4 February 2009

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 Year Ended 30 June 2008 - FR2008/238
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

Thank you for the financial report of the National Union of Workers – National Office for the year ended 30 June 2008. The documents were lodged in the Industrial Registry on 22 December 2008.

The documents have been examined and no further action is required. The following matters, however, concerning the financial reporting requirements of the RAO Schedule are advised for your assistance when preparing future returns.

Concise Report

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.

Disclosure of Expenses

When preparing a General Purpose Financial Report, 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. 'Legal costs' is noted under paragraph 11(j) of the Reporting Guidelines as one such item that must be separately disclosed. The General Purpose Financial Report only seems to disclose 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 General Purpose Financial Report.

Would you please ensure that such items are separately disclosed in future General Purpose Financial Reports in accordance with the Reporting Guidelines.

Loans, grants or donations

Section 237 of the RAO Schedule requires that an organisation shall, as soon as practicable after the end of the financial year, lodge with the Registrar a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding $1,000 made by the organisation during the financial year.

I note from an examination of the Income Statement for the Union that ‘Donations’ totals $29,449 for the year ending 30 June 2008. If any single donation exceeds $1,000 then the Union is required to lodge the relevant particulars set out in subsection 237(5) of the RAO Schedule for each such donation.

Please contact me by email at robert.pfeiffer@airc.gov.au or by telephone on (03) 8661 7817 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,

Robert Pfeiffer
Statutory Services Branch
Australian Industrial Registry

National Union of Workers

RECEIVED
22 DEC 2008
AUST. IND. REL COMM
VICTORIA
REGISTRY

RESEARCH

TK:RB

Our Ref: L19/08

Monday, 22 December 2008

The Registrar
Australian Industrial Relations Commission
GPO Box 1994
Melbourne VIC 3001

Dear Registrar,

Re: National Union of Workers National Office Financial Reports for year ending 30 June 2008

Please find attached a copy of the National Union of Workers National Office financial reports for the year ending 30 June 2008.

The financial reports were presented to a meeting of the National Committee of Management for approval on 22 December 2008.

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,

CHARLES DONNELLY
GENERAL SECRETARY

NATIONAL OFFICE
833 Bourke Street, Docklands, VIC 3008 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

s268 of Schedule 1B Workplace Relations Act 1996

I Charles Donnelly being the General Secretary of the National Union of Workers certify:

- that the documents lodged herewith are copies of the full report, and the concise report, referred to in s268 if the RAO Schedule; and
- that the concise report was provided to members on 24 November 2008; and
- that the full report was presented to a meeting of the National Committee of Management of the reporting unit on 18 November 2008; in accordance with section 266 of the RAO Schedule.

DATED: Monday, 22 December 2008

CHARLES DONNELLY
GENERAL SECRETARY

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

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2008

National Union of Workers

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

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

TABLE OF CONTENTS

This financial report covers both National Union of Workers - National Office as an individual entity and the consolidated entity consisting of National Union of Workers - National Office and its subsidiaries. The financial report is presented in the Australian currency.

National Union of Workers - National Office is a registered trade under the Workplace Relations Act 1996.

The principal place of business is:
National Union of Workers - National Office
552-568 Victoria Street
NORTH MELBOURNE VIC 3051

The financial report was authorised for issue by the Committee of Management on 18th day of November 2008.

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

OPERATING REPORT

Your Committee present their report on the National Union of Workers - National Office and its controlled entities for the financial year ended 30 June 2008.

Members of National Committee of Management

The names of the members of the 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
Tim Kennedy
Martin Pritchard
Mark Furner (resigned on 26 June 2008)
Ron Herbert
Marisa Bernardi
Doug Stevens
Antony Thow
Nick Thredgold
Antonia Parkes
John Cosgrove (appointed on 22 June 2008)

All Committee members 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 consolidated group for the financial year after providing for income tax and eliminating minority equity interests amounted to $607,834 (2007 : $634,685).

Review of Operations

A review of the operations of the consolidated group during the financial year and the results of those operations found that during the year, the consolidated group 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 consolidated group occurred during the financial year.

Principal Activities

The principal activities of the consolidated group 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.

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.

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

OPERATING REPORT (Continued)

Union details

The number of employees at 30 June 2008 was 20 (2007: 18).

The number of financial members at 30 June 2008 was 89,125 (2007: 89,050).

Right of members to resign

The rules of the union provide at Rule 59 - Resignation from Membership, that a member of the union may resign from the union in accordance with the Rule. The Rule itself is in similar terms to s. 174 and meets the requirements of the Workplace Relations Act 1996.

Directorships of Superannuation Funds

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

The following NCOM members are directors of LUCRF:

Charles Donnelly

Tim Kennedy

Antony Thow

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

Designated Officer ______________________
Charles Donnelly

Dated this 18/11/08

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

INCOME STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Economic Entity		Parent Entity	
		2008	2007	2008	2007
		$	$	$	$
Revenue from continuing operations	4	**5,575,944**	5,246,859	**4,214,633**	3,788,084
Other income	5	**10,684**	222,258	**10,684**	222,258
Administrative expenses		**(288,076)**	(260,693)	**(189,874)**	(207,519)
Affiliation fee		**(301,769)**	(299,568)	**(301,769)**	(299,568)
Campaign expenses		**(503,185)**	(484,322)	**(503,185)**	(484,322)
Depreciation and amortisation	7	**(190,421)**	(146,400)	**(141,273)**	(92,866)
Donations		**(29,449)**	(30,500)	**(29,449)**	(30,500)
Finance costs	7	**(7,616)**	(11,026)	**-**	-
Insurance expenses		**(107,916)**	(103,433)	**(69,285)**	(55,691)
Legal and professional fees		**(71,854)**	(123,769)	**(26,045)**	(18,475)
Meeting and conference expenses		**(3,269)**	(54,035)	**(3,269)**	(54,035)
Motor vehicle expenses		**(75,021)**	(61,132)	**(50,395)**	(37,018)
Occupancy expenses		**(118,918)**	(112,254)	**(85,399)**	(82,823)
Printing & communication expenses		**(219,421)**	(265,582)	**(176,582)**	(225,040)
SA Organising Fund		**-**	(30,000)	**-**	(30,000)
Salaries and related expenses	8	**(2,847,470)**	(2,537,909)	**(1,898,764)**	(1,693,822)
Travel and vehicle expenses		**(184,770)**	(218,781)	**(179,267)**	(212,382)
Other expenses		**(7,051)**	(5,162)	**(6,324)**	(4,752)
		(4,956,206)	(4,744,566)	**(3,660,880)**	(3,528,813)
Profit before income tax		**630,422**	724,551	**564,437**	481,529
Income tax expense	9	**(22,588)**	(89,866)	**-**	-
Profit attributable to members		**607,834**	634,685	**564,437**	481,529

The above income statements should be read in conjunction with the accompanying notes.

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

BALANCE SHEETS
AS AT 30 JUNE 2008

	Note	Economic Entity		Parent Entity	
		2008	2007	2008	2007
		$	$	$	$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	10	**2,420,564**	3,703,959	**998,290**	2,183,890
Trade and other receivables	11	**1,682,816**	1,251,922	**1,625,308**	1,220,759
TOTAL CURRENT ASSETS		**4,103,380**	4,955,881	**2,623,598**	3,404,649
NON-CURRENT ASSETS					
Other financial assets	12	**2,740,106**	2,850,807	**3,315,110**	3,425,811
Property, plant and equipment	13	**2,663,930**	2,677,990	**1,499,987**	1,492,134
TOTAL NON-CURRENT ASSETS		**5,404,036**	5,528,797	**4,815,097**	4,917,945
TOTAL ASSETS		**9,507,416**	10,484,678	**7,438,695**	8,322,594
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	14	**1,659,024**	3,175,195	**1,508,479**	3,050,789
Borrowings	15	**44,910**	71,998	**-**	-
Current tax liabilities	16	**-**	71,942	**-**	-
Provisions	17	**857,938**	782,923	**741,182**	647,208
TOTAL CURRENT LIABILITIES		**2,561,872**	4,102,058	**2,249,661**	3,697,997
NON-CURRENT LIABILITIES					
Borrowings	15	**-**	44,910	**-**	-
TOTAL NON-CURRENT LIABILITIES		**-**	44,910	**-**	-
TOTAL LIABILITIES		**2,561,872**	4,146,968	**2,249,661**	3,697,997
NET ASSETS		**6,945,544**	6,337,710	**5,189,034**	4,624,597
EQUITY					
Retained profits	18	**6,945,544**	6,337,710	**5,189,034**	4,624,597
TOTAL EQUITY		**6,945,544**	6,337,710	**5,189,034**	4,624,597

The above balance sheets should be read in conjunction with the accompanying notes.

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2008

Consolidated Group	Retained profits $	Total $
Balance at 1 July 2006	5,703,025	5,703,025
Profit for the year	634,685	634,685
Balance at 30 June 2007	6,337,710	6,337,710
Balance at 1 July 2007	6,337,710	6,337,710
Profit for the year	607,834	607,834
Balance at 30 June 2008	6,945,544	6,945,544
Parent Entity		
Balance at 1 July 2006	4,143,068	4,143,068
Surplus for the year	481,529	481,529
Balance at 30 June 2007	4,624,597	4,624,597
Balance at 1 July 2007	4,624,597	4,624,597
Surplus for the year	564,437	564,437
Balance at 30 June 2008	5,189,034	5,189,034

The above statements of changes in equity should be read in conjunction with the accompanying notes.

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

CASH FLOW STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Economic Entity		Parent Entity	
		2008	2007	2008	2007
		$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES					
Sustentation Fees received		**2,740,394**	2,796,192	**2,740,394**	2,796,192
Campaign income		**554,868**	824,271	**554,868**	824,271
Other income		**957,014**	446,516	**868,579**	547,846
Commission received		**1,299,076**	1,382,875	**-**	-
Payments to suppliers and employees		**(5,335,447)**	(5,047,860)	**(3,923,556)**	(3,908,377)
Dividends received		**2,113**	40,753	**2,113**	40,753
Interest received		**170,285**	173,653	**11,087**	35,435
Finance costs		**(7,616)**	(11,026)	**-**	-
Income tax paid		**(125,764)**	(17,538)	**-**	-
Net cash inflow from operating activities	23	**254,923**	587,836	**253,485**	336,120
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment		**33,182**	27,464	**33,182**	22,919
Proceeds from sale of investments		**100,691**	1,072,992	**100,691**	1,072,992
Money received from NUW Central Branch		**-**	100,000	**-**	100,000
Payment for property, plant and equipment		**(198,859)**	(167,608)	**(171,624)**	(159,818)
Payment for investments		**(1,401,334)**	(531,907)	**(1,401,334)**	(531,907)
Net cash inflow from investing activities		**(1,466,320)**	500,941	**(1,439,085)**	504,186
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayments of bank loan		**(71,998)**	(67,370)	**-**	-
Net cash (outflow) from financing activities		**(71,998)**	(67,370)	**-**	-
Net increase/(decrease) in cash and cash equivalents		**(1,283,395)**	1,021,407	**(1,185,600)**	840,306
Cash and cash equivalents at beginning of financial year		**3,703,959**	2,682,552	**2,183,890**	1,343,584
Cash and cash equivalents at end of financial year	10(a)	**2,420,564**	3,703,959	**998,290**	2,183,890

The above cash flow statements should be read in conjunction with the accompanying notes.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 includes separate financial statements for National Union of Workers - National Office as an individual entity and the consolidated entity consisting of National Union of Workers - National Office and its subsidiaries.

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the requirements of The Workplace Relations Act 1996.

Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

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, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

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 judgment in the process of applying Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of National Union of Workers - National Office ("parent entity") as at 30 June 2008 and the results of all subsidiaries for the year then ended. National Union of Workers - National Office and its subsidiaries together are referred to in this financial report as the Group or the Consolidated Group.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group (refer to note 1j).

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of identifiable net assets of the subsidiary.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and balance sheet respectively.

Investments in subsidiaries are accounted for at cost in the individual financial statements of National Union of Workers - National Office.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major operating activities as follows:

Sustentation Fees

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

Campaign funds

Campaign funds are recognised when the right to receive the fees has been established.

Commission revenue

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

NUW - MSC Subscription

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

Directors' fee

Directors' fees are recognised when the right to receive the fee has been established.

Investment revenue

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

Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

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)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(e) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

In accordance with section 50-15 of the Income Tax Assessment Act, the parent entity is exempt from income tax.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's 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 inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollected are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the income statement within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case 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 balance sheet are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from, or payable to the ATO as classified as operating cash flow.

Commitments and contingencies are disclosed inclusive of GST.

(j) Investment in other financial assets

Classification

The Group 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 Group does not hold any investments in the following categories: financial assets at fair value through profit or loss and held-to-maturity investments.

(i) 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 reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

Recognition and derecognition

Regular purchases and sales of investments are recognised on trade-date - the date on which the Group 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 carried at fair value through profit and loss. Financial Assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Investment in other financial assets (Continued)

Subsequent measurement
Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when the Group's right to receive payments is established.

Details on how the fair value of financial instruments is determined are disclosed in note 22.

Impairment
The Group 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.

(k) Property, plant and equipment

Each class of property, plant and equipment is carried at historical cost less any accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

Depreciation is calculated to allocate cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Class of fixed asset	Depreciation rate/useful lives	Depreciation basis
Buildings	2.5%	Diminishing Value
Motor vehicles	18.75 - 25%	Diminishing Value
Office equipment	7.5 - 40%	Diminishing Value
Furniture and Fittings	10 - 11.25%	Diminishing Value
Computer equipment	37.5 - 66.66%	Diminishing Value

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement .When revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(l) Trade and other payables

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

(m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(n) 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 provisions 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.

(o) Comparative figures

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2008 reporting periods. The Group's and the parent entity's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8
AASB 8 and AASB 2007-3 are effective for annual reporting periods commencing on or after 1 January 2009. AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a 'management approach' to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. The Group has not yet decided when to adopt AASB 8. Application of AASB 8 may result in different segments, segment results and different types of information being reported in the segment note of the financial report. However, at this stage, it is not expected to affect any of the amounts recognised in the financial statements.

(ii) Revised AASB 123 Borrowing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]
The revised AASB 123 is applicable to annual reporting periods commencing on or after 1 January 2009. It has removed the option to expense all borrowing costs and - when adopted - will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the financial report of the Group, as the Group already capitalises borrowing costs relating to qualifying assets. This standard is not applicable to the Group.

(iii) AASB-I 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
AASB-I 14 will be effective for annual reporting periods commencing on or after 1 January 2008. It provides guidance on the maximum amount that may be recognised as an asset in relation to a defined benefit plan and the impact of minimum funding requirements on such an asset. This standard is not applicable to the Group.

(iv) *Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101*
A revised AASB 101 was issued in September 2007 and is applicable for annual reporting periods beginning on or after 1 January 2009. It requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. The Group intends to apply the revised standard from 1 July 2009.

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment
The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(b) Critical judgments in applying the entity's accounting policies

Provision for impairment of receivables
Included in the receivables at 30 June 2008 are amounts due for expenses reimbursements. The Committee of Management believe that some of the amounts due are not fully recoverable and a provision for impairment at 30 June 2008 has been made.

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 section 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 made 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

	Note	Economic Entity 2008 $	Economic Entity 2007 $	Parent Entity 2008 $	Parent Entity 2007 $
From continuing operations					
Service revenue					
- commission		**1,176,093**	1,270,808	**-**	-
- sustentation fees	6	**2,674,886**	2,536,451	**2,674,886**	2,536,451
- campaign funds		**504,426**	749,337	**504,426**	749,337
		4,355,405	4,556,596	**3,179,312**	3,285,788
Other revenue					
- interest		**192,335**	195,703	**33,137**	57,485
- NUW - MSC		**501,149**	-	**501,149**	-
- dividends		**2,113**	29,541	**2,113**	29,541
- mailouts		**45,861**	62,892	**45,861**	62,892
- management fee		**122,283**	111,947	**122,283**	95,711
- director fees		**241,350**	233,966	**241,350**	233,966
- investment income		**9,627**	11,212	**9,627**	11,212
- other revenue		**105,821**	45,002	**79,801**	11,489
		5,575,944	5,246,859	**4,214,633**	3,788,084

NOTE 5: OTHER INCOME

	Economic Entity 2008 $	Economic Entity 2007 $	Parent Entity 2008 $	Parent Entity 2007 $
Net Gain on disposal of property, plant and equipment and investment	**10,684**	222,258	**10,684**	222,258

NOTE 6: SUSTENTATION FEES

	Economic Entity 2008 $	Economic Entity 2007 $	Parent Entity 2008 $	Parent Entity 2007 $
New South Wales	**791,958**	738,280	**791,958**	738,280
South Australia	**129,056**	127,044	**129,056**	127,044
Queensland	**232,146**	235,423	**232,146**	235,423
Victoria	**1,468,163**	1,392,177	**1,468,163**	1,392,177
Western Australia	**53,563**	43,527	**53,563**	43,527
	2,674,886	2,536,451	**2,674,886**	2,536,451

NOTE 7: EXPENSES

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
Profit (loss) before income tax expenses (income tax revenue) includes the following specific expenses:				
Depreciation	190,421	146,400	141,273	92,866
Total amortisation and depreciation	190,421	146,400	141,273	92,866
Finance costs				
Interest and finance charges paid/payable for financial liabilities not at fair value through profit or loss	7,616	11,026	-	-
	7,616	11,026	-	-
Defined contribution superannuation expense	349,321	315,103	232,249	214,321
Bad and doubtful debts				
Other receivables	70,250	-	70,250	-
Rental expenses relating to operating leases				
Minimum lease payments	87,649	87,023	85,399	82,823
Total	87,649	87,023	85,399	82,823
Net loss on disposal of property, plant and equipment	-	31,380	-	27,592
Net (gain) on disposal of listed investment	12,814	(222,258)	12,814	(222,258)
Net loss(gain) on disposal of unlisted investment	-	105,422	-	105,018
Conference and meeting expenses	-	11,713	-	11,713
Conference allowance	3,320	42,322	3,320	42,322
Legal fees	6,935	455	6,567	455
Impairment of assets				
investments	14,622	15,566	14,622	15,566

NOTE 8: SALARIES AND RELATED EXPENSES

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
Employee benefits - official	**494,568**	572,820	**494,568**	572,820
Employee benefits - staff	**2,120,806**	1,798,550	**1,284,005**	999,058
Other staff costs	**232,096**	165,939	**120,191**	121,944
	2,847,470	2,537,309	**1,898,764**	1,693,822

NOTE 9: INCOME TAX EXPENSE

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
(a) Income of tax expense:				
Current tax	**22,588**	88,484	**-**	-
Deferred tax	**-**	1,382	**-**	-
	22,588	89,866	**-**	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable:				
Profit from continuing operations before income tax expense	**630,422**	724,551	**564,437**	481,529
Prima facie income tax payable on profit before income tax at 30.0% (2007 - 30.0%)	**189,127**	217,365	**169,331**	144,459
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Underprovision for income tax in prior year	**-**	1,382	**-**	-
Other non-allowable items	**2,792**	15,578	**-**	-
Non-taxable income	**(169,331)**	(144,459)	**(169,331)**	(144,459)
Income tax expense attributable to profit	**22,588**	89,866	**-**	-

NOTE 10: CASH AND CASH EQUIVALENTS

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
Cash In hand	**2,602**	1,002	**1,000**	1,000
Cash at bank	**2,417,962**	3,702,957	**997,290**	2,182,890
	2,420,564	3,703,959	**998,290**	2,183,890

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the financial year as shown in the cash flow statements as follows:

Balances as above	**2,420,564**	3,703,959	**998,290**	2,183,890
Balances per cash flow statement	**2,420,564**	3,703,959	**998,290**	2,183,890

(b) Interest rate risk exposure

The Group's and the parent entity's exposure to interest rate risk is discussed in note 22.

NOTE 11: TRADE AND OTHER RECEIVABLES

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
CURRENT				
Branches				
NUW Central Branch	**101,725**	59,280	**101,725**	59,280
NUW NSW Branch	**364,572**	274,286	**364,572**	274,286
NUW Queensland Branch	**48,890**	37,796	**48,890**	37,796
NUW SA Branch	**31,672**	12,113	**31,672**	12,113
NUW Victorian Branch	**365,260**	167,862	**365,260**	167,862
NUW WA Branch	**13,271**	11,159	**13,271**	11,159
	925,390	562,496	**925,390**	562,496
Less provision for impairment of receivables	**(42,220)**	(42,220)	**(42,220)**	(42,220)
	883,170	520,276	**883,170**	520,276
Other				
Prepayments	**291,588**	301,062	**291,588**	301,062
Other receivables	**85,318**	61,128	**61,665**	32,586
Income tax refund	**33,855**	2,621	**-**	-
Loans to Newskills Ltd	**388,885**	366,835	**388,885**	366,835
	799,646	731,646	**742,138**	700,483
	1,682,816	1,251,922	**1,625,308**	1,220,759

(a) Impaired trade receivables

The Group has recognised an impairment loss of $NIL (2007: $NIL) in respect of impaired trade receivables during the year ended 30 June 2008.

As at 30 June 2008 current trade receivables of the Group with a nominal value of $42,220 (2007:$42,220) were impaired. The amount of the provision wàs $42,220 (2007 : $42,220). The individually impaired receivables mainly relate to debtors, which are in unexpectedly difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered.

The ageing of these receivables is as follows:

Group	**2008**	2007
	$	$
1 to 3 months	-	-
3 to 6 months	-	-
Over 6 months	**42,200**	42,200
	42,200	42,200

NOTE 11: TRADE AND OTHER RECEIVABLES (Continued)

Movements in the provision for impairment of receivables is as follows:

At 1 July	**42,200**	42,200
Provision for impairment recognised during the year	-	-
Unused amounts reversed	-	-
	42,200	42,200

(b) Past due but not impaired

As of 30 June 2008 the following trade receivables were past due but not impaired:

Up to 3 months	-	-
Over 6 months	**8,675**	8,675
	8,675	8,675

(c) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

(d) Fair value and credit risk

Due to the short-term nature of the current receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to note 22 for more information on the risk management policy of the Group and the credit quality of the Group's trade receivables.

NOTE 12: OTHER FINANCIAL ASSETS

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
NON-CURRENT				
Shares in listed corporations				
- at market value	**18,772**	137,272	**18,772**	137,272
Shares in other corporations				
- at cost	**124,752**	124,752	**124,752**	124,752
Unlisted:				
Shares in subsidiary	-	-	**575,004**	575,004
Unlisted trusts				
- at cost	**2,596,582**	2,588,783	**2,596,582**	2,588,783
	2,740,106	2,850,807	**3,315,110**	3,425,811

The fair value of unlisted investments cannot be reliably measured as variability in the range of reasonable fair value is significant. As a result, all unlisted investments are reflected at cost. All listed investments are carried at fair value.

Refer Note 21(b) for details of the subsidiary company.

(a) *Movements in fair value of listed investment during the financial year:*				
Opening balance	**137,272**	456,249	**137,272**	456,249
Additions	**9,627**	530,907	**9,627**	530,907
Disposals	**(113,505)**	(835,749)	**(113,505)**	(835,749)
Revaluation for year	**(14,622)**	(14,135)	**(14,622)**	(14,135)
Closing balance	**18,772**	137,272	**18,772**	137,272

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
LAND				
Freehold land:				
At cost	**476,000**	476,000	**116,000**	116,000
BUILDINGS				
At cost	**2,265,135**	2,264,513	**1,453,269**	1,453,269
Less accumulated depreciation	**(561,024)**	(519,834)	**(429,277)**	(408,379)
	1,704,111	1,744,679	**1,023,992**	1,044,890
Total property	**2,180,111**	2,220,679	**1,139,992**	1,160,890
PLANT AND EQUIPMENT				
Motor vehicles				
At cost	**441,101**	317,660	**324,821**	224,819
Less accumulated depreciation	**(165,943)**	(100,131)	**(125,032)**	(73,949)
	275,158	217,529	**199,789**	150,870
Office equipment				
At cost	**141,923**	119,953	**141,923**	119,953
Less accumulated depreciation	**(99,405)**	(93,157)	**(99,405)**	(93,157)
	42,518	26,796	**42,518**	26,796
Computer equipment				
At cost	**309,604**	290,158	**309,604**	290,158
Less accumulated depreciation	**(243,073)**	(190,362)	**(243,073)**	(190,362)
	66,531	99,796	**66,531**	99,796
Furniture, fixtures and fittings				
At cost	**512,041**	505,860	**290,514**	287,507
Less accumulated depreciation	**(412,429)**	(392,670)	**(239,357)**	(233,725)
	99,612	113,190	**51,157**	53,782
Total plant and equipment	**483,819**	457,311	**359,995**	331,244
Total property, plant and equipment	**2,663,930**	2,677,990	**1,499,987**	1,492,134

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.

Group

2007	Freehold land	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	476,000	1,786,284	121,844	253,898	30,780	27,610	2,696,416
Additions	-	-	11,815	56,780	4,172	98,866	171,633
Disposals	-	-	-	(39,635)	(3,720)	(304)	(43,659)
Depreciation	-	(41,605)	(20,469)	(53,514)	(4,436)	(26,376)	(146,400)
Closing net book amount	476,000	1,744,679	113,190	217,529	26,796	99,796	2,677,990

2008	Freehold land	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	476,000	1,744,679	113,190	217,529	26,796	99,796	2,677,990
Additions	-	622	6,181	150,640	21,970	19,446	198,859
Disposals	-	-	-	(22,498)	-	-	(22,498)
Depreciation	-	(41,190)	(19,759)	(70,513)	(6,248)	(52,711)	(190,421)
Closing net book amount	476,000	1,704,111	99,612	275,158	42,518	66,531	2,663,930

Parent entity

2007	Freehold land	Freehold buildings	Furniture, fixtures & fittings	Vehicles	Office equipment	Computer equipment	Total
Opening net book amount	116,000	1,066,214	59,792	163,517	27,060	23,900	1,456,483
Additions	-	-	-	56,780	4,172	98,866	159,818
Disposals	-	-	-	(31,301)	-	-	(31,301)
Depreciation	-	(21,324)	(6,010)	(38,126)	(4,436)	(22,970)	(92,866)
Closing net book amount	116,000	1,044,890	53,782	150,870	26,796	99,796	1,492,134

2008	Freehold land	Freehold buildings	Furniture, fixtures & fittings	Vehicles	Office equipment	Computer equipment	Total
Opening net book amount	116,000	1,044,890	53,782	150,870	26,796	99,796	1,492,134
Additions	-	-	3,007	127,201	21,970	19,446	171,624
Disposals	-	-	-	(22,498)	-	-	(22,498)
Depreciation	-	(20,898)	(5,632)	(55,784)	(6,248)	(52,711)	(141,273)
Closing net book amount	116,000	1,023,992	51,157	199,789	42,518	66,531	1,499,987

NOTE 13: PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Non-current assets pledged as security

Refer to note 15 for information on non-current assets pledged as security by the parent entity and its controlled entities.

NOTE 14: TRADE AND OTHER PAYABLES

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
CURRENT				
Unsecured				
Trade payables	**224,268**	244,573	**70,989**	114,279
NUW Queensland Branch	**-**	20,000	**-**	20,000
NUW Victorian Branch	**7,192**	64,782	**7,192**	64,782
NUW Victorian Branch (investment)	**1,305,798**	2,699,333	**1,305,798**	2,699,333
Other payables	**121,766**	146,507	**124,500**	152,395
	1,659,024	3,175,195	**1,508,479**	3,050,789

(a) Risk exposure

Information about the Group's and the parent entity's exposure to risk is provided in note 22.

NOTE 15: BORROWINGS

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
CURRENT				
Bank loans	**44,910**	71,998	**-**	-
NON-CURRENT				
Secured liabilities				
Bank loans	**-**	44,910	**-**	-

(a) Secured borrowings

The total secured borrowings (current and non-current) are as follows:

	Economic Entity 2008	Economic Entity 2007	Parent Entity 2008	Parent Entity 2007
Bank loans	**44,910**	116,908	**-**	-
Total secured borrowings	**44,910**	116,908	**-**	-

(b) Assets pledged as security

The bank loan of the Group are secured by:

- the term deposits owned by the subsidiary

NOTE 15: BORROWINGS (Continued)

(d) Fair values

The fair values and carrying values of borrowings at balance date of the Group are as follows:

	2008 Carrying amount $	2008 Fair value $	2007 Carrying amount $	2007 Fair value $
On-balance sheet				
Non-traded securities				
Bank loans	44,910	44,910	116,908	116,908
	44,910	44,910	116,908	116,908

On-balance sheet:
The fair value of current borrowings equals the carrying amount as the impact of discounting is not significant. The fair value of non current borrowings is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for liabilities with similar risk profiles.

(e) Risk exposure

Information about the Group's and the parent entity's exposure to risk is provided in note 22.

NOTE 16: TAX LIABILITY

	Economic Entity		Parent Entity	
	2008 $	2007 $	2008 $	2007 $
CURRENT				
Income tax	-	71,942	-	-

NOTE 17: PROVISIONS

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
CURRENT				
Employee benefits - staff	**491,965**	413,060	**375,209**	277,345
Employee benefits - officials	**365,973**	369,863	**365,973**	369,863
	857,938	782,923	**741,182**	647,208

(a) Employee benefits - long service leave

A provision has been recognised for future employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on an assessment of the individual employee's circumstances. The measurement and recognition criteria for employee benefits has been included in Note 1.

(b) Amounts not expected to be settled within the next 12 months.

The current provision for long service leave includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire obligation is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued long service leave within the next 12 months. The following amounts reflect leave that is not expected to be taken within the next 12 months:

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
Long service leave obligation expected to be settled after 12 months:	454,904	444,563	367,372	342,086

NOTE 18: ACCUMULATED SURPLUS

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
Movements in retained profits were as follows:				
Balance 1 July	**6,337,710**	5,703,025	**4,624,597**	4,143,068
Net profit for the year	**607,834**	634,685	**564,437**	481,529
Balance 30 June	**6,945,544**	6,337,710	**5,189,034**	4,624,597

NOTE 19: AUDITORS' REMUNERATION

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
During the year the following fees were paid or payable for services provided by the auditor of the parent entity and its related practices:				
(a) Audit services				
Audit or review of the financial report	**10,500**	9,900	**10,500**	9,900
Other audit services	**2,900**	6,900	**2,900**	2,450
	13,400	16,800	**13,400**	**12,350**
(b) Remuneration of other auditors of subsidiaries				
Audit or review of the financial report	**19,000**	19,970	-	-
Other services	**11,479**	13,167	-	-
	30,479	33,137	-	-

NOTE 20: CONTINGENCIES

There are no other known contingent assets or liabilities at 30 June 2008

NOTE 21: RELATED PARTY TRANSACTIONS

(a) Parent entity
The parent entity within the Group is the National Union of Workers - National Office

(b) Subsidiary
The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of shares	Equity holding 2008	Equity holding 2007
Labour Union Insurance (Brokers) Pty Ltd	Australia	Ordinary	100%	100%
Australia Risk Insurance Services Pty Ltd	Australia	Ordinary	100%	100%

(c) Transactions with related parties
The following transactions occurred with related parties:

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
Sales of goods and services				
Sustentation fees from Branches	**2,674,886**	2,536,451	**2,674,886**	2,536,451
Management fee from subsidiary	**-**	-	**-**	16,237

(d) Key management personnel compensation

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
The aggregate compensation made to key management personnel of the Group is as follows:				
Short -term benefits				
Salary & wages	**494,568**	572,820	**494,568**	572,820
	494,568	572,820	**494,568**	572,820

NOTE 22: FINANCIAL RISK MANAGEMENT

The Group'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 Group overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, aging analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by management under policies approved by Committee of Management. The Committee of Management and management identify, evaluate and hedge financial risks as part of regular meetings. This identification and analysis includes an analysis of interest rate exposure and the evaluation of strategies in the context of most recent economic conditions.

(a) Market risk

(i) Foreign exchange risk

The Group is not exposed to foreign exchange risk.

(ii) Price risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified on the balance sheet either as available-for-sale or at fair value through profit or loss.

The Group is not exposed to commodity price risk.

(iii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposure to debtors, including outstanding receivables and committed transactions.

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

Cash transactions are limited to high credit quality financial institutions.

NOTE 22: FINANCIAL RISK MANAGEMENT (Continued)

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. For some trade receivables the Group may also obtain security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement. Credit risk further arises in relation to financial guarantees given to certain parties. Such guarantees are only provided in exceptional circumstances and are subject to specific approval.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions. Due to the nature of the underlying businesses, the Committee of Management aims at maintaining flexibility in funding by keeping committed credit lines available. Surplus funds are generally only invested in instruments that are tradeable in highly liquid markets.

Financing arrangements

The current interest rate on the bank loan is 9.32%.

Unrestricted access was available at balance date to the following lines of credit:

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
Credit standby arrangements				
Total facilities				
Bank loan	44,910	116,908	-	-
	44,910	116,908	-	-
Used at balance date				
Bank loan	44,910	116,908	-	-
	44,910	116,908	-	-
Unused at balance date				
Bank loan	-	-	-	-

Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Australian dollar.

NOTE 22: FINANCIAL RISK MANAGEMENT (Continued)

(d) Maturity profile of financial instruments

The maturity profile of financial assets and liabilities held are detailed below.

Group
2008

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	2.09	2,417,962	-	-	-	2,602	2,420,564
Amt due from Branches		-	-	-	-	883,170	883,170
Other receivables	-	-	-	-	-	85,318	85,318
Loans to Newskills Ltd	7.35	-	388,885	-	-	-	388,885
		2,417,962	388,885	-	-	971,090	3,777,937
Financial Liabilities							
Trade creditors	-	-	-	-	-	231,460	231,460
Other payables	-	-	-	-	-	121,766	121,766
Amt due to related parties	-	-	-	-	-	1,305,798	1,305,798
Bank loans	9.32	44,910	-	-	-	-	44,910
		44,910	-	-	-	1,659,024	1,703,934
Net Financial Assets/(Liabilities)		2,373,052	388,885	-	-	(687,934)	2,074,003

Group
2007

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	2.00	3,702,957	-	-	-	1,002	3,703,959
Amt due from Branches		-	-	-	-	520,276	520,276
Other receivables	-	-	-	-	-	61,128	61,128
Loans to Newskills Ltd	7.35	-	366,835	-	-	-	366,835
		3,702,957	366,835	-	-	582,406	4,652,198
Financial Liabilities							
Trade creditors	-	-	-	-	-	329,355	329,355
Other payables	-	-	-	-	-	146,507	146,507
Amt due to related parties	-	-	-	-	-	2,699,333	2,699,333
Bank loans	8.32	116,908	-	-	-	-	116,908
		116,908	-	-	-	3,175,195	3,292,103
Net Financial Assets/(Liabilities)		3,586,049	366,835	-	-	(2,592,789)	1,360,095

NOTE 22: FINANCIAL RISK MANAGEMENT (Continued)

Parent
2008

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	1.69	997,290	-	-	-	1,000	998,290
Amt due from branches		-	-	-	-	883,170	883,170
Other receivables	-	-	-	-	-	61,665	61,665
Loans to Newskills Ltd	7.35	-	388,885	-	-	-	388,885
		997,290	388,885	-	-	945,835	2,332,010
Financial Liabilities							
Trade creditors	-	-	-	-	-	78,181	78,181
Other payables	-	-	-	-	-	124,500	124,500
Amt due to related parties	-	-	-	-	-	1,505,798	1,505,798
		-	-	-	-	1,708,479	1,708,479
Net Financial Assets/(Liabilities)		997,290	388,885	-	-	(762,644)	623,531

Parent
2007

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	1.69	2,182,890	-	-	-	1,000	2,183,890
Amt due from branches		-	-	-	-	520,276	520,276
Other receivables	-	-	-	-	-	32,586	32,586
Loans to Newskills Ltd	7.35	-	366,835	-	-	-	366,835
		2,182,890	366,835	-	-	553,862	3,103,587
Financial Liabilities							
Trade creditors	-	-	-	-	-	199,061	199,061
Other payables	-	-	-	-	-	152,395	152,395
Amt due to related parties	-	-	-	-	-	2,899,333	2,899,333
		-	-	-	-	3,250,789	3,250,789
Net Financial Assets/(Liabilities)		2,182,890	366,835	-	-	(2,696,927)	(147,202)

NOTE 22: FINANCIAL RISK MANAGEMENT (Continued)

(e) 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 that are not traded in an active market (for example, investments in unlisted subsidiaries) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. 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 Group for similar financial instruments

(f) Sensitivity analysis

As at 30 June 2008, the effect on surplus as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2008 $	2007 $
Change in surplus		
Increase in interest rate by 2%	48,359	74,059
Decrease in interest rate by 2%	(48,359)	(74,059)

NOTE 23: CASH FLOW INFORMATION

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
Reconciliation of cash flow from operations with profit after income tax				
Profit after income tax	**607,834**	634,685	**564,437**	481,529
Non-cash flows in profit				
Depreciation	**190,421**	146,400	**141,273**	92,866
Net (gain) / loss on disposal of property, plant and equipment	**(10,684)**	12,170	**(10,684)**	8,382
Net (gain) / loss on disposal of investments	**12,814**	(222,243)	**12,814**	(117,240)
Unrealised gain on investments	**4,995**	8,329	**4,995**	8,329
Write back of liabilities	**(79,801)**	-	**(79,801)**	-
Bad debts written off	**70,250**	-	**70,250**	-
Changes in assets and liabilities				
Increase in receivables	**(504,519)**	(262,480)	**(478,174)**	(242,532)
(Increase) in intangibles	**-**	52,316	**-**	-
Increase(Decrease) in payables	**(39,460)**	83,631	**(65,599)**	52,784
Increase/(decrease) in income tax payable	**(71,942)**	70,366	**-**	-
Increase in provisions	**75,015**	64,662	**93,974**	52,002
Net cash flows from operating activities	**254,923**	587,836	**253,485**	336,120

NOTE 24: WAGE RECOVERY ACTIVITY

The entity has not undertaken any wage recovery activity during the year.

NOTE 25: EVENTS SUBSEQUENT TO REPORTING DATE

After the balance date, the parent entity sold its property in Melbourne for $1.35 million. Except for the above, no other matter or circumstance has arisen since the end of the financial year to the date of this report, that has or may significantly affect the activities of the Group, the results of those activities or the state of affairs of the Group in the ensuing or any subsequent financial year.

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

STATEMENT BY COMMITTEE OF MANAGEMENT

On 18th November 2008 the Committee of Management of the 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 year ended 30 June 2008:

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

1. the financial statements and notes, as set out on pages 3 to 36 comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes, as set out on pages 3 to 36 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 consolidated group 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 2008:
    a. meetings of the National Committee of Management were held in accordance with the rules of the organisation including the rules of branches 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 has been furnished and no order have been made under section 272 of the RAO Schedule by the Commission during the period.
    f. No order has been made by the Commission under section 273 of the RAO Schedule during the period.

For the National Committee of Management.

Designated Officer ______________________
Charles Donnelly

Dated this 18/11/2008
Melbourne

bgl

B.G.L. & Associates Pty. Ltd.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS - NATIONAL OFFICE

Report on the financial report

We have audited the accompanying financial report of National Union of Workers - National Office, which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for both National Union of Workers - National Office (the parent) and the National Union of Workers - National Office's Group (the consolidated entity). The consolidated entity comprises the parent and the entities it controlled at the year end or from time to time during the financial year.

National Committee of Management's responsibility for the financial report

The National Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes establishing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

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

Our audit did not involve an analysis of the prudence of business decisions made by the Committee of Management.

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

bgl

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS - NATIONAL OFFICE (Continued)

Independence

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

Auditor's opinion on the financial report

In our opinion, the financial report of National Union of Workers - National Office presents fairly the financial position of National Union of Workers - National Office as at 30 June 2008 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 (including the Australian Accounting Interpretations); and

b) the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996.

BGL + Associates

BGL and Associates
Chartered Accountants

JHinds

I A Hinds - ACA
(Member of The Institute of Chartered Accountants in Australia and holder of Public Practice Certificate)
Partner

Melbourne

18th day of November 2008

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

ANNUAL CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2008

National Union of Workers

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

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

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Relationship of the concise financial report to the full financial report

The concise financial report is an extract from the full financial report for the year ended 30 June 2008. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of National Union of Workers - National Office and its subsidiaries as the full financial report. Further financial information can be obtained from the full financial report.

The full financial report and auditor's report will be sent to members on request, free of charge. This financial report covers both as an individual entity and the consolidated entity consisting of National Union of Workers - National Office and its subsidiaries.

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 2008. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

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 report has been derived from the full 2008 Financial Report of National Union of Workers - National Office and its Controlled Entities.

Income Statements

The consolidated profit after tax attributable to members during the year is $607,834 which is 4% lower than the profit after tax for 2007. This reduction is mainly due to a one-off profit last year on the sale of investments and expenses growing in excess of revenue from operations. Revenue from operations for the year increased by 2% during the year whilst expenses rose by 4%.

The 4% increase in expenses was partly due to salaries and related expenses charge to the income statement increasing from $2,847,470 to $ 2,537,909 in 2008 as a result of an increased number of staff.

Balance Sheet

Total assets decreased by $977,262 to $9,507,416 which is a 9% decrease from 2007. This decrease was attributable to the decrease in cash on hand at the year end due to repayment of creditors.

Total liabilities decreased by $1,585,096 to $2,561,872 representing a decrease of 38%. This was attributable mainly to a decrease of trade and other payables.

The equity of the group increased by $607,834 due to the net increase in accumulated surplus after tax.

Cash Flows

Cash assets decreased from $3,703,959 as at 30 June 2007 to $2,420,564 as at 30 June 2008. Net cash inflows from operations decreased by 56% compared to last year. This decrease in net cashflows from operation was due to higher cash payments to employees and suppliers and income tax.

Designated Officer ______________________
Charles Donnelly

Dated this 18/11/08

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

OPERATING REPORT

Your Committee present their report on the National Union of Workers - National Office and its controlled entities for the financial year ended 30 June 2008.

Members of National Committee of Management

The names of the members of the 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

Tim Kennedy

Martin Pritchard

Mark Furner (resigned on 26 June 2008)

Ron Herbert

Marisa Bernardi

Doug Stevens

Antony Thow

Nick Thredgold

Antonia Parkes

John Cosgrove (appointed on 22 June 2008)

All Committee members 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 consolidated group for the financial year after providing for income tax and eliminating minority equity interests amounted to $607,834 (2007 : $634,685).

Review of Operations

A review of the operations of the consolidated group during the financial year and the results of those operations found that during the year, the consolidated group 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 consolidated group occurred during the financial year.

Principal Activities

The principal activities of the consolidated group 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.

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.

OPERATING REPORT (Continued)

Union details

The number of employees at 30 June 2008 was 20 (2007: 18).

The number of financial members at 30 June 2008 was 89,125 (2007: 89,050).

Right of members to resign

The rules of the union provide at Rule 59 - Resignation from Membership, that a member of the union may resign from the union in accordance with the Rule. The Rule itself is in similar terms to s. 174 and meets the requirements of the Workplace Relations Act 1996.

Directorships of Superannuation Funds

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

The following NCOM members are directors of LUCRF:

Charles Donnelly

Tim Kennedy

Antony Thow

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

Designated Officer ______________________
Charles Donnelly

Dated this 18/11/08

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

INCOME STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Economic Entity		Parent Entity	
		2008	2007	2008	2007
		$	$	$	$
Revenue from continuing operations	3	**5,575,944**	5,246,859	**4,214,633**	3,788,084
Other income	4	**10,684**	222,258	**10,684**	222,258
Administrative expenses		**(288,076)**	(260,693)	**(189,874)**	(207,519)
Affiliation fee		**(301,769)**	(299,568)	**(301,769)**	(299,568)
Campaign expenses		**(503,185)**	(484,322)	**(503,185)**	(484,322)
Depreciation and amortisation		**(190,421)**	(146,400)	**(141,273)**	(92,866)
Donations		**(29,449)**	(30,500)	**(29,449)**	(30,500)
Finance costs		**(7,616)**	(11,026)	**-**	-
Insurance expenses		**(107,916)**	(103,433)	**(69,285)**	(55,691)
Legal and professional fees		**(71,854)**	(123,769)	**(26,045)**	(18,475)
Meeting and conference expenses		**(3,269)**	(54,035)	**(3,269)**	(54,035)
Motor vehicle expenses		**(75,021)**	(61,132)	**(50,395)**	(37,018)
Occupancy expenses		**(118,918)**	(112,254)	**(85,399)**	(82,823)
Printing & communication expenses		**(219,421)**	(265,582)	**(176,582)**	(225,040)
SA Organising Fund		**-**	(30,000)	**-**	(30,000)
Salaries and related expenses		**(2,847,470)**	(2,537,909)	**(1,898,764)**	(1,693,822)
Travel and vehicle expenses		**(184,770)**	(218,781)	**(179,267)**	(212,382)
Other expenses		**(7,051)**	(5,162)	**(6,324)**	(4,752)
		(4,956,206)	(4,744,566)	**(3,660,880)**	(3,528,813)
Profit before income tax		**630,422**	724,551	**564,437**	481,529
Income tax expense		**(22,588)**	(89,866)	**-**	-
Profit attributable to members		**607,834**	634,685	**564,437**	481,529

The above income statements should be read in conjunction with the accompanying notes.

BALANCE SHEETS
AS AT 30 JUNE 2008

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	**2,420,564**	3,703,959	**998,290**	2,183,890
Trade and other receivables	**1,682,816**	1,251,922	**1,625,308**	1,220,759
TOTAL CURRENT ASSETS	**4,103,380**	4,955,881	**2,623,598**	3,404,649
NON-CURRENT ASSETS				
Other financial assets	**2,740,106**	2,850,807	**3,315,110**	3,425,811
Property, plant and equipment	**2,663,930**	2,677,990	**1,499,987**	1,492,134
TOTAL NON-CURRENT ASSETS	**5,404,036**	5,528,797	**4,815,097**	4,917,945
TOTAL ASSETS	**9,507,416**	10,484,678	**7,438,695**	8,322,594
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	**1,659,024**	3,175,195	**1,508,479**	3,050,789
Borrowings	**44,910**	71,998	**-**	-
Current tax liabilities	**-**	71,942	**-**	-
Provisions	**857,938**	782,923	**741,182**	647,208
TOTAL CURRENT LIABILITIES	**2,561,872**	4,102,058	**2,249,661**	3,697,997
NON-CURRENT LIABILITIES				
Borrowings	**-**	44,910	**-**	-
TOTAL NON-CURRENT LIABILITIES	**-**	44,910	**-**	-
TOTAL LIABILITIES	**2,561,872**	4,146,968	**2,249,661**	3,697,997
NET ASSETS	**6,945,544**	6,337,710	**5,189,034**	4,624,597
EQUITY				
Retained profits	**6,945,544**	6,337,710	**5,189,034**	4,624,597
TOTAL EQUITY	**6,945,544**	6,337,710	**5,189,034**	4,624,597

The above balance sheets should be read in conjunction with the accompanying notes.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2008

Consolidated Group	Retained profits $	Total $
Balance at 1 July 2006	5,703,025	5,703,025
Profit for the year	634,685	634,685
Balance at 30 June 2007	6,337,710	6,337,710
Balance at 1 July 2007	6,337,710	6,337,710
Profit for the year	607,834	607,834
Balance at 30 June 2008	6,945,544	6,945,544
Parent Entity		
Balance at 1 July 2006	4,143,068	4,143,068
Surplus for the year	481,529	481,529
Balance at 30 June 2007	4,624,597	4,624,597
Balance at 1 July 2007	4,624,597	4,624,597
Surplus for the year	564,437	564,437
Balance at 30 June 2008	5,189,034	5,189,034

The above statements of changes in equity should be read in conjunction with the accompanying notes.

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

CASH FLOW STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES				
Sustentation Fees received	**2,740,394**	2,796,192	**2,740,394**	2,796,192
Campaign income	**554,868**	824,271	**554,868**	824,271
Other income	**957,014**	446,516	**868,579**	547,846
Commission received	**1,299,076**	1,382,875	**-**	-
Payments to suppliers and employees	**(5,335,447)**	(5,047,860)	**(3,923,556)**	(3,908,377)
Dividends received	**2,113**	40,753	**2,113**	40,753
Interest received	**170,285**	173,653	**11,087**	35,435
Finance costs	**(7,616)**	(11,026)	**-**	-
Income tax paid	**(125,764)**	(17,538)	**-**	-
Net cash inflow from operating activities	**254,923**	587,836	**253,485**	336,120
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment	**33,182**	27,464	**33,182**	22,919
Proceeds from sale of investments	**100,691**	1,072,992	**100,691**	1,072,992
Money received from NUW Central Branch	**-**	100,000	**-**	100,000
Payment for property, plant and equipment	**(198,859)**	(167,608)	**(171,624)**	(159,818)
Payment for investments	**(1,401,334)**	(531,907)	**(1,401,334)**	(531,907)
Net cash inflow from investing activities	**(1,466,320)**	500,941	**(1,439,085)**	504,186
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayments of bank loan	**(71,998)**	(67,370)	**-**	-
Net cash (outflow) from financing activities	**(71,998)**	(67,370)	**-**	-
Net increase/(decrease) in cash and cash equivalents	**(1,283,395)**	1,021,407	**(1,185,600)**	840,306
Cash and cash equivalents at beginning of financial year	**3,703,959**	2,682,552	**2,183,890**	1,343,584
Cash and cash equivalents at end of financial year	**2,420,564**	3,703,959	**998,290**	2,183,890

The above cash flow statements should be read in conjunction with the accompanying notes.

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

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

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. The presentation currency used in this concise financial report is Australian dollars.

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 includes separate financial statements for National Union of Workers - National Office as an individual entity and the consolidated entity consisting of National Union of Workers - National Office and its subsidiaries.

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of subsection (1), (2) and (3) of section 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 made 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 3: REVENUE

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	$	$	$	$
From continuing operations				
Service revenue				
- commission	**1,176,093**	1,270,808	-	-
- sustentation fee	**2,674,886**	2,536,451	**2,674,886**	2,536,451
- campaign funds	**504,426**	749,337	**504,426**	749,337
	4,355,405	4,556,596	**3,179,312**	3,285,788
Other revenue				
- interest	**192,335**	195,703	**33,137**	57,485
- NUW - MSC	**501,149**	-	**501,149**	-
- dividends	**2,113**	29,541	**2,113**	29,541
- mailouts	**45,861**	62,892	**45,861**	62,892
- management fee	**122,283**	111,947	**122,283**	95,711
- director fees	**241,350**	233,966	**241,350**	233,966
- investment income	**9,627**	11,212	**9,627**	11,212
- other revenue	**105,821**	45,002	**79,801**	11,489
	5,575,944	5,246,859	**4,214,633**	3,788,084

NOTE 4: OTHER INCOME

Net Gain on disposal of property, plant and equipment and investment	**10,684**	222,258	**10,684**	222,258

NOTE 5: EVENTS SUBSEQUENT TO REPORTING DATE

After the balance date, the parent entity sold its property in Melbourne for $1.35 million. Except for the above, no other matter or circumstance has arisen since the end of the financial year to the date of this report, that has or may significantly affect the activities of the Group, the results of those activities or the state of affairs of the Group in the ensuing or any subsequent financial year.

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

STATEMENT BY COMMITTEE OF MANAGEMENT

On 18th November 2008 the Committee of Management of the 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 year ended 30 June 2008:

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

1. the financial statements and notes, as set out on pages 4 to 9 comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes, as set out on pages 4 to 9 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 consolidated group 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 2008:
   a. meetings of the National Committee of Management were held in accordance with the rules of the organisation including the rules of branches 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 has been furnished and no order have been made under section 272 of the RAO Schedule by the Commission during the period.
   f. No order have been made by the Commission under section 273 of the RAO Schedule during the period.

For the National Committee of Management.

Designated Officer

Charles Donnelly

Dated this 18/11/08
Melbourne

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS - NATIONAL OFFICE

Report on the concise financial report

The accompanying concise financial report of National Union of Workers - National Office and Controlled Entities (the consolidated entity) comprises the consolidated balance sheet at 30 June 2008, the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended and related notes derived from the audited financial report of National Union of Workers - National Office and controlled Entities for the year ended 30 June 2008, and the discussion and analysis. The concise financial report does not contain all of the disclosures required by Australian Accounting Standards.

Committee of Management's responsibility for the financial report

The Committee of Management is responsible for the preparation and fair presentation of the concise financial report in accordance with Australian Accounting Standard AASB 1039: *Concise Financial Reports* (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the concise financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standard of the financial report of National Union of Workers - National Office and its Controlled Entities for the year ended 30 June 2008. Our audit report on the financial report for the year was signed on 18th November 2008 and was not subject to any modification. Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from and is consistent with, the financial report for the year, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. The procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in Australian Accounting Standard AASB 1039: *Concise Financial Reports*

Our audit did not involve an analysis of the prudence of business decisions made by the Committee of Management.

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NATIONAL UNION OF WORKERS - NATIONAL OFFICE (Continued)

Independence

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

Auditor's opinion on the financial report

In our opinion, the concise financial report including the discussion and analysis of National Union of Workers - National Office and its Controlled Entities for the year ended 30 June 2008 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports*.

BGL + Associates

BGL and Associates
Chartered Accountants

IHinds.

I A Hinds - ACA
(Member of The Institute of Chartered Accountants in Australia and holder of Public Practice Certificate)
Partner

Melbourne

18th day of November 2008