u>	<u>-</u>	<u>-</u>

NOTE 18: PROVISIONS

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
CURRENT				
Employee benefits - staff	534,117	409,645	429,070	215,176
Employee benefits - officers	<u>184,144</u>	<u>151,998</u>	<u>166,136</u>	<u>232,887</u>
	<u>718,261</u>	<u>561,643</u>	<u>595,206</u>	<u>448,063</u>

NOTE 19: RESERVES

		Economic Entity		Parent Entity	
		2006	2005	2006	2005
		\$	\$	\$	\$
Available-for-sale investments revaluation reserve	(a)	5,806	-	5,806	-
Capital profits reserve	(b)	<u>4,960</u>	<u>4,960</u>	<u>-</u>	<u>-</u>
		<u>10,766</u>	<u>4,960</u>	<u>5,806</u>	<u>-</u>

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 19: RESERVES (Continued)

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
(a) Available-for-sale investments revaluation reserve				
Movements during the financial year:				
Opening balance	-	-	-	-
Revaluation for the year	<u>5,806</u>	<u>-</u>	<u>5,806</u>	<u>-</u>
Closing balance	<u><u>5,806</u></u>	<u><u>-</u></u>	<u><u>5,806</u></u>	<u><u>-</u></u>

Changes in the fair value arising on translation of investments, such as equities, classified as available-for-sale financial assets, are taken to the available-for-sale investment revaluation reserve, as described as note 2. Amounts are recognised in income statement when the associated assets are sold or impaired.

(b) Capital profits reserve

The capital profits reserve records non-taxable profits on sale of capital assets.

NOTE 20: CAPITAL AND LEASING COMMITMENTS

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
(a) Operating lease commitments				
Non-cancellable operating leases contracted for but not capitalised in the financial statements:				
Payable				
- not later than one year	3,201	2,561	3,201	2,561
- later than one year and not later than five years	<u>-</u>	<u>3,201</u>	<u>-</u>	<u>3,201</u>
	<u><u>3,201</u></u>	<u><u>5,762</u></u>	<u><u>3,201</u></u>	<u><u>5,762</u></u>

The lease is related to the rental of photocopier.

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 21: CONTROLLED ENTITIES

Subsidiary: Labour Union Investment Services Limited
Country of incorporation: Australia
Percentage owned: 100% (2005 - 100%)

Subsidiary: Labour Union Insurance (Brokers) Pty Ltd
Country of incorporation: Australia
Percentage owned: 100% (2005 - 100%)

Subsidiary: Australian Risk Insurance Services Pty Ltd
Country of incorporation: Australia
Percentage owned: 100% (2005 - 100%)

NOTE 22: CASH FLOW INFORMATION

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
(a) Reconciliation of cash flow from operations with surplus after income tax				
Surplus after income tax	690,475	73,892	691,441	31,146
Non-cash flows in profit				
Depreciation	138,412	142,891	81,173	86,131
Net (gain) / loss on disposal of property, plant and equipment	10,197	13,463	(7,186)	6,960
Net (gain) / loss on disposal of investments	(326,185)	-	(326,185)	-
Changes in assets and liabilities				
(Increase)/decrease in receivables	(51,161)	74,374	(84,668)	(67,591)
Decrease in payables	(40,496)	(175,097)	(54,367)	(164,157)
Increase/(decrease) in income tax payable	5,543	(38,932)	-	-
Increase in provisions	<u>156,618</u>	<u>83,810</u>	<u>147,143</u>	<u>92,254</u>
Cash flows from operations	<u>583,403</u>	<u>174,401</u>	<u>447,351</u>	<u>(15,257)</u>

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 23: FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The economic entity's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The financial instruments of the economic entity consist mainly of deposits with banks, short term investments, accounts receivable and payable. NCOM meets on a regular basis to analyse interest rate exposure and to evaluate strategies in the context of the most recent economic conditions and forecasts.

Market Risk

Market risk for the economic entity is mainly a price risk. Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The economic entity is exposed to equity securities price risk. This arises from investments held by the economic entity and classified on the balance sheet as available-for-sale. The economic entity is not exposed to commodity price risk.

Credit Risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the balance sheet and notes to the financial statements. The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

Liquidity Risk

The economic entity manages liquidity risk by monitoring forecast cash flows to ensure that there is sufficient cash and marketable securities available.

(b) Interest Rate Risk

The economic 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 by maturity periods, is as follows:

	Fixed Interest Rate Maturing				Floating Interest Rate		Non Interest Bearing	
	Within 1 Year		Over 5 Years		2006	2005	2006	2005
	2006	2005	2006	2005	2006	2005	2006	2005
Financial Assets:	\$	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	-	-	-	-	2,681,930	2,155,847	622	622
Receivables	245,000	100,000	-	-	-	-	744,443	662,469
Investments	-	-	-	-	456,249	50,000	228,202	479,097
Total Financial Assets	<u>245,000</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>3,138,179</u>	<u>2,205,847</u>	<u>973,267</u>	<u>1,142,188</u>
Weighted average interest rate %	7.0	7.0			2.0	1.9		
Financial Liabilities:								
Bank loans and overdrafts	-	-	184,278	247,924	-	-	-	-
Trade and sundry creditors	-	-	-	-	-	-	492,231	429,352
Total Financial Liabilities	<u>-</u>	<u>-</u>	<u>184,278</u>	<u>247,924</u>	<u>-</u>	<u>-</u>	<u>492,231</u>	<u>429,352</u>
Weighted average interest rate %			6.9	6.9				

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 23: FINANCIAL INSTRUMENTS (Continued)

	Total	
	2006	2005
	\$	\$
Financial Assets:		
Cash and cash equivalents	2,682,552	2,156,469
Receivables	989,443	711,425
Investments	<u>684,451</u>	<u>1,209,104</u>
Total Financial Assets	<u>4,356,446</u>	<u>4,076,998</u>
Financial Liabilities:		
Bank loans and overdrafts	184,278	247,924
Trade and sundry creditors	<u>492,231</u>	<u>429,352</u>
Total Financial Liabilities	<u>676,509</u>	<u>677,276</u>

(c) Net Fair Values

The net fair value of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value.

NOTE 24: ENTITY DETAILS

The registered office of the entity is:
National Union of Workers - National Office
552-568 Victoria Street
NORTH MELBOURNE VIC 3051

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 25: NEW AUSTRALIAN ACCOUNTING STANDARDS

The following Australian Accounting Standards issued or amended which may be applicable but are not yet effective and have not been adopted in the preparation of the financial statements at the reporting date.

AASB Standard Affected	Nature of Change in Accounting Policy and Impact	Application Date of the Standard
AASB 119: Employee Benefits: Accounting for actuarial gains and losses and group plans	No change, no impact	1 January 2006
AASB 2005-1: Amendments to Australian Accounting Standard[AASB 139] Cash flow hedge accounting of forecast intra-group transactions	No change, no impact	1 January 2006
AASB 2005-4: Amendments to Australian Accounting Standard[AASB 139, AASB 132, AASB1, AASB 1023 & AASB 1038] Fair value option	No change, no impact	1 January 2006
UIG 4: Determining whether an asset contains a lease	No change, no impact	1 January 2006
UIG 5: Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	No change, no impact	1 January 2006
AASB 2005-6: Amendments to Australian Accounting Standard[AASB 3]: Business combinations involving entities under common control	No change, no impact	1 January 2006
AASB 2005-9: Amendments to Australian Accounting Standard[AASB 4, AASB 1023, AASB 139 & AASB 132]: Financial guarantee contracts	No change, no impact	1 January 2006
AASB 7: Financial instruments: Disclosures	No change, no impact	1 January 2007
AASB 2005-10 Amendments to Australian Accounting Standard[AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]: consequential amendments arising from the issue of AASB 7	No change, no impact	1 January 2007
UIG 6: Liabilities arising from Participating in a specific Market - Waste Electrical and Electronic Equipment	No change, no impact	1 December 2005
AASB 2006-1 Amendments to Australian Accounting Standard[AASB 121]: Clarification regarding monetary items forming part of net investment in a foreign operation	No change, no impact	Financial years ending 31 December 2006
UIG 7: Applying the Restatement Approach under AASB129 Financial Reporting in Hyperinflationary Economies	No change, no impact	1 March 2006
UIG 8: Scope of AASB 2	No change, no impact	1 May 2006
UIG 9: Reassessment of Embedded Derivatives	No change, no impact	1 June 2006

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

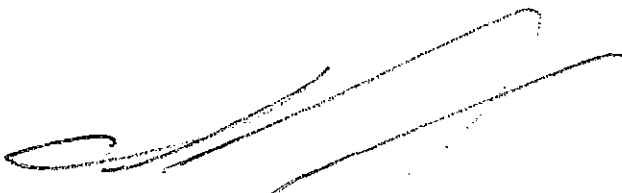
STATEMENT BY COMMITTEE OF MANAGEMENT

On *23 October 2006* the Committee of Management of National Union of Workers - National Office passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2006:

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

1. the financial statements and notes, as set out on pages 3 to 28 comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes, as set out on pages 3 to 28 comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of National Union of Workers - National Office for the financial year to which they relate;
4. there are reasonable grounds to believe that the economic entity will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 June 2006:
 - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - b. the financial affairs of National Union of Workers - National Office have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - c. the financial records of National Union of Workers - National Office have been kept and maintained in accordance with the Registration and Accountability of Organisations (RAO) Schedule and the RAO Regulations; and
 - d. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation ; and
 - e. the information sought in any request of a member of National Union of Workers - National Office or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the members or Registrar; and
 - f. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the Committee by:



Charles Donnelly - Secretary

Dated this *27 October 2006*

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

Scope

The financial report and Committee of Managements responsibility

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement, accompanying notes to the financial statements and the Statement by Committee of Management of National Union of Workers - National Office for the year ended 30 June 2006. The consolidated entity comprises both the National Union of Workers - National Office and the entities it controlled during the year.

The Committee of Management is responsible for preparing a financial report that gives a true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the union. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the National Union of Workers - National Office and the consolidated entities' financial position, and of their performance as represented by the results of their operations, changes in equity and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Committee of Management

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
NATIONAL UNION OF WORKERS - NATIONAL OFFICE ("Continued")**

Audit Opinion

In our opinion, the financial report of National Union of Workers - National Office and consolidated entities is presents fairly the financial position of National Union of Workers - National Office and consolidated entities as at 30 June 2006 and the results of its operations, its changes in equity and cash flows for the financial year then ended, in accordance with any of the following that apply to the entity:

- a) the Australian Accounting Standards; and
- b) the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996.

BGL & Associates

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

I. A. Hinds

I. A. Hinds - A.C.A.
Partner
23 October 2006
Melbourne

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

**B.G.L. & ASSOCIATES
Chartered Accountants
Suite One, Ground Floor, 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**

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

TABLE OF CONTENTS

Disclaimer	1
Income and Expenditure Statement	2 - 4

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

The additional financial data presented on pages 2 - 4 is in accordance with the books and records of the economic entity which have been subjected to the auditing procedures applied in our statutory audit of the economic entity for the financial year ended 30 June 2006. 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.

By L + Associates

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

I. A. Hinds

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

Partner

23 October 2006

Melbourne

NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
INCOME				
Sustentation fees	2,516,143	2,376,162	2,516,143	2,376,162
Director fees	215,849	118,920	215,849	118,920
Commission received	1,166,512	1,117,044	-	-
Investment income	53,250	64,500	53,250	64,500
Interest	170,423	143,496	63,092	15,490
Management fee	44,250	45,162	104,954	-
Campaign income	536,715	-	536,715	-
Trust distributions	98,717	-	98,717	-
Profit on sales of investments	326,185	-	326,185	-
Other income	39,343	21,580	16,519	642
TOTAL INCOME	5,167,387	3,886,864	3,931,424	2,575,714
Less: EXPENSES				
Accounting fees	18,647	16,467	4,750	5,921
Administration costs	4,656	5,350	2,500	2,500
Advertising	9,264	10,948	4,507	7,319
Affiliation fees	285,902	298,322	285,902	298,322
Audit fees	29,400	33,000	8,900	8,600
Auditors - other fees	2,450	2,500	2,450	2,500
Bank charges	5,242	5,549	417	1,608
Cleaning	8,570	8,513	-	-
Conference expenses	25,942	31,470	25,942	31,470
Commission paid	5,800	7,789	-	-
Computer expenses	4,908	9,363	783	922
Consultancy fees	32,998	18,685	-	-
Campaign expenses	527,545	45,455	527,545	45,455
Contribution to Tasmanian Branch	64	-	64	-
Depreciation	138,412	142,891	81,173	86,131
Donations	33,000	12,740	33,000	12,740
Electricity	10,630	11,804	-	501
Entertainment expenses	19,535	32,302	15,832	25,072
Filing fees	1,070	1,252	-	-
Fines and penalties	50	-	-	-

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

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Economic Entity		Parent Entity	
	2006 \$	2005 \$	2006 \$	2005 \$
Freight and cartage	-	72	-	72
Fringe benefits tax	105,609	113,117	76,061	83,569
Group life premiums	7,300	-	-	-
Holiday pay	56,727	23,511	56,374	24,908
Insurance	104,005	70,359	47,236	25,133
Interest paid	12,919	19,133	-	-
Internet services	11,778	15,396	11,157	13,120
Legal costs	8,045	1,684	6,053	1,684
Licensing fees	2,857	507	-	-
Long service leave	92,225	29,266	83,102	36,313
Loss on disposal/revaluation of non current assets	17,383	13,463	-	6,960
Magazines, journals and periodicals	2,842	1,294	2,842	1,294
Motor vehicle expenses	58,712	63,265	34,354	33,137
NUW Journal	26,107	211	26,107	211
NUW Organising Fund expenses	-	50,837	-	50,837
Payroll tax	69,508	90,099	57,205	73,624
Photographic Expenses	344	3,000	344	3,000
Photo Copy charges	26,765	9,807	26,765	9,807
Promotional material	1,462	9,473	-	4,018
Postage	40,598	14,862	32,873	7,213
Printing and stationery	76,051	80,161	66,251	58,719
Rates and taxes	4,580	4,206	-	-
S. A. Organising Fund	54,500	50,000	54,500	50,000
Rent	73,727	74,273	72,227	72,023
Repairs and maintenance	29,741	21,902	826	2,675
Salaries and wages	1,814,461	1,762,241	1,154,737	1,039,589
Security costs	1,108	895	-	-
Seminar expenses	4,043	2,722	4,043	2,722
Staff training and welfare	14,517	22,769	1,031	7,436
Storage fees	633	-	-	-
Subscriptions	22,355	30,637	14,603	24,713
Sundry expenses	7,193	4,217	2,016	1,616
Superannuation	278,835	278,220	182,713	163,975
Telephone	79,413	60,257	61,892	41,905
Travelling expenses	178,725	186,034	170,906	175,234
Total expenses	4,449,153	3,802,290	3,239,983	2,544,568

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

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
NET SURPLUS	<u>718,234</u>	<u>84,574</u>	<u>691,441</u>	<u>31,146</u>
Income tax expense	<u>27,759</u>	<u>10,682</u>	<u>-</u>	<u>-</u>
OPERATING SURPLUS AFTER INCOME TAX	<u>690,475</u>	<u>73,892</u>	<u>691,441</u>	<u>31,146</u>

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

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

**B.G.L. & ASSOCIATES
Chartered Accountants
Suite One, Ground Floor, 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**

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

TABLE OF CONTENTS

Discussion and Analysis of the Financial Statements	1
Operating Reporting	2
Financial Report	
Income Statement	4
Balance Sheet	5
Statement of Changes in Equity	6
Cash Flow Statement	7
Notes to the Financial Statements	8 – 9
Committee of Management Certificate	10
Independent Audit Report	11

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on National Union of Workers – National Office Concise Financial Report:

The concise financial report is an extract from the full financial report for the year ended 30 June 2006. The financial statements and disclosures in the concise financial report have been derived from the 2006 financial report of National Union of Workers – National Office and Controlled Entities.

A copy of the full financial report and auditors report can be sent to any member, free of charge, upon request.

This discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on National Union of Workers – National Office and Controlled Entities consolidated financial statements and the information contained in the concise financial report has been derived from the full 2006 Financial Report of National Union of Workers – National Office and Controlled Entities.

Income Statement:

The consolidated surplus after tax attributable to members for the year is \$690,475 compared to a surplus of \$73,892 in 2005. This increase in the surplus from last year is due to revenue growing by 33% whilst expenses have only increased by 17% over the same period. The significant increase in revenue was mainly due to the profit on the sale of investments and additional campaign funding received.

Balance Sheet:

Our consolidated balance sheet position continues to remain strong with net asset position improving by 13.90%. Cash and cash equivalents are higher than 2005 due to positive cash inflows for sustentation fees and investment income. Total assets increased by \$851,359 or 14% mainly due to an increase in receivables, investment and cash. Total liabilities increased by \$155,077 or 12% mainly due to increase in provision of leave entitlements.

Apart from the above, there has been no significant change in the composition of the assets and liabilities from the 2005 year.

Cash Flow Statement:

Our consolidated cash flow and liquidity continues to strengthen with the cash position growing by \$526,083. Cash assets increased from \$2,156,469 as at 30 June 2005 to \$2,682,552 as at 30 June 2006. Net cash inflows from operations increased from \$109,901 in 2005 to \$583,403 in 2006 which is an increase of 430%. This improvement was mainly a result of the increase in overall income received which was more than the increase in expenses paid.



Charles Donnelly - Secretary

Dated this 26 OCT 2006

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

OPERATING REPORT

Your committee members present their report on the National Union of Workers - National Office and its controlled entities for the financial year ended 30 June 2006.

Members of Committee

The names of the members of National committee of management (NCOM) in office at any time during or since the end of the financial year are:

Charles Donnelly

Derrick Belan

Gail Burmeister

Martin Pakula

Tim Kennedy

Martin Pritchard

Mark Fumer

Ron Herbert

Marissa Bernardi

Doug Stevens

Antony Thow

Nick Thredgold

Antonia Parkes

Marlene Wheatley

The members of the committee of management have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Results

The consolidated surplus of the economic entity for the financial year after providing for income tax amounted to \$690,475 (2005: \$73,892).

Review of Operations

A review of the operations of the economic entity during the financial year and the results of those operations found that during the year, the economic entity continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant Changes in State of Affairs

No significant changes in the state of affairs of the economic entity occurred during the financial year.

Principal Activities

The principal activities of the economic entity 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.

No significant change in the nature of these activities occurred during the year.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

OPERATING REPORT (Continued)

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

Union's detail

As at 30 June 2006, the union has 89,050 (2005: 95,500) members and 17 (2005: 18) employees.

Members Right

The rules of the union provide that Rule 59 - resignation from membership: that a member of the union may resign from the Union in accordance with the Rules. The Rules are in similar terms to s. 174 and meets the requirements of the Act.

Directorships of Superannuation Funds

Charles Donnelly and Martin Pakula are both non-beneficial shareholders and directors of Labour Union Insurance Co-operative Retirement Fund Pty Ltd (LUCRF)

The following NCOM members are directors of LUCRF:


Charles Donnelly

Tim Kennedy

Martin Pakula

Antony Thow

Signed in accordance with a resolution of the Committee of Management:



Charles Donnelly - Secretary

Dated this 23 OCT 2006

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

		Economic Entity		Parent Entity	
		2006 \$	2005 \$	2006 \$	2005 \$
Revenue	4	<u>5,167,387</u>	<u>3,886,864</u>	<u>3,931,424</u>	<u>2,575,714</u>
Administrative expenses		(134,372)	(149,154)	(42,308)	(77,656)
Affiliation fees		(285,902)	(298,322)	(285,902)	(298,322)
Campaign expenses		(527,545)	(45,455)	(527,545)	(45,455)
Conference and seminar expenses		(29,986)	(34,192)	(29,986)	(34,192)
Consulting fee		(32,998)	(18,685)	-	-
Depreciation and amortisation		(138,412)	(142,891)	(81,173)	(86,131)
Donations		(33,000)	(12,740)	(33,000)	(12,740)
Employee benefit expenses		(2,431,881)	(2,319,222)	(1,611,223)	(1,429,414)
Finance costs		(12,919)	(19,133)	-	-
Insurance expenses		(104,005)	(70,359)	(47,236)	(25,133)
Legal and professional fees		(56,424)	(53,652)	(22,153)	(18,705)
Motor vehicles expenses		(58,654)	(63,265)	(34,354)	(33,137)
NUW Organising Fund		-	(50,837)	-	(50,837)
Occupancy expenses		(98,614)	(99,189)	(72,227)	(72,023)
Printing and communication expenses		(260,684)	(183,693)	(225,389)	(133,975)
SA Organising Fund		(54,500)	(50,000)	(54,500)	(50,000)
Travel and accommodation expenses		(178,691)	(186,034)	(170,906)	(175,234)
Other expenses		(10,566)	(5,467)	(2,081)	(1,614)
		<u>(4,449,153)</u>	<u>(3,802,290)</u>	<u>(3,239,983)</u>	<u>(2,544,568)</u>
Surplus before income tax		718,234	84,574	691,441	31,146
Income tax expense		(27,759)	(10,682)	-	-
Surplus attributable to members of the parent entity		<u>690,475</u>	<u>73,892</u>	<u>691,441</u>	<u>31,146</u>

The accompanying notes form part of this financial concise report.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2006**

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	2,682,552	2,156,469	1,343,584	821,022
Trade and other receivables	989,442	762,469	978,224	711,425
TOTAL CURRENT ASSETS	3,671,994	2,918,938	2,321,808	1,532,447
NON-CURRENT ASSETS				
Financial assets	684,451	529,097	1,364,458	1,209,104
Property, plant and equipment	2,696,416	2,753,468	1,456,483	1,507,798
Intangible assets	52,316	52,316	-	-
TOTAL NON-CURRENT ASSETS	3,433,183	3,334,881	2,820,941	2,716,902
TOTAL ASSETS	7,105,177	6,253,819	5,142,749	4,249,349
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	492,231	429,352	398,669	349,659
Current tax liabilities	1,576	2,350	-	-
Short-term provisions	718,261	561,643	595,206	448,063
TOTAL CURRENT LIABILITIES	1,212,068	993,345	993,875	797,722
NON-CURRENT LIABILITIES				
Long-term borrowings	184,278	247,924	-	-
TOTAL NON-CURRENT LIABILITIES	184,278	247,924	-	-
TOTAL LIABILITIES	1,396,346	1,241,269	993,875	797,722
NET ASSETS	5,708,831	5,012,550	4,148,874	3,451,627
EQUITY				
Reserves	10,766	4,960	5,806	-
Retained Surplus	5,698,065	5,007,590	4,143,068	3,451,627
TOTAL EQUITY	5,708,831	5,012,550	4,148,874	3,451,627

The accompanying notes form part of this concise financial report

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
 ABN 19 834 341 836
 AND CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2006**

Economic Entity	Accumulated Surplus	Reserves	Total
	\$	\$	\$
Balance at 1 July 2004	4,933,698	4,960	4,938,658
Surplus for the year	<u>73,892</u>	<u>-</u>	<u>73,892</u>
Balance at 30 June 2005	<u>5,007,590</u>	<u>4,960</u>	<u>5,012,550</u>
Balance at 1 July 2005	5,007,590	4,960	5,012,550
Surplus for the year	690,475	-	690,475
Available for sale financial assets	<u>-</u>	<u>5,806</u>	<u>5,806</u>
Balance at 30 June 2006	<u><u>5,698,065</u></u>	<u><u>10,766</u></u>	<u><u>5,708,831</u></u>
Parent Entity	Accumulated Surplus	Reserves	Total
	\$	\$	\$
Balance at 1 July 2004	3,420,481	-	3,420,481
Surplus for the year	<u>31,146</u>	<u>-</u>	<u>31,146</u>
Balance at 30 June 2005	<u>3,451,627</u>	<u>-</u>	<u>3,451,627</u>
Balance at 1 July 2005	3,451,627	-	3,451,627
Surplus for the year	691,441	-	691,441
Available for sale financial assets	<u>-</u>	<u>5,806</u>	<u>5,806</u>
Balance at 30 June 2006	<u><u>4,143,068</u></u>	<u><u>5,806</u></u>	<u><u>4,148,874</u></u>

The accompanying notes form part of this financial report.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES				
Sustentation fee received	2,768,300	2,548,286	2,768,300	2,548,286
Other income	294,239	204,131	313,458	204,131
Campaign income	588,386	-	588,386	-
Commission received	1,294,856	1,012,029	-	-
Payments to suppliers and employees	(4,635,325)	(3,729,294)	(3,423,543)	(2,840,664)
Investment income received	151,967	64,500	151,967	64,500
Interest received	156,115	143,496	48,783	8,490
Finance costs	(12,919)	(19,133)	-	-
Income tax paid	(22,216)	(49,614)	-	-
Net cash inflow from operating activities	<u>583,403</u>	<u>174,401</u>	<u>447,351</u>	<u>(15,257)</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment	129,244	24,545	82,037	9,091
Proceeds from sale of investments	577,080	64,000	577,080	64,000
Money received from NUW Central Branch	100,000	-	100,000	-
Payment for property, plant and equipment	(254,555)	(22,588)	(138,463)	(14,873)
Payment for investments	(400,443)	-	(400,443)	-
Net cash (outflow) from investing activities	<u>151,326</u>	<u>65,957</u>	<u>220,211</u>	<u>58,218</u>
CASH FLOW FROM FINANCING ACTIVITIES				
Loan to Newskills Ltd	(145,000)	-	(145,000)	-
Loan repayment from NUW SA Branch	-	40,000	-	40,000
Repayments of bank loan	(63,646)	(62,995)	-	-
Net cash (outflow) financing activities	<u>(208,646)</u>	<u>(22,995)</u>	<u>(145,000)</u>	<u>40,000</u>
Net increase/(decrease) in cash and cash equivalents	526,083	217,363	522,562	82,961
Cash and cash equivalents at beginning of financial year	<u>2,156,469</u>	<u>1,939,106</u>	<u>821,022</u>	<u>738,061</u>
Cash and cash equivalents at end of financial year	<u>2,682,552</u>	<u>2,156,469</u>	<u>1,343,584</u>	<u>821,022</u>

10

The accompanying notes form part of this financial concise report.

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 1: BASIC OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report is an extract of the full financial report for the year ended 30 June 2006. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full report of National Union of Workers – National Office and Controlled Entities.

The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of National Union of Workers – National Office and Controlled Entities as the full financial report.

The entity changed its policies on 1 July 2005 to comply with the Australian equivalents to International Financial Reporting Standards ("A-IFRS"). The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1: First time Adoption of Australian Equivalents to International Financial Reporting Standards, with 1 July 2004 as the date of transition. An explanation of how the transition from superseded polices to A-IFRS has affected the entity's financial position, financial performance and cash flows is discussed at Note 2. The presentation currency used in this concise financial report is Australian dollars.

A full description of the accounting policies adopted by the entity is provided in the 2006 Financial Statements which form part of the full report.

NOTE 2: TRANSITION TO A-IFRS

For all the periods up to and including the year ended 30 June 2005, the entity prepared its financial statements in accordance with Australian generally accounting principles (AGAAP). These financial statements for the year ended 30 June 2006 are the first entity is required to prepare in accordance with AIFRS. Accordingly, the entity has prepared financial statements that comply with AIFRS applicable for the reporting period. In complying with AIFRS, there has been no adjustments or restatement of balances for the year ended 30 June 2005.

NOTE 3: 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 sections 272, which read as follows:

- (1) a member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) the application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) a reporting unit must comply with an application made under subsection (1).

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
 ABN 19 834 341 836
 AND CONTROLLED ENTITIES**

**NOTES TO THE CONCISE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 4: REVENUE

	Economic Entity		Parent Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
From continuing activities				
- management fee	44,250	-	104,954	-
- interest	170,423	143,496	63,092	15,490
- profit on sales of investments	326,185	-	326,185	-
- sustantation fees	2,516,143	2,376,162	2,516,143	2,376,162
- commission received	1,166,512	1,117,044	-	-
- campaign income	536,715	-	536,715	-
- director fees	215,849	118,920	215,849	118,920
- investment income	151,967	64,500	151,967	64,500
- other revenue	39,343	66,742	16,519	642
	<u>5,167,387</u>	<u>3,886,864</u>	<u>3,931,424</u>	<u>2,575,714</u>
(a) Interest from:				
- other persons	<u>170,423</u>	<u>143,496</u>	<u>63,092</u>	<u>15,490</u>

**NATIONAL UNION OF WORKERS - NATIONAL OFFICE
ABN 19 834 341 836
AND CONTROLLED ENTITIES**

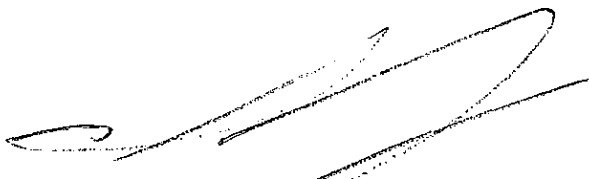
STATEMENT BY COMMITTEE OF MANAGEMENT

On *23 October 2006* the Committee of Management of National Union of Workers - National Office passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2006:

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

1. the financial statements and notes, as set out on pages 3 to 28 comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes, as set out on pages 3 to 28 comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of National Union of Workers - National Office for the financial year to which they relate;
4. there are reasonable grounds to believe that the economic entity will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 June 2006:
 - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - b. the financial affairs of National Union of Workers - National Office have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - c. the financial records of National Union of Workers - National Office have been kept and maintained in accordance with the Registration and Accountability of Organisations (RAO) Schedule and the RAO Regulations; and
 - d. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation ; and
 - e. the information sought in any request of a member of National Union of Workers - National Office or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the members or Registrar; and
 - f. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the Committee by:



Charles Donnelly Secretary

Dated this *23* OCT 2006

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

Scope

The financial concise report and Committee of Management's responsibility

The concise financial report comprises the consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity, consolidated cash flow statement, notes to the financial statements and the Statement by Committee of Management of National Union of Workers - National Office for the year ended 30 June 2006.

The Committee of Management is responsible for the preparation and presentation of the financial report in accordance with Australian Accounting Standard AASB 1039 Concise Financial Reports and the Workplace Relations Act 1996.

Audit approach

We conducted an independent audit of the concise report in order to express an opinion to the members of the union. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the concise financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We also performed an independent audit of the full financial report of the entity for the financial year ended 30 June 2006. Our audit report on the full financial report was signed on 23 October 2006, and was not subject to any qualification.

In conducting our audit of the concise financial report, we performed procedures to assess whether in all material respects the concise financial report presents fairly, in accordance with the Australian Accounting Standard AASB 1039 Concise Financial Reports.

We formed our audit opinion on the basis of these procedures, which included:

- testing that the information included in the concise financial report is consistent with the information in the full financial report, and
- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the concise financial report which were not directly derived from the full financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the concise financial report.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of National Union of Workers - National Office and consolidated entities for the year ended 30 June 2006 complies with Australian Accounting Standards AASB 1039 Concise Financial Reports.

BGL Associates

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

I. A. Hinds

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

Partner

Melbourne, 23 October 2006