NATIONAL UNION OF WORKERS

UNITY IS STRENGTH.

RECEIVED
22 DEC 2011
FAIR WORK AUSTRALIA
VICTORIA

PR:RB

11D-034

21 December, 2011

Acting General Manager
Fair Work Australia
GPO Box 1994
Melbourne VIC 3001

FR 2011/2796

Dear Acting General Manager,

Re: National Union of Workers National Office Financial Reports for year ending 30 June 2011.

Please find enclosed a copy of the National Union of Workers National Office financial reports for the year ending 30 June 2011.

The financial reports were presented to a meeting of the National Committee of Management for approval on 20 December 2011.

Also enclosed is the required certificate in support of the lodgment of these documents.

If you require any further information please contact Assistant General Secretary Paul Richardson.

Yours faithfully,

CHARLES DONNELLY
GENERAL SECRETARY

National PO Box 343, North Melbourne VIC 3051
VIC PO Box 343, North Melbourne VIC 3051
NSW 3-5 Bridge Street, Granville NSW 2142
QLD 1st Floor, 17 Cribb Street, Milton QLD 4064
SA 46 Greenhill Rd, Wayville SA 5034
WA 5/896 Beaufort Street, Inglewood WA 6052

RECEIVED
22 DEC 2011
FAIR WORK AUSTRALIA
VICTORIA

Fair Work (Registered Organisations) Act 2009

Fair Work (Registered Organisations) Regulations 2009

CERTIFICATE

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

1. That the documents lodged herewith are copies of the full report and the concise report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009;*

2. That the concise report was made available to members on 25 November 2011; and

3. That the full report was presented to a meeting of the National Committee of Management of the reporting unit on 8 November 2009 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009.*

DATED: 21 December 2011

CHARLES DONNELLY
GENERAL SECRETARY

NATIONAL UNION OF WORKERS

UNITY IS STRENGTH.

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

ANNUAL CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

nuwassist
1300 275 689
nuw.org.au
FOR WORKPLACE SUPPORT

National PO Box 343, North Melbourne VIC 3051
VIC PO Box 343, North Melbourne VIC 3051
NSW 3-5 Bridge Street, Granville NSW 2142
QLD 1st Floor, 17 Cribb Street, Milton QLD 4064
SA 46 Greenhill Rd, Wayville SA 5034
WA 63 Railway Pde, Mount Lawley WA 6050

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

TABLE OF CONTENTS

Relationship of the concise financial report to the full financial reports

The concise financial report is an extract from the full financial report for the year ended 30 June 2011. 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 as an individual entity (which includes the National Office and the General Branch) and the controlled entities 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. Please contact National Union of Workers – National Office and a copy will be forwarded to you. Alternatively, you can access both the full financial report and the concise report via the internet at our Members' Centre on our website.

The committee of management has resolved on 8th November 2011 that this concise report be provided in accordance with s265(2) of the Fair Work (Registered Organisations) Act 2009.

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

DISCUSSION AND ANALYSIS OF THE FINANCIAL REPORTS

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

The concise financial report is an extract of the full financial report for the year ended 30 June 2011. The financial statements and specific disclosures in the concise financial report have been derived from the 2011 financial report of the National Union of Workers – National Office. A copy of the full financial report and the auditor's report will be sent to any member, free of charge, upon request.

The 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 consolidated financial statements and the information contained in the concise financial report has been derived from the full 2011 financial report of National Union of Workers – National Office and its controlled entities.

Statement of Comprehensive Income

The consolidated deficit attributable to members for the year was $423,600 which is a 5% increase from last year deficit of $402,935.

This increase in the deficit occurred despite a growth in revenue of 39% from $8,019,866 in 2010 to $8,614,342 in 2011 as expenses increased by 7% from $8,418,453 in 2010 to $9,034,634 this year. The deficit is primarily due to increased employment costs.

Balance Sheet

Total assets decreased by 6.7% or $728,864 from $10,867,794 in 2010 to $10,138,930 this year mainly due to a decrease in cash on hand. Total liabilities decreased by $305,264 or 15% from $2,028,721 in 2010 to $1,723,457 in 2010. This decrease is mainly as a result of repayment of the margin loan.

Cash Flows

Net cash flows from operations decreased by $493,533 from ($176,067) in 2010 to ($669,600) in 2011. The decrease was mainly due to the increase in expenditure.

Overall cash balances decreased by $608,563 from last reporting period, with cash on hand and at banks at 30 June 2011 being $2,576,911 (2010: $3,185,474).

Signed in accordance with a resolution of the Committee of Management

----

Designated Officer – Charles Donnelly

Dated this 8th November 2011

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 2011.

Members of National Committee of Management:

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

Name	*Position*
Doug Stevens	General President
Charles Donnelly	General Secretary
Paul Richardson	Assistant General Secretary
Gayle Burmeister	General Vice President
Ron Herbert	General Vice President
Marisa Bernardi	General Vice President
Tim Kennedy	General Vice President
Sam Roberts (from 6 September 2010)	General Vice President
Sam Roberts (from 1 July 2010 to 5 September 2010)	Secretary
Dani Shanahan (from 6 September 2010)	General Vice President
Derrick Belan	Secretary

All Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Review of Principal activities and results of operations

National Office:

The principal activities of the National Office during the financial year were the overseeing, 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.

A review of the operations of consolidated group indicate that it continued to engage in its principal activity of representing members in industrial and other matters. In pursuing these activities The National Union of Workers has sought to protect members through representation of individuals in grievances and disputes. In pursuing such, The National Union of Workers has initiated and activated legal and industrial action when appropriate.

On 9 June 2011, the National Office of the National Union of Workers filed an application with the General Manager of Fair Work Australia for an alternative designation of reporting units. A copy of the application can be obtained from the Unions website (www.nuw.org.au/publicnotices). The application has yet to be determined.

General Branch:

In terms of the rules of the National Union of Workers, the General Branch forms part of the National Fund. Membership is drawn from most States and territories of Australia. The principal activities of the General Branch during the financial year were the protection and improvement of employment conditions for its members. No significant change in the nature of these activities occurred during the year.

OPERATING REPORT (CONTINUED)

Significant changes in state of affairs

National Office:

No significant changes in the state of financial affairs of the consolidated group occurred during the financial year.

General Branch:

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

After balance date events

National Office:

After the reporting date, the National Union of Workers executed a transmission of the business of Labour Union Insurance (Brokers) Pty Ltd, a wholly owned subsidiary, with Industry Funds Services Insurance Broking Pty Ltd (IFS). This had the effect of IFS assuming all Labour Union Insurance (Brokers) Pty Ltd insurance policies from 1 October 2011. The other assets of Labour Union Insurance (Brokers) Pty Ltd remain unchanged and the Union is seeking advice as to their retention, disposal and/or integration into the accounts of the Union.

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

General Branch:

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

National Union of Workers details

National Fund:

The number of full time equivalents employees of at 30 June 2011 was 45 (2010: 43).

The number of financial members of the whole National Union of Workers at 30 June 2011 was 77,761 (2010: 81,854).

General Branch:

The number of full time equivalents of the General Branch employees at 30 June 2011 was 24 (2010:20).

The number of financial members of the General Branch at 30 June 2011 was 9,911 (2010: 9,175).

Rights of members to resign

National Fund and General Branch

The rules 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 is similar to s174 and meets all of the requirements of the Fair Work (Registered Organisations) Act 2009.

OPERATING REPORT (CONTINUED)

Directorships of superannuation funds

National Fund:

Charles Donnelly and Tim Kennedy are both non-beneficial shareholders and directors of the Labour Union Co-operative Retirement Fund Pty Ltd. (LUCRF)

The following NCOM members are directors of LUCRF:

Charles Donnelly

Tim Kennedy

Paul Richardson

General Branch:

To the best of our knowledge and belief, no officer or member of the organisation, by virtue of their office or membership of the National Union of Workers - General Branch is:

(i) a trustee of a superannuation entity or exempt public sector superannuation scheme; or

(ii) a director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and

(iii) where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

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

Designated Officer --

Charles Donnelly

Dated this 8th November 2011

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

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	Consolidated Group		Parent Entity	
		2011	2010	2011	2010
		$	$	$	$
Revenue from continuing operations	3	**8,351,505**	7,756,505	**6,827,269**	6,336,633
Other income	4	**262,837**	263,361	**233,157**	235,410
Administrative expenses		**(970,356)**	(716,295)	**(816,636)**	(505,638)
Affiliation fee		**(413,582)**	(410,650)	**(413,582)**	(410,650)
Campaign expenses		**(95,500)**	-	**(95,500)**	-
Industrial expenses		**(92,877)**	(489,192)	**(91,559)**	(486,875)
Finance costs		**(8,162)**	(27,097)	**(8,162)**	-
Official expenses		**(513,684)**	-	**(513,684)**	-
Legal and professional fees		**(284,473)**	(520,676)	**(235,993)**	(459,536)
Motor vehicle expenses		**(185,990)**	(154,248)	**(156,851)**	(129,763)
Occupancy expenses		**(530,607)**	(534,007)	**(461,886)**	(476,319)
Telephone expenses		**(80,217)**	(104,345)	**(64,986)**	(90,778)
Salaries and related expenses		**(5,842,362)**	(5,289,473)	**(4,705,194)**	(4,248,173)
Travel and accommodation expenses		**(16,824)**	(169,271)	**(5,757)**	(160,054)
Other expenses		**-**	(3,199)	**-**	(3,199)
		(9,034,634)	(8,418,453)	**(7,569,790)**	(6,970,985)
(Loss)/Profit before income tax		**(420,292)**	(398,587)	**(509,364)**	(398,942)
Income tax expense		**(3,308)**	(4,348)	**-**	-
(Loss)/Profit attributable to members		**(423,600)**	(402,935)	**(509,364)**	(398,942)
Other comprehensive income		**-**	-	**-**	-
Total comprehensive (loss) income for the year		**(423,600)**	(402,935)	**(509,364)**	(398,942)
Total comprehensive (loss) income for the year is attributable to:					
Members of the union		**(423,600)**	(402,935)	**(509,364)**	(398,942)

The above statements of comprehensive income 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 2011

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
ASSETS				
Current assets				
Cash and cash equivalents	**2,576,911**	3,185,474	**1,113,328**	1,737,298
Trade and other receivables	**1,196,781**	1,174,519	**1,188,763**	1,218,359
Financial assets	**-**	632,762	**-**	-
Total current assets	**3,773,692**	4,992,755	**2,302,091**	2,955,657
Non-current assets				
Financial assets	**3,446,200**	2,890,773	**4,021,204**	3,749,728
Intangibles assets	**1,620**	1,620	**-**	-
Property, plant and equipment	**2,917,418**	2,982,646	**1,868,673**	1,858,418
Total non-current assets	**6,365,238**	5,875,039	**5,889,877**	5,608,146
Total assets	**10,138,930**	10,867,794	**8,191,968**	8,563,803
LIABILITIES				
Current liabilities				
Trade and other payables	**541,596**	517,483	**481,634**	426,625
Borrowings	**-**	354,827	**-**	-
Provisions	**1,181,861**	1,156,411	**1,112,678**	1,030,158
Total current liabilities	**1,723,457**	2,028,721	**1,594,312**	1,456,783
Total liabilities	**1,723,457**	2,028,721	**1,594,312**	1,456,783
Net assets	**8,415,473**	8,839,073	**6,597,656**	7,107,020
EQUITY				
Reserves	**2,457,817**	2,460,765	**2,452,857**	2,455,805
Retained profits	**5,957,656**	6,378,308	**4,144,799**	4,651,215
Total equity	**8,415,473**	8,839,073	**6,597,656**	7,107,020

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 2011

	Reserves $	Retained profits $	Total $
Consolidated Group			
Balance at 1 July 2009	4,960	7,015,051	7,020,011
Increase in reserves due to amalgamation	2,221,997	-	2,221,997
(Loss) for the year	-	(402,935)	(402,935)
Transfer to reserve	233,808	(233,808)	-
Balance at 30 June 2010	2,460,765	6,378,308	8,839,073
Balance at 1 July 2010	2,460,765	6,378,308	8,839,073
(Loss) for the year	-	(423,600)	(423,600)
Transfer to reserve	(2,948)	2,948	-
Balance at 30 June 2011	2,457,817	5,957,656	8,415,473
Parent Entity			
Balance at 1 July 2009	-	5,283,965	5,283,965
Increase in reserves due to amalgamation	2,221,997	-	2,221,997
(Loss) for the year	-	(398,942)	(398,942)
Transfer to reserve	233,808	(233,808)	-
Balance at 30 June 2010	2,455,805	4,651,215	7,107,020
Balance at 1 July 2010	2,455,805	4,651,215	7,107,020
(Loss) for the year	-	(509,364)	(509,364)
Transfer to reserve	(2,948)	2,948	-
Balance at 30 June 2011	2,452,857	4,144,799	6,597,656

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

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Cash flows from operating activities				
Receipts from branches	**2,785,602**	2,884,869	**2,785,602**	2,884,869
Membership fees received	**3,617,512**	2,982,742	**3,617,512**	2,982,742
Grant received	**-**	143,000	**-**	143,000
Other income	**1,162,072**	852,932	**968,372**	778,277
Commission received	**1,363,246**	1,378,594	**-**	-
Payments to suppliers and employees	**(9,939,442)**	(8,782,266)	**(8,314,134)**	(7,307,999)
Dividends/Distribution received	**228,923**	242,741	**228,923**	219,176
Interest received	**130,496**	110,963	**26,403**	24,951
Finance costs	**(8,162)**	(27,097)	**-**	-
Income tax refund (paid)	**(9,847)**	37,455	**-**	-
Net cash (outflow) inflow from operating activities	**(669,600)**	(176,067)	**(687,322)**	(274,984)
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment	**40,000**	48,545	**10,000**	48,545
Return of capital from investment	**-**	31,790	**29,977**	31,790
Payment for property, plant and equipment	**(242,221)**	(345,940)	**(239,883)**	(341,955)
Cash acquired on amalgamation	**-**	714,281	**-**	709,136
Payment for investments	**-**	(5,732)	**-**	(209)
Net cash inflow(outflow) from investing activities	**(202,221)**	442,944	**(199,906)**	447,307
Cash flows from financing activities				
Loan repayment received	**263,258**	11,000	**263,258**	11,000
Refund of trust money	**-**	205,348	**-**	205,348
Bank loan advanced (repaid)	**-**	41,855	**-**	-
Net cash inflow from financing activities	**263,258**	258,203	**263,258**	216,348
Net (decrease) increase in cash and cash equivalents	**(608,563)**	525,080	**(623,970)**	388,671
Cash and cash equivalents at beginning of financial year	**3,185,474**	2,660,394	**1,737,298**	1,348,627
Cash and cash equivalents at end of financial year	**2,576,911**	3,185,474	**1,113,328**	1,737,298

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

1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basic of Preparation of Concise Financial Reports

The concise financial reports have been prepared in accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 and Accounting Standards AASB 1039 "Concise Financial Report".

A full general purpose financial report has been prepared for the National Union of Workers – National Office as an individual entity (which includes the National Office and the General Branch) and the controlled entities. The financial statements and specific disclosures included in the concise financial report have been derived from the general purpose financial report of National Union of Workers – National Office as an individual entity (which includes the National Office and the General Branch) and the controlled entities. 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 the entity as the general purpose financial report of the National Union of Workers – National Office as an individual entity (which includes the National Office and the General Branch) and the controlled entities.

(b) Basic of Accounting

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

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

The accounting policies adopted have been consistently applied to all years presented, unless otherwise stated.

(c) Presentation currency

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

2: Information to be provided to members or Manager of Fair Work Australia

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 , 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).

3: Revenue

	Notes	Consolidated Group		Parent Entity	
		2011	2010	2011	2010
From continuing operations		$	$	$	$
Service revenue					
- commission		**1,232,915**	1,245,424	-	-
- sustentation fees	(a)	**2,498,889**	2,376,223	**2,498,889**	2,376,223
- membership fees		**3,288,647**	2,711,583	**3,288,647**	2,711,583
		7,020,451	6,333,230	**5,787,536**	5,087,806
Other revenue					
- interest		**160,879**	146,012	**56,786**	59,977
- NUW – MSC income	(b)	-	227,425	-	227,425
- reimbursements from Branches		**193,045**	-	**193,045**	
- grant income		-	138,000	-	138,000
- NUWQ service fee		**64,491**	-	**64,491**	-
- management fee		**85,591**	93,636	**85,591**	93,636
- director fees		**275,945**	284,992	**275,945**	284,992
- investment income		**215,889**	224,339	**215,889**	214,384
- dividends		**20,172**	16,251	**20,172**	-
- rent		**75,207**	78,272	**63,808**	69,678
- FWEIP project		-	75,235	-	75,235
- TUEF project 2011		**22,746**	-	**22,746**	-
- proceeds from insurance policy		**146,487**	-	-	-
- other revenue		**70,602**	139,113	**41,260**	85,500
		8,351,505	7,756,505	**6,827,269**	6,336,633

(a) Sustentation fees	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
Branches:	$	$	$	$
New South Wales	**886,580**	858,661	**886,580**	858,661
Queensland	-	17,841	-	17,841
Victoria	**1,612,309**	1,498,305	**1,612,309**	1,498,305
Western Australia	-	1,416	-	1,416
	2,498,889	2,376,223	**2,498,889**	2,376,223

(b) NUW – MSC Income	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
Branches:	$	$	$	$
Victoria	-	227,425	-	227,425

4: Other income

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Fair value gain financial assets	**229,857**	263,243	**229,857**	235,292
Net gain on disposal of property, plant and equipment and investments	**32,980**	118	**3,300**	118
	262,837	263,361	**233,157**	235,410

5: Events occurring after reporting date

After the reporting date, the National Unions of Workers executed a transmission of the business of Labour Union Insurance (Brokers) Pty Ltd, a wholly owned subsidiary, with Industry Funds Services Insurance Broking Pty Ltd (IFS). This had the effect of IFS assuming all Labour Union Insurance (Brokers) Pty Ltd insurance policies from 1 October 2011. The other assets of Labour Union Insurance (Brokers) Pty Ltd remain unchanged and the Union is seeking advice as to their retention, disposal and/or integration into the accounts of the Union.

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.

6: Contingencies and Commitments

There are no other known contingent assets or liabilities and commitments at 30 June 2011.

7:Analysis of comprehensive income of parent entity

In order for the members of the General Branch to more readily understand the operations of the branch the following analysis is presented:

	This year			Last year		
	$	$	$	$	$	$
	General Branch	National Office	Total	General Branch	National Office	Total
Revenue from continuing operations	**-**	**6,827,269**	**6,827,269**	-	6,336,633	6,336,633
Other income	**10,874**	**222,283**	**233,157**	15,245	220,165	235,410
Administrative expenses	**(162,740)**	**(662,058)**	**(824,798)**	(234,909)	(270,729)	(505,638)
Affiliation fee	**(90,932)**	**(322,650)**	**(413,582)**	(71,735)	(338,915)	(410,650)
Campaign expenses	**-**	**(95,500)**	**(95,500)**	-	-	-
Industrial expenses	**(89,660)**	**(1,899)**	**(91,559)**	(459,339)	(27,536)	(486,875)
Finance costs	**-**	**-**	**-**	-	-	-
Official expenses	**(144,391)**	**(369,293)**	**(513,684)**	-	-	-
Legal and professional fees	**(112,229)**	**(123,764)**	**(235,993)**	(112,527)	(347,009)	(459,536)
Motor vehicle expenses	**(64,461)**	**(92,390)**	**(156,851)**	(63,478)	(66,285)	(129,763)
Occupancy expenses	**(173,827)**	**(288,059)**	**(461,886)**	(129,301)	(347,018)	(476,319)
Telephone expenses	**(25,525)**	**(39,461)**	**(64,986)**	-	(90,778)	(90,778)
Salaries and related expenses	**(2,423,800)**	**(2,281,394)**	**(4,705,194)**	(2,231,638)	(2,016,535)	(4,248,173)
Travel and accommodation expenses	**-**	**(5,757)**	**(5,757)**	-	(160,054)	(160,054)
Other expenses	**-**	**-**	**-**	(3,199)	-	(3,199)
	(3,287,565)	**(4,282,225)**	**(7,569,790)**	(3,306,126)	(3,664,859)	(6,970,985)
(Loss)/Profit before income tax	**(3,276,691)**	**2,767,327**	**(509,364)**	(3,290,881)	2,891,939	(398,942)
Income tax expense	**-**	**-**	**-**	-	-	-
(Loss)/Profit attributable to members	**(3,276,691)**	**2,767,327**	**(509,364)**	(3,290,881)	2,891,939	(398,942)
Other comprehensive income	**-**	**-**	**-**	-	-	-
Total comprehensive (loss) income for the year	**(3,276,691)**	**2,767,327**	**(509,364)**	(3,290,881)	2,891,939	(398,942)
Total comprehensive (loss) income for the year is attributable to:						
Members of the union	**(3,276,691)**	**2,767,327**	**(509,364)**	(3,290,881)	2,891,939	(398,942)

Attention is drawn to Rule 23 of the NUW Rules which effectively means that all income including membership contributions is part of the National Fund (National Office) and that the General Branch is funded by an allocation of money by the National Fund (National Office). This is reflected in the above analysis.

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

STATEMENT BY COMMITTEE OF MANAGEMENT

On 8th November 2011 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 2011:

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 5 to 12 comply with Australian Accounting Standards and other mandatory professional reporting requirements
2. the financial statements and notes, as set out on pages 5 to 12 comply with the reporting guidelines of the General Manager of FWA;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the National Union of Workers – National Office for the financial year to which they relate;
4. there are reasonable grounds to believe that the consolidate 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 2011
   a. meetings of the 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 the 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 the National Union of Workers – National Office have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
   d. the financial records of the National Union of Workers – National Office have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the union; and
   e. the information sought in any request of a member of the National Union of Workers – National Office or the General Manager of FWA under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of FWA; and
   f. No orders have been made by the FWA under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.
6. There were no wage recovery activities undertaken during the year.

For the Committee of Management

Designated officer – Charles Donnelly

Dated this 8th day of November 2011

bgl

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

A.B.N. 96 006 935 459

Suite 1, Ground Floor
598 St. Kilda Road
Melbourne VIC 3004
All correspondence to
PO Box 6094
St. Kilda Road Central
VIC 8008
t: (03) 9525 2511
f: (03) 9525 2829
e: bgl@bglassociates.com.au
w: www.bglassociates.com
Incorporating BGL & Associates

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

Report on the concise financial report

We have audited the accompanying concise financial report of the National Union of Workers – National Office and consolidated group, which comprises the balance sheet as at 30 June 2011, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and related notes, derive from the audited financial report of National Union of Workers – National Office and consolidated group for the year ended 30 June 2011. The concise financial report does not contain all the disclosures required by Australian Accounting Standards and accordingly, reading the concise financial report is not a substitute for reading the audited financial report.

Committee of Management 's responsibility for the concise financial report

The Committee of Management is responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports* and the Fair Work (Registered Organisations) Act 2009, and for such internal control as the Committee of Management determines is necessary to enable the preparation of the concise financial report.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with Auditing Standard ASA 810: Engagements to Report on Summary Financial Statements. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of the National Union of Workers – National Office and consolidated entities for the year ended 30 June 2011. We expressed an unmodified audit opinion on that financial report in our report dated 8 November 2011. The 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 for the year is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the concise financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our procedures included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of audit evidence supporting the amounts, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion on whether, in all material respects, the concise financial report complies with 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.

B.G.L. & Associates Pty. Ltd.
A.B.N. 96 006 935 459

Suite 1, Ground Floor
598 St. Kilda Road
Melbourne VIC 3004
All correspondence to
PO Box 6094
St. Kilda Road Central
VIC 8008
t: (03) 9525 2511
f: (03) 9525 2829
e: bgl@bglassociates.com.au
w: www.bglassociates.com
Incorporating BGL & Associates

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

Independence

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

Opinion

In our opinion, the concise financial report of the National Union of Workers – National Office and consolidated entities for the year ended 30 June 2011 complies with Australian Accounting Standard AASB 1039 *Concise Financial Reports and* the Fair Work (Registered Organisations) Act 2009.

BGL + Associates

BGL & Associates
Chartered Accountants

JHinds.

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

Melbourne
8 November 2011

Chartered Accountants

NATIONAL UNION OF WORKERS

UNITY IS STRENGTH.

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

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

nuwassist
1300 275 689
nuw.org.au
FOR WORKPLACE SUPPORT

National PO Box 343, North Melbourne VIC 3051
VIC PO Box 343, North Melbourne VIC 3051
NSW 3-5 Bridge Street, Granville NSW 2142
QLD 1st Floor, 17 Cribb Street, Milton QLD 4064
SA 46 Greenhill Rd, Wayville SA 5034
WA 63 Railway Pde, Mount Lawley WA 6050

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 (which includes the National Office and the General Branch) and the controlled entities consisting of National Union of Workers – National Office and its subsidiaries. The financial report is presented in the Australian currency.

The principal place of business is:
National Union of Workers - National Office
833 Bourke Street
DOCKLANDS VIC 3008

The financial report was authorised for issue by the Committee of Management on 8th day of November 2011.

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 2011.

Members of National Committee of Management:

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

Name	*Position*
Doug Stevens	General President
Charles Donnelly	General Secretary
Paul Richardson	Assistant General Secretary
Gayle Burmeister	General Vice President
Ron Herbert	General Vice President
Marisa Bernardi	General Vice President
Tim Kennedy	General Vice President
Sam Roberts (from 6 September 2010)	General Vice President
Sam Roberts (from 1 July 2010 to 5 September 2010)	Secretary
Dani Shanahan (from 6 September 2010)	General Vice President
Derrick Belan	Secretary

All Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Review of Principal activities and results of operations

National Office:

The principal activities of the National Office during the financial year were the overseeing, 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.

A review of the operations of consolidated group indicate that it continued to engage in its principal activity of representing members in industrial and other matters. In pursuing these activities The National Union of Workers has sought to protect members through representation of individuals in grievances and disputes. In pursuing such, The National Union of Workers has initiated and activated legal and industrial action when appropriate.

On 9 June 2011, the National Office of the National Union of Workers filed an application with the General Manager of Fair Work Australia for an alternative designation of reporting units. A copy of the application can be obtained from the Unions website (www.nuw.org.au/publicnotices). The application has yet to be determined.

General Branch:

In terms of the rules of the National Union of Workers, the General Branch forms part of the National Fund. Membership is drawn from most States and territories of Australia. The principal activities of the General Branch during the financial year were the protection and improvement of employment conditions for its members. No significant change in the nature of these activities occurred during the year.

OPERATING REPORT (CONTINUED)

Significant changes in state of affairs

National Office:

No significant changes in the state of financial affairs of the consolidated group occurred during the financial year.

General Branch:

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

After balance date events

National Office:

After the reporting date, the National Union of Workers executed a transmission of the business of Labour Union Insurance (Brokers) Pty Ltd, a wholly owned subsidiary, with Industry Funds Services Insurance Broking Pty Ltd (IFS). This had the effect of IFS assuming all Labour Union Insurance (Brokers) Pty Ltd insurance policies from 1 October 2011. The other assets of Labour Union Insurance (Brokers) Pty Ltd remain unchanged and the Union is seeking advice as to their retention, disposal and/or integration into the accounts of the Union.

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

General Branch:

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

National Union of Workers details

National Fund:

The number of full time equivalents employees of at 30 June 2011 was 45 (2010: 43).

The number of financial members of the whole National Union of Workers at 30 June 2011 was 77,761 (2010: 81,854).

General Branch:

The number of full time equivalents of the General Branch employees at 30 June 2011 was 24 (2010:20).

The number of financial members of the General Branch at 30 June 2011 was 9,911 (2010: 9,175).

Rights of members to resign

National Fund and General Branch

The rules 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 is similar to s174 and meets all of the requirements of the Fair Work (Registered Organisations) Act 2009.

OPERATING REPORT (CONTINUED)

Directorships of superannuation funds

National Fund:

Charles Donnelly and Tim Kennedy are both non-beneficial shareholders and directors of the Labour Union Co-operative Retirement Fund Pty Ltd. (LUCRF)

The following NCOM members are directors of LUCRF:

Charles Donnelly

Tim Kennedy

Paul Richardson

General Branch:

To the best of our knowledge and belief, no officer or member of the organisation, by virtue of their office or membership of the National Union of Workers - General Branch is:

(i) a trustee of a superannuation entity or exempt public sector superannuation scheme; or

(ii) a director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and

(iii) where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

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

Designated Officer --

Charles Donnelly

Dated this 8th November 2011

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

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	Consolidated Group		Parent Entity	
		2011	2010	2011	2010
		$	$	$	$
Revenue from continuing operations	4	**8,351,505**	7,756,505	**6,827,269**	6,336,633
Other income	5	**262,837**	263,361	**233,157**	235,410
Administrative expenses		**(970,356)**	(716,295)	**(816,636)**	(505,638)
Affiliation fee	7	**(413,582)**	(410,650)	**(413,582)**	(410,650)
Campaign expenses		**(95,500)**	-	**(95,500)**	-
Industrial expenses		**(92,877)**	(489,192)	**(91,559)**	(486,875)
Finance costs		**(8,162)**	(27,097)	**(8,162)**	-
Official expenses		**(513,684)**	-	**(513,684)**	-
Legal and professional fees		**(284,473)**	(520,676)	**(235,993)**	(459,536)
Motor vehicle expenses		**(185,990)**	(154,248)	**(156,851)**	(129,763)
Occupancy expenses		**(530,607)**	(534,007)	**(461,886)**	(476,319)
Telephone expenses		**(80,217)**	(104,345)	**(64,986)**	(90,778)
Salaries and related expenses	8	**(5,842,362)**	(5,289,473)	**(4,705,194)**	(4,248,173)
Travel and accommodation expenses		**(16,824)**	(169,271)	**(5,757)**	(160,054)
Other expenses		**-**	(3,199)	**-**	(3,199)
		(9,034,634)	(8,418,453)	**(7,569,790)**	(6,970,985)
(Loss)/Profit before income tax		**(420,292)**	(398,587)	**(509,364)**	(398,942)
Income tax expense	9	**(3,308)**	(4,348)	**-**	-
(Loss)/Profit attributable to members		**(423,600)**	(402,935)	**(509,364)**	(398,942)
Other comprehensive income		**-**	-	**-**	-
Total comprehensive (loss) income for the year		**(423,600)**	(402,935)	**(509,364)**	(398,942)
Total comprehensive (loss) income for the year is attributable to:					
Members of the union		**(423,600)**	(402,935)	**(509,364)**	(398,942)

The above statements of comprehensive income 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 2011

	Notes	Consolidated Group		Parent Entity	
		2011	2010	2011	2010
		$	$	$	$
ASSETS					
Current assets					
Cash and cash equivalents	10	**2,576,911**	3,185,474	**1,113,328**	1,737,298
Trade and other receivables	11	**1,196,781**	1,174,519	**1,188,763**	1,218,359
Financial assets	12	**-**	632,762	**-**	-
Total current assets		**3,773,692**	4,992,755	**2,302,091**	2,955,657
Non-current assets					
Financial assets	13	**3,446,200**	2,890,773	**4,021,204**	3,749,728
Intangibles assets	14	**1,620**	1,620	**-**	-
Property, plant and equipment	15	**2,917,418**	2,982,646	**1,868,673**	1,858,418
Total non-current assets		**6,365,238**	5,875,039	**5,889,877**	5,608,146
Total assets		**10,138,930**	10,867,794	**8,191,968**	8,563,803
LIABILITIES					
Current liabilities					
Trade and other payables	16	**541,596**	517,483	**481,634**	426,625
Borrowings	17	**-**	354,827	**-**	-
Provisions	18	**1,181,861**	1,156,411	**1,112,678**	1,030,158
Total current liabilities		**1,723,457**	2,028,721	**1,594,312**	1,456,783
Total liabilities		**1,723,457**	2,028,721	**1,594,312**	1,456,783
Net assets		**8,415,473**	8,839,073	**6,597,656**	7,107,020
EQUITY					
Reserves	19	**2,457,817**	2,460,765	**2,452,857**	2,455,805
Retained profits	20	**5,957,656**	6,378,308	**4,144,799**	4,651,215
Total equity		**8,415,473**	8,839,073	**6,597,656**	7,107,020

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 2011

	Reserves $	Retained profits $	Total $
Consolidated Group			
Balance at 1 July 2009	4,960	7,015,051	7,020,011
Increase in reserves due to amalgamation	2,221,997	-	2,221,997
(Loss) for the year	-	(402,935)	(402,935)
Transfer to reserve	233,808	(233,808)	-
Balance at 30 June 2010	2,460,765	6,378,308	8,839,073
Balance at 1 July 2010	2,460,765	6,378,308	8,839,073
(Loss) for the year	-	(423,600)	(423,600)
Transfer to reserve	(2,948)	2,948	-
Balance at 30 June 2011	2,457,817	5,957,656	8,415,473
Parent Entity			
Balance at 1 July 2009	-	5,283,965	5,283,965
Increase in reserves due to amalgamation	2,221,997	-	2,221,997
(Loss) for the year	-	(398,942)	(398,942)
Transfer to reserve	233,808	(233,808)	-
Balance at 30 June 2010	2,455,805	4,651,215	7,107,020
Balance at 1 July 2010	2,455,805	4,651,215	7,107,020
(Loss) for the year	-	(509,364)	(509,364)
Transfer to reserve	(2,948)	2,948	-
Balance at 30 June 2011	2,452,857	4,144,799	6,597,656

The above statement 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

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	Consolidated Group		Parent Entity	
		2011	2010	2011	2010
		$	$	$	$
Cash flows from operating activities					
Receipts from branches	27(a)	**2,785,602**	2,884,869	**2,785,602**	2,884,869
Membership fees received		**3,617,512**	2,982,742	**3,617,512**	2,982,742
Grant received		-	143,000	-	143,000
Other income		**1,162,072**	852,932	**968,372**	778,277
Commission received		**1,363,246**	1,378,594	-	-
Payments to suppliers and employees		**(9,947,604)**	(8,782,266)	**(8,314,134)**	(7,307,999)
Dividends/Distribution received		**228,923**	242,741	**228,923**	219,176
Interest received		**130,496**	110,963	**26,403**	24,951
Finance costs		-	(27,097)	-	-
Income tax refund (paid)		**(9,847)**	37,455	-	-
Net cash (outflow) inflow from operating activities	27(b)	**(669,600)**	(176,067)	**(687,322)**	(274,984)
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		**40,000**	48,545	**10,000**	48,545
Return of capital from investment		-	31,790	**29,977**	31,790
Payment for property, plant and equipment		**(242,221)**	(345,940)	**(239,883)**	(341,955)
Cash acquired on amalgamation		-	714,281	-	709,136
Payment for investments		-	(5,732)	-	(209)
Net cash inflow(outflow) from investing activities		**(202,221)**	442,944	**(199,906)**	447,307
Cash flows from financing activities					
Loan repayment received		**263,258**	11,000	**263,258**	11,000
Refund of trust money		-	205,348	-	205,348
Bank loan advanced (repaid)		-	41,855	-	-
Net cash inflow from financing activities		**263,258**	258,203	**263,258**	216,348
Net (decrease) increase in cash and cash equivalents		**(608,563)**	525,080	**(623,970)**	388,671
Cash and cash equivalents at beginning of financial year		**3,185,474**	2,660,394	**1,737,298**	1,348,627
Cash and cash equivalents at end of financial year	10(a)	**2,576,911**	3,185,474	**1,113,328**	1,737,298

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

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 group 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 Fair Work (Registered Organisations) Act 2009.

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).

Early adoption of standards
The group has elected to apply the following pronouncements to the annual reporting period beginning 1 July 2010:

-AASB 2010-5 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project*

-AASB 8 *Operating Segments*

This includes applying the revised pronouncements to the comparatives in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors.* There was no other impact on the current or prior year financial statements.

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.

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 2011 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.

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.

(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.

1: Summary of significant accounting policies (Continued)

(c) Revenue Recognition (Continued)

Revenue is recognised for the major operating activities as follows:

Membership Fees
Membership fees are recognised when the right to receive the fee has been established and the receipt of the fee is certain.

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' fees
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)

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 as a registered trade union is exempt from income tax.

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 impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and cash equivalents

For statement of cash flows 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.

Collectability 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.

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 and 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: 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.

(iii)Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

1: Summary of significant accounting policies (Continued)

(j) Investment and other financial assets (Continued)

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.

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.

1: Summary of significant accounting policies (Continued)

(k) Property, plant and equipment (Continued)

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.

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 are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates

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.

1: Summary of significant accounting policies (Continued)

(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 the provision for employee benefits 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.

(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.

(iii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after reporting date are discounted to present value

(o) Comparative figures

During the year, a new chart of accounts was adopted which grouped expenses differently from previous years. Some comparative figures have been adjusted to conform with these changes.

(p) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2011 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 9 *Financial Instruments,* AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* and AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)* (effective from 1 January 2013)

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013 but is available for early adoption. When adopted, the standard will affect in particular the union's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss. There will be no impact on the union's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the union does not have any such liabilities. The derecognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and have not been changed. The union has not yet decided when to adopt AASB 9.

1: Summary of significant accounting policies (Continued)

(p) New accounting standards and interpretations (Continued)

(ii) Revised AASB 124 *Related Party Disclosures* and AASB 2009-12 *Amendments to Australian Accounting Standards* (effective from 1 January 2011)
In December 2009 the AASB issued a revised AASB 124 *Related Party Disclosures*. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively. The amendment clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The union will apply the amended standard from 1 July 2011. When the amendments are applied, the union will need to disclose any transactions between its subsidiaries and its associates. However, there will be no impact on any of the amounts recognised in the financial statements.

(iii) AASB 2009-14 *Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement* (effective from 1 January 2011)
In December 2009, the AASB made an amendment to Interpretation 14 *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*. The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme. It permits entities to recognise an asset for a prepayment of contributions made to cover minimum funding requirements. The union does not make any such prepayments. The amendment is therefore not expected to have any impact on the union's financial statements. The union intends to apply the amendment from 1 July 2011.

(iv) AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* (effective from 1 July 2013)
On 30 June 2010 the AASB officially introduced a revised differential reporting framework in Australia. Under this framework, a two-tier differential reporting regime applies to all entities that prepare general purpose financial statements. The Branch Committee decided not to early adopt the new Australian Accounting Standards – Reduced Disclosure Requirements. The two standards will therefore have no impact on the financial statements of the entity.

(v) AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets* (effective for annual reporting periods beginning on or after 1 July 2011)
Amendments made to AASB 7 *Financial Instruments: Disclosures* in November 2010 introduce additional disclosures in respect of risk exposures arising from transferred financial assets. The amendments will affect particularly entities that sell, factor, securitise, lend or otherwise transfer financial assets to other parties. They are not expected to have any significant impact on the union's disclosures. The union intends to apply the amendment from 1 July 2011.

(vi) AASB 2010-8 *Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets* (effective from 1 January 2012)
In December 2010, the AASB amended AASB 112 *Income Taxes* to provide a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model. AASB 112 requires the measurement of deferred tax assets or liabilities to reflect the tax consequences that would follow from the way management expects to recover or settle the carrying amount of the relevant assets or liabilities, that is through use or through sale. The amendment introduces a rebuttable presumption that investment property which is measured at fair value is recovered entirely by sale. The union is exempt from income tax. The amendment is therefore not expected to have any impact on the union's financial statements.

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

Employee entitlements
Management judements is applies in determining the following key assumptions in the calculation of long service leave at balance date:

- future increase in wages and salaries;
- future on-costs rates; and
- experience of employees departures and period of service.

3: Information to be provided to members or Manager of Fair Work Australia

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 , 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).

4: Revenue

	Notes	Consolidated Group		Parent Entity	
		2011	2010	2011	2010
From continuing operations		$	$	$	$
Service revenue					
- commission		**1,232,915**	1,245,424	**-**	-
- sustentation fees	(a)	**2,498,889**	2,376,223	**2,498,889**	2,376,223
- membership fees		**3,288,647**	2,711,583	**3,288,647**	2,711,583
		7,020,451	6,333,230	**5,787,536**	5,087,806
Other revenue					
- interest		**160,879**	146,012	**56,786**	59,977
- NUW – MSC income	(b)	**-**	227,425	**-**	227,425
- reimbursements from Branches		**193,045**	-	**193,045**	
- grant income		**-**	138,000	**-**	138,000
- NUWQ service fee		**64,491**	-	**64,491**	-
- management fee		**85,591**	93,636	**85,591**	93,636
- director fees		**275,945**	284,992	**275,945**	284,992
- investment income		**215,889**	224,339	**215,889**	214,384
- dividends		**20,172**	16,251	**20,172**	-
- rent		**75,207**	78,272	**63,808**	69,678
- FWEIP project		**-**	75,235	**-**	75,235
- TUEF project 2011		**22,746**	-	**22,746**	-
- proceeds from insurance policy		**146,487**	-	**-**	-
- other revenue		**70,602**	139,113	**41,260**	85,500
		8,351,505	7,756,505	**6,827,269**	6,336,633

(a) Sustentation fees

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
Branches:	$	$	$	$
New South Wales	**886,580**	858,661	**886,580**	858,661
Queensland	**-**	17,841	**-**	17,841
Victoria	**1,612,309**	1,498,305	**1,612,309**	1,498,305
Western Australia	**-**	1,416	**-**	1,416
	2,498,889	2,376,223	**2,498,889**	2,376,223

(b) NUW – MSC Income

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
Branches:	$	$	$	$
Victoria	**-**	227,425	**-**	227,425

5: Other income

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Fair value gain financial assets	**229,857**	263,243	**229,857**	235,292
Net gain on disposal of property, plant and equipment and investments	**32,980**	118	**3,300**	118
	262,837	263,361	**233,157**	235,410

6: Expenses

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Profit (loss) before income tax expenses includes the following specific expenses:				
Depreciation	**265,375**	263,403	**216,271**	205,414
Finance costs				
Interest and finance charges paid/payable for financial liabilities not at fair value through profit or loss	**8,162**	27,097	**8,162**	-
Defined contribution superannuation expense	**656,078**	623,356	**554,405**	498,094
Bad and doubtful debts – other receivables	-	80,222	-	-
Rental expenses relating to operating leases				
Minimum lease payments	**368,429**	451,733	**364,539**	447,983
Loss on disposal of property, plant and equipment	**3,357**	45,252	**3,357**	45,252
Loss on disposal of listed investments	-	47,889	-	100
Commission on payroll deduction	**22,031**	20,914	**22,031**	20,914
Conference and meeting allowance	**84,981**	31,878	**84,981**	31,878
Conference and meeting expenses	**17,315**	20,219	**17,315**	20,219
Donation (>$1000 each)	**129,500**	45,000	**129,500**	45,000
Donation (<$1000 each)	**1,130**	5,590	**1,130**	2,890
Legal fees	**78,685**	241,421	**78,685**	241,421
ACTU Campaign levy	**95,500**	-	**95,500**	-

7: Affiliation fees

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
ACTU	**293,879**	271,741	**293,879**	271,741
IUF	**3,636**	52,882	**3,636**	52,882
ALP	**39,155**	35,198	**39,155**	35,198
Others	**76,912**	50,829	**76,912**	50,829
	413,582	410,650	**413,582**	410,650

8: Salaries and related expenses

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Employee benefits – official	**840,314**	671,259	**840,314**	671,259
Employee benefits – staff	**4,476,569**	4,148,906	**3,399,844**	3,161,967
Other staff costs	**525,479**	469,308	**465,036**	414,947
	5,842,362	5,289,473	**4,705,194**	4,248,173

9: Income tax expense

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
(a) Income of tax expense:				
Current tax	**3,308**	4,348	**-**	-
Deferred tax	**-**	-	**-**	-
	3,308	4,348	**-**	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable:				
(Loss) profit from continuing operations before income tax expense	**(420,292)**	(398,587)	**(509,364)**	(398,942)
Prima facie income tax payable on (loss) profit before income tax at 30.0% (2010 – 30.0%)	**(120,088)**	(119,576)	**(152,809)**	(119,683)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Sundry items	**(29,413)**	4,241	**-**	-
Non taxable income	**152,809**	119,683	**152,809**	119,683
Income tax expense attributable to profit	**3,308**	4,348	**-**	-

10: Current assets – Cash and cash equivalents

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Cash in hand	**3,908**	4,852	**1,806**	2,750
Cash at bank	**2,573,003**	3,180,622	**1,111,522**	1,734,548
	2,576,911	3,185,474	**1,113,328**	1,737,298

(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 statements of cash flows as follows:

Balances as above	**2,576,911**	3,185,474	**1,113,328**	1,737,298
Bank overdrafts	**-**	-	**-**	-
Balances per statement of cash flows	**2,576,911**	3,185,474	**1,113,328**	1,737,298

(b) Interest rate risk exposure

The Group's and the parent entity's exposure to interest rate risk is discussed in note 22. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

11: Current assets - Trade and other receivables

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Branches				
NUW NSW Branch	**366,392**	79,284	**366,392**	79,284
NUW Victorian Branch	**219,403**	336,783	**219,403**	336,783
	585,795	416,067	**585,795**	416,067
Less provision for impairment of receivables	**-**	(1,773)	**-**	(1,773)
	585,795	414,294	**585,795**	414,294
Other				
Prepayments	**96,233**	35,693	**96,233**	35,693
Other receivables	**59,748**	43,191	**59,748**	33,510
Money held by investment advisor	**-**	251,258	**-**	251,258
Income tax refund	**8,018**	1,479	**-**	-
Loans to related parties	**446,987**	428,604	**446,987**	483,604
	610,986	760,225	**602,968**	804,065
	1,196,781	1,174,519	**1,188,763**	1,218,359

11: Current assets - Trade and other receivables (Continued)

(a) Impaired trade receivables

The Group has recognised an impairment loss of $ NIL (2010:$ 80,222) in respect of impaired trade receivables during the year ended 30 June 2011.

As at 30 June 2011 current trade receivables of the Group with a nominal value of $ NIL (2010: $1,773) were impaired. The amount of the provision was $ NIL (2010: $1,773). The individually impaired receivables mainly relate to expense reimbursement from Branches, which are in unexpectedly difficult economic situations. It was assessed that the receivables is expected to be recovered.

The ageing of these receivables is as follows:	2011 $	2010 $
1 to 3 months	-	-
3 to 6 months	-	-
Over 6 months	-	1,773
	-	1,773

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

	2011 $	2010 $
At 1 July	**1,773**	42,200
Provision for impairment recognised during the year	-	-
Unused amounts reversed	**(1,773)**	(40,427)
	-	1,773

The creation and release of the provision for impaired receivables has been included in 'other expenses' in the income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

(b) Past due but not impaired

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

(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.

11: Current assets - Trade and other receivables (Continued)

(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. The fair value of securities held for certain trade receivables is insignificant as is the fair value of any collateral sold or repledged. 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.

12: Current assets – financial assets

		Consolidated Group		Parent Entity	
		2011	2010	2011	2010
		$	$	$	$
Financial assets at fair value through profit or loss	a	-	632,762	-	-

	Consolidated Group 2011	Consolidated Group 2010	Parent Entity 2011	Parent Entity 2010
(a) Movements in fair value of financial assets at fair value through profit or loss during the financial year:				
Opening balance	**632,762**	-	-	-
Acquisition via amalgamation	-	646,778	-	-
Disposal	**(635,092)**	-		
Net addition	**2,330**	5,522	-	-
Revaluation for year	-	(19,538)	-	-
Closing balance	-	632,762	-	-

Refer to note 17 for information on current assets pledged as security by the parent entity and its controlled entity.

13: Non-current assets – financial assets

		Consolidated Group		Parent Entity	
		2011	2010	2011	2010
		$	$	$	$
Available-for-sale financial assets	a	**3,446,200**	2,890,773	**3,446,200**	2,890,773
Other investments	b	-	-	**575,004**	858,955
		3,446,200	2,890,773	**4,021,204**	3,749,728

13: Non-current assets – financial assets (Continued)

		Consolidated Group		Parent Entity	
		2011	2010	2011	2010
		$	$	$	$
(a) Available-for-sale financial assets comprises:					
Listed investment, at fair value					
- shares in listed trusts and shares	c	**360,797**	16,404	**360,797**	16,404
Unlisted investment, at cost					
- shares in other corporations		**124,768**	124,768	**124,768**	124,768
- units in unit trusts		**92,849**	88,450	**92,849**	88,450
Unlisted investment, at recoverable amount					
- units in unit trust, at cost		**2,828,125**	2,828,125	**2,828,125**	2,828,125
Impairment provisions		**39,661**	(166,974)	**39,661**	(166,974)
	d	**2,867,786**	2,661,151	**2,867,786**	2,661,151
		3,446,200	2,890,773	**3,446,200**	2,890,773
(b) Other investments:					
Shares in subsidiaries		-	-	**575,004**	575,004
Units in wholly owned Investment Trust		-	-	-	283,951
		-	-	**575,004**	858,955
(c) Movements in fair value of listed investment during the financial year:					
Opening balance		**16,404**	14,013	**16,404**	14,013
Additions		**318,283**	210	**318,283**	210
Disposals		-	(100)	-	(100)
Fair value adjustment		**26,110**	2,281	**26,110**	2,281
Closing balance		**360,797**	16,404	**360,797**	16,404
(d) Movements in fair value of unlisted investment during the financial year:					
Opening balance		**2,661,151**	2,459,931	**2,661,151**	2,459,931
Return of capital		-	(31,790)	-	(31,790)
Transfer		-	(3,983)	-	(3,983)
Fair value adjustment		**206,635**	236,993	**206,635**	236,993
Closing balance		**2,867,786**	2,661,151	**2,867,786**	2,661,151

14: Non-current assets – Intangible assets

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Patent and trademark	1,620	1,620	-	-

15: Non-current assets - Property, plant and equipment

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
LAND				
Freehold land: at cost	360,000	360,000	-	-
BUILDINGS				
At cost	1,765,940	1,765,940	954,074	954,074
Less accumulated depreciation	(301,810)	(266,852)	(109,172)	(94,511)
	1,464,130	1,499,088	844,902	859,563
Total property	1,824,130	1,859,088	844,902	859,563
PLANT AND EQUIPMENT				
Motor vehicles				
At cost	841,475	761,106	762,622	631,163
Less accumulated depreciation	(352,740)	(243,897)	(313,878)	(205,564)
	488,735	517,209	448,744	425,599
Office equipment				
At cost	258,839	202,317	258,839	202,317
Less accumulated depreciation	(160,263)	(143,230)	(160,263)	(143,230)
	98,576	59,087	98,576	59,087
Computer equipment				
At cost	223,358	197,775	223,358	197,775
Less accumulated depreciation	(201,877)	(183,642)	(201,877)	(183,642)
	21,481	14,133	21,481	14,133
Furniture, fixtures and fittings				
At cost	860,408	856,472	632,395	630,797
Less accumulated depreciation	(375,912)	(323,343)	(177,425)	(130,761)
	484,496	533,129	454,970	500,036
Total plant and equipment	1,093,288	1,123,558	1,023,771	998,855
Total property plant and equipment	2,917,418	2,982,646	1,868,673	1,858,418

15: Non-current assets - 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:

2010 - Group

	Freehold land	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	360,000	659,822	606,014	265,353	33,599	23,589	1,948,377
Acquired (NBV) via amalgamation		872,688	1,380	136,860	33,213	4,298	1,048,439
Additions	-	-	7,967	316,559	15,572	5,842	345,940
Disposals	-	-	-	(88,633)	(7,388)	(686)	(96,707)
Depreciation	-	(33,422)	(82,232)	(112,930)	(15,909)	(18,910)	(263,403)
Closing net book amount	360,000	1,499,088	533,129	517,209	59,087	14,133	2,982,646

2011 - Group

	Freehold land	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	360,000	1,499,088	533,129	517,209	59,087	14,133	2,982,646
Additions	-	-	3,936	156,180	56,522	25,583	242,221
Disposals	-	-	-	(42,074)	-	-	(42,074)
Depreciation	-	(34,958)	(52,569)	(142,580)	(17,033)	(18,235)	(265,375)
Closing net book amount	360,000	1,464,130	484,496	488,735	98,576	21,481	2,917,418

2010 - Parent

	Freehold land	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	-	-	569,753	143,204	33,599	23,589	770,145
Acquired (NBV) via amalgamation		872,688	1,380	136,860	33,213	4,298	1,048,439
Additions	-	-	3,982	316,559	15,572	5,842	341,955
Disposals	-	-	-	(88,633)	(7,388)	(686)	(96,707)
Depreciation	-	(13,125)	(75,079)	(82,391)	(15,909)	(18,910)	(205,414)
Closing net book amount	-	859,563	500,036	425,599	59,087	14,133	1,858,418

2011 - Parent

	Freehold land	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	-	859,563	500,036	425,599	59,087	14,133	1,858,418
Additions	-	-	1,598	156,180	56,522	25,583	239,883
Disposals	-	-	-	(13,357)	-	-	(13,357)
Depreciation	-	(14,661)	(46,664)	(119,678)	(17,033)	(18,235)	(216,271)
Closing net book amount	-	844,902	454,970	448,744	98,576	21,481	1,868,673

15: Non-current assets - Property, plant and equipment (Continued)

(b) Non-current assets pledged as security
Refer to note 17 for information on non-current assets pledged as security by the parent entity and its controlled entity.

16: Current liabilities - Trade and other payables

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Unsecured				
Trade payables	**207,869**	183,297	**172,959**	159,260
Legal fee payables	**28,703**	26,384	**28,703**	26,384
NUW Victorian Branch	**89,459**	41,515	**89,459**	41,515
Other payables	**215,565**	266,287	**190,513**	199,466
	541,596	517,483	**481,634**	426,625

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

17: Current liabilities – Borrowings

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Secured				
Margin Loan	-	354,827	-	-

(a) Assets pledged as security
The margin loan was secured by the listed investment owned by the wholly owned trust with a book value of $632,762.

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

	2011 Carrying amount	2011 Fair value	2010 Carrying amount	2010 Fair value
	$	$	$	$
On-balance sheet				
Margin loans	-	-	**354,837**	354,837

On-balance sheet:
The fair value of current borrowings equals the carrying amount as the impact of discounting is not significant.

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

18: Current liabilities - Provisions

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Employee benefits - staff	**594,306**	667,235	**594,306**	540,982
Employee benefits - officials	**587,555**	489,176	**518,372**	489,176
	1,181,861	1,156,411	**1,112,678**	1,030,158

(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 have 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:

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Long service leave obligation expected to be settled after 12 months	**608,879**	603,900	**563,566**	509,776

19: Reserves

		Consolidated Group		Parent Entity	
		2011	2010	2011	2010
		$	$	$	$
Strike/Distress fund reserve	a	**230,860**	233,808	**230,860**	233,808
Amalgamation reserve	b	**2,221,997**	2,221,997	**2,221,997**	2,221,997
Capital profit reserve	c	**4,960**	4,960	**-**	-
		2,457,817	2,460,765	**2,452,857**	2,455,805

19: Reserves (Continued)

(a) Strike / Distress fund reserve

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Movements in reserve were as follows:				
Balance 1 July	**233,808**	-	**233,808**	-
Net transfer from retained profits consists of:				
- Transfer from SA Branch	-	8,596	-	8,596
- Interest received	**3,948**	1,279	**3,948**	1,279
- Contributions received	**55,524**	226,249	**55,524**	226,249
- Expenses incurred	**(62,706)**	-	**(62,706)**	-
- Bank charges	**(52)**	(420)	**(52)**	(420)
- Loans made	**(7,032)**	(3,376)	**(7,032)**	(3,376)
- Loans repaid	**7,370**	1,480	**7,370**	1,480
Balance 30 June	**230,860**	233,808	**230,860**	233,808

The strike/distress fund reserve was established to cover emergency assistance to members.

(b) Amalgamation reserve

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Movements in reserve were as follows:				
Balance 1 July	**2,221,997**	-	**2,221,997**	-
Increase in reserve due to amalgamation	-	2,221,997	-	2,221,997
Balance 30 June	**2,221,997**	2,221,997	**2,221,997**	2,221,997

During the year ended 30 June 2010 some of the National Union of Workers branches (Queensland, South Australia, Western Australia and General Branch) were amalgamated into the National Union of Works – National Office. The amalgamation reserve records the net assets acquired as a result of this amalgamation.

(c) Capital profit reserve

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Movements in reserve were as follows:				
Balance 1 July	**4,960**	4,960	-	-
Movement during the year	-	-	-	-
Balance 30 June	**4,960**	4,960	-	-

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

20: Retained profits

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Movements in retained profits were as follows:				
Balance 1 July	**6,378,308**	7,015,051	**4,651,215**	5,283,965
Transfer from (to) reserves	**2,948**	(233,808)	**2,948**	(233,808)
Net (loss) profit for the year	**(423,600)**	(402,935)	**(509,364)**	(398,942)
Balance 30 June	**5,957,656**	6,378,308	**4,144,799**	4,651,215

21: Auditor's remuneration

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
During the year the following fees were paid or payable for services provided by the auditor of the parent entity and non-related audit firms:				
(a) Audit and other assurance services				
Audit or review of the financial report	**35,000**	26,000	**35,000**	26,000
Other audit – grant	**-**	1,500	**-**	1,500
Other services	**36,433**	31,455	**36,433**	31,455
	71,433	58,955	**71,433**	58,955
(b) Non-related audit firms (auditors of ex-branches)				
Audit or review of the financial report	**13,700**	54,100	**13,700**	54,100
Other services	**-**	14,610	**-**	14,610
	13,700	68,710	**13,700**	68,710
(c) Remuneration of other auditors of subsidiaries				
Audit or review of the financial report	**19,300**	24,924	-	-
Other services	**1,495**	12,783	-	-
	20,795	37,707	-	-

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 NCOM. The NCOM 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

As the Group has investments in a variety of interest-bearing assets and the Federation's income and operating cash flows are exposed to changes in market interest rates for assets.

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. Cash transactions are limited to high credit quality financial institutions. Currently the investments are held in Australian banks. The entity has no significant concentrations of credit risk. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

The credit quality of financial assets can be assessed by reference to external credit ratings as follows:

	Consolidated Group		Parent Entity	
	2011	**2010**	**2011**	**2010**
	$	**$**	**$**	**$**
Cash at bank:				
AA Rating	**2,573,003**	3,180,622	**1,111,522**	1,734,548

22: Financial risk management (Continued)

(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

Financing arrangements

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

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Credit standby arrangements				
Total facilities				
Bank loan	-	700,000	-	-
Used at balance date			-	-
Bank loan	-	354,827	-	-
Unused at balance date				
Bank loan	-	345,173	-	-

(d) Sensitivity analysis

As at 30 June the effect on the (deficit)/surplus as a result of changes in interest rates, with all other variables remaining constant would be as follows:

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Effect on results:				
Increase of interest rates by 2%	**51,460**	63,612	**22,230**	34,690
Decrease of interest rates by 2%	**(51,460)**	(63,612)	**(22,230)**	(34,690)

22: Financial risk management (Continued)

(e) Maturity profile of financial instruments

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

Group
2011

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	3	2,573,003	-	-	-	3,908	2,576,911
Amounts due from branches		-	-	-	-	585,795	585,795
Other receivables		-	-	-	-	67,766	67,766
Loans to related parties	7	-	446,987	-	-	-	446,987
Investments		-	-	-	3,446,200	-	3,446,200
		2,573,003	446,987	-	3,446,200	657,469	7,123,659
Financial Liabilities							
Trade creditors		-	-	-	-	326,031	326,031
Other payables		-	-	-	-	215,565	215,565
		-	-	-	-	541,596	541,596
Net Financial Assets		2,573,003	446,987	-	3,446,200	115,873	6,582,063

Group
2010

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	2.07	3,180,622	-	-	-	4,852	3,185,474
Amounts due from branches		-	-	-	-	414,294	414,294
Other receivables		-	-	-	-	295,928	295,928
Loans to related parties	7	-	428,604	-	-	-	428,604
Investments		-	-	-	3,523,536	-	3,523,536
		3,180,622	428,604	-	3,523,536	715,074	7,847,836
Financial Liabilities							
Trade creditors		-	-	-	-	251,196	251,196
Other payables		-	-	-	-	266,286	266,286
Margin loan	9.45	354,827	-	-	-	-	354,827
		354,827	-	-	-	517,482	872,309
Net Financial Assets		2,825,795	428,604	-	3,523,536	197,592	6,975,527

22: Financial risk management (Continued)

(e) Maturity profile of financial instruments (Continued)

Parent
2011

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	1.1	1,111,522	-	-	-	1,806	1,113,328
Amounts due from branches		-	-	-	-	585,795	585,795
Other receivables		-	-	-	-	59,748	59,748
Loans to related parties	7	-	446,987	-	-	-	446,987
Investments		-	-	-	4,021,204	-	4,021,204
		1,111,522	446,987	-	4,021,204	647,349	6,227,062
Financial Liabilities							
Trade creditors		-	-	-	-	291,121	291,121
Other payables		-	-	-	-	190,513	190,513
		-	-	-	-	481,634	481,634
Net Financial Assets		1,111,522	446,987	-	4,021,204	165,715	5,745,428

Parent
2010

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	0.9	1,734,548	-	-	-	2,750	1,737,298
Amounts due from branches		-	-	-	-	414,294	414,294
Other receivables		-	-	-	-	284,768	284,768
Loans to related parties	7	-	483,604	-	-	-	483,604
Investments		-	-	-	3,749,728	-	3,749,728
		1,734,548	483,604	-	3,749,728	701,812	6,669,692
Financial Liabilities							
Trade creditors		-	-	-	-	227,159	227,159
Other payables		-	-	-	-	199,466	199,466
		-	-	-	-	426,625	426,625
Net Financial Assets		1,734,548	483,604	-	3,749,728	275,187	6,243,067

22: Financial risk management (Continued)

(f) Fair value estimation
The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

As of 1 July 2010, the Group has adopted the amendment to AASB 7 *Financial Instruments: Disclosures* which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2),and
(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following presents the Group's assets and liabilities measured and recognised at fair value at 30 June 2011. Comparative information has not been provided as permitted by the transitional provisions of the new rules.

2011 - Group	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	$	$	$
Assets				
Available-for-sale financial assets	360,797	-	3,085,403	3,446,200
Financial assets through profit and loss	-	-	-	-
Total Assets	360,797	-	3,085,403	3,446,200

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.

23: Events occurring after reporting date

After the reporting date, the National Unions of Workers executed a transmission of the business of Labour Union Insurance (Brokers) Pty Ltd, a wholly owned subsidiary, with Industry Funds Services Insurance Broking Pty Ltd (IFS). This had the effect of IFS assuming all Labour Union Insurance (Brokers) Pty Ltd insurance policies from 1 October 2011. The other assets of Labour Union Insurance (Brokers) Pty Ltd remain unchanged and the Union is seeking advice as to their retention, disposal and/or integration into the accounts of the Union.

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.

24: Contingencies and Commitments

There are no other known contingent assets or liabilities and commitments at 30 June 2011.

25: Related party transactions

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

(b) Subsidiaries
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 2011	Equity holding 2010
Labour Union Insurance (Brokers) Pty Ltd	Australia	Ordinary	100%	100%
Australia Risk Insurance Services Pty Ltd	Australia	Ordinary	100%	100%
Investment Trust	Australia	N/A	-	100%

(c) Transactions with related parties

	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Sales of goods and services				
Sustentation fees from Branches	**2,498,889**	2,376,223	**2,498,889**	2,376,223
MSC income from Branches	**-**	227,425	**-**	227,425

(d) Outstanding balances arising from sales/purchases of goods and services
These balances are included in the notes on receivables and payables.

(e) Loan to related parties	Consolidated Group		Parent Entity	
	2011	2010	2011	2010
	$	$	$	$
Movements in retained profits were as follows:				
Balance 1 July	**428,604**	409,879	**483,604**	409,879
Loan acquired via amalgamation	**-**	-	**-**	55,000
Loan repayments received	**(12,000)**	(11,000)	**(67,000)**	(11,000)
Interest charged	**30,383**	29,725	**30,383**	29,725
Balance 30 June	**446,987**	428,604	**446,987**	483,604

There is no allowance account for impaired receivable in relation to any outstanding balances, and no expense has been recognised in respect of any impaired receivables due from related parties.

25: Related party transactions (Continued)

(f) Key management personnel

(i) The names of the National Committee of Management (NCOM) in office at any time during or since the end of the financial year are:

Name	*Position*
Doug Stevens	General President
Charles Donnelly	General Secretary
Paul Richardson	Assistant General Secretary
Gayle Burmeister	General Vice President
Ron Herbert	General Vice President
Marisa Bernardi	General Vice President
Tim Kennedy	General Vice President
Sam Roberts (from 6 September 2010)	General Vice President
Sam Roberts (from 1 July 2010 to 5 September 2010)	Secretary
Dani Shanahan (from 6 September 2010)	General Vice President
Derrick Belan	Secretary

(ii) Key management personnel compensation

	Consolidated Group		**Parent Entity**	
	2011	**2010**	**2011**	**2010**
	$	**$**	**$**	**$**
The aggregate compensation made to key management personnel of the Group is as follows:				
Short -term benefits				
Salary & Fees	**840,314**	671,259	**840,314**	671,259
Allowances	**36,130**	20,945	**36,130**	20,945

26:Analysis of comprehensive income of parent entity

In order for the members of the General Branch to more readily understand the operations of the branch the following analysis is presented:

	This year			Last year		
	$	$	$	$	$	$
	General Branch	National Office	Total	General Branch	National Office	Total
Revenue from continuing operations	-	6,827,269	6,827,269	-	6,336,633	6,336,633
Other income	10,874	222,283	233,157	15,245	220,165	235,410
Administrative expenses	(162,740)	(662,058)	(824,798)	(234,909)	(270,729)	(505,638)
Affiliation fee	(90,932)	(322,650)	(413,582)	(71,735)	(338,915)	(410,650)
Campaign expenses	-	(95,500)	(95,500)	-	-	-
Industrial expenses	(89,660)	(1,899)	(91,559)	(459,339)	(27,536)	(486,875)
Finance costs	-	-	-	-	-	-
Official expenses	(144,391)	(369,293)	(513,684)	-	-	-
Legal and professional fees	(112,229)	(123,764)	(235,993)	(112,527)	(347,009)	(459,536)
Motor vehicle expenses	(64,461)	(92,390)	(156,851)	(63,478)	(66,285)	(129,763)
Occupancy expenses	(173,827)	(288,059)	(461,886)	(129,301)	(347,018)	(476,319)
Telephone expenses	(25,525)	(39,461)	(64,986)	-	(90,778)	(90,778)
Salaries and related expenses	(2,423,800)	(2,281,394)	(4,705,194)	(2,231,638)	(2,016,535)	(4,248,173)
Travel and accommodation expenses	-	(5,757)	(5,757)	-	(160,054)	(160,054)
Other expenses	-	-	-	(3,199)	-	(3,199)
	(3,287,565)	(4,282,225)	(7,569,790)	(3,306,126)	(3,664,859)	(6,970,985)
(Loss)/Profit before income tax	(3,276,691)	2,767,327	(509,364)	(3,290,881)	2,891,939	(398,942)
Income tax expense	-	-	-	-	-	-
(Loss)/Profit attributable to members	(3,276,691)	2,767,327	(509,364)	(3,290,881)	2,891,939	(398,942)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss) income for the year	(3,276,691)	2,767,327	(509,364)	(3,290,881)	2,891,939	(398,942)
Total comprehensive (loss) income for the year is attributable to:						
Members of the union	(3,276,691)	2,767,327	(509,364)	(3,290,881)	2,891,939	(398,942)

Attention is drawn to Rule 23 of the NUW Rules which effectively means that all income including membership contributions is part of the National Fund (National Office) and that the General Branch is funded by an allocation of money by the National Fund (National Office). This is reflected in the above analysis.

27: Cash flow information

(a) Receipts from branches

(Sustentation fees and MSC income)	**Consolidated Group**		**Parent Entity**	
	2011	**2010**	**2011**	**2010**
Branches	**$**	**$**	**$**	**$**
New South Wales	**721,642**	1,049,662	**721,642**	1,049,662
South Australia	**-**	22,753	**-**	22,753
Queensland	**-**	47,344	**-**	47,344
Victoria	**2,063,960**	1,755,402	**2,063,960**	1,755,402
Western Australia	**-**	9,708	**-**	9,708
	2,785,602	2,884,869	**2,785,602**	2,884,869

	Consolidated Group		**Parent Entity**	
	2011	**2010**	**2011**	**2010**
	$	**$**	**$**	**$**
(b) Reconciliation of cash flow from operations with (loss) after income tax				
(Loss) after income tax	**(423,600)**	(402,935)	**(509,364)**	(398,942)
Non-cash flows in (loss)				
Depreciation	**265,375**	263,403	**216,271**	205,414
Net (gain) loss on disposal of investments	**(3,299)**	47,589	**(3,299)**	100
Unrealised gain on investments	**(229,857)**	(263,243)	**(229,857)**	(235,292)
Non-cash distribution	**(41,694)**	-	**(13,295)**	-
Write back of bad debts provisions	**(1,773)**		**(1,773)**	
Bad debts written off	**-**	80,222	**-**	80,222
Net (gain) / loss on disposal of property, plant and equipment	**2,075**	45,252	**3,357**	45,252
Changes in assets and liabilities				
(Increase)/decrease in receivables	**(279,850)**	231,743	**(286,890)**	225,756
Increase(Decrease) in payables	**24,112**	(208,059)	**55,008**	(179,779)
Increase/(decrease) in income tax refund	**(6,539)**	41,803	**-**	-
Increase/(decrease) in provisions	**25,450**	(11,842)	**82,520**	(17,715)
Net cash flows from operating activities	**(669,600)**	(176,067)	**(687,322)**	(274,984)

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

STATEMENT BY COMMITTEE OF MANAGEMENT

On 8th November 2011 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 2011:

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 40 comply with Australian Accounting Standards and other mandatory professional reporting requirements
2. the financial statements and notes, as set out on pages 4 to 40 comply with the reporting guidelines of the General Manager of FWA;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the National Union of Workers – National Office for the financial year to which they relate;
4. there are reasonable grounds to believe that the consolidate 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 2011
   a. meetings of the 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 the 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 the National Union of Workers – National Office have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
   d. the financial records of the National Union of Workers – National Office have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the union; and
   e. the information sought in any request of a member of the National Union of Workers – National Office or the General Manager of FWA under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of FWA; and
   f. No orders have been made by the FWA under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.
6. There were no wage recovery activities undertaken during the year.

For the Committee of Management

Designated officer – Charles Donnelly

Dated this 8th day of November 2011

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

A.B.N. 96 006 935 459

Suite 1, Ground Floor
598 St. Kilda Road
Melbourne VIC 3004
All correspondence to
PO Box 6094
St. Kilda Road Central
VIC 8008
t: (03) 9525 2511
f: (03) 9525 2829
e: bgl@bglassociates.com.au
w: www.bglassociates.com
Incorporating BGL & Associates

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 the National Union of Workers – National Office and consolidated group, which comprises the balance sheet as at 30 June 2011, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Committee of Management of the National Union of Workers – National Office and the consolidated group comprising the National Union of Workers – National Office and the entities it controlled at the year's end or from time to time during the financial year.

Committee of Management 's responsibility for the financial report

The 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 Fair Work (Registered Organisations) Act 2009, and for such internal control as the Committee of Management determines as necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

Chartered Accountants

bgl

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

A.B.N. 96 006 935 459

Suite 1, Ground Floor
598 St. Kilda Road
Melbourne VIC 3004

All correspondence to
PO Box 6094
St. Kilda Road Central
VIC 8008

t: (03) 9525 2511
f: (03) 9525 2829

e: bgl@bglassociates.com.au
w: www.bglassociates.com

Incorporating BGL & Associates

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

Independence

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

Opinion

In our opinion, the general purpose financial reports of the National Union of Workers – National Office and consolidated group present fairly, in all material respects, the financial position of National Union of Workers – National Office and consolidated group as at 30 June 2011, and the results of its operations, its changes in equity and cash flows for the year then ended, in accordance with Australian Accounting Standards and the requirements of the Fair Work (Registered Organisations) Act 2009.

BGL & Associates

BGL & Associates
Chartered Accountants

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

Melbourne
8 November 2011

Fair Work Australia

19 January 2012

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

Email - info@nuw.org.au

Dear Mr Donnelly,

Attention: Mr Paul Richardson, Assistant General Secretary

Re: Financial Report – NUW National Office - FR2011/2796

Fair Work (Registered Organisations) Act 2009 (RO Act)

The financial report for the National Office of the National Union of Workers for year ended 30 June 2011 was lodged on 22 December 2011.

The financial report has been filed.

If you have any queries regarding the above please contact me on (03) 8661 7990 or at andrew.schultz@fwa.gov.au.

Yours faithfully,

Andrew Schultz

Organisations, Research and Advice