FairWork Commission

28 November 2014

Mr Tim Kennedy
General Secretary
National Union of Workers

Sent by email: nuwassist@nuw.org.au

Dear Mr Kennedy,

National Union of Workers - Financial Report for year ended 30 June 2014 - (FR2014/300)

I refer to the financial report of the National Union of Workers (the reporting unit). The documents were lodged with the Fair Work Commission on 24 November 2014. A corrected Designated Officer's certificate was lodged today. The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

If you have any queries regarding this letter, I may be contacted on (02) 6723 723 or by email at stephen.kellett@fwc.gov.au.

Yours sincerely

Stephen Kellett

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Mr Paul Richardson, Assistant General Secretary

From:	KELLETT, Stephen
To:	"Paul Richardson"
Cc:	"nuwassist@nuw.org.au"
Subject:	Attention Mr Tim Kennedy - NUWN - Financial Reports y/e 30 June 2014 - filing
Date:	Friday, 28 November 2014 6:57:00 PM
Attachments:	NUW FR2014 300 (primary final).pdf

Dear Mr Richardson,

Thank you for the replacement Certificate.   Please see attached my letter in relation to the above.

Yours sincerely

STEPHEN KELLETT
Regulatory Compliance Branch
FAIR WORK COMMISSION

80 William Street
EAST SYDNEY   NSW   2011

(ph) (02) 6723 7237
(email) stephen.kellett@fwc.gov.au

From:	Paul Richardson
To:	KELLETT, Stephen
Subject:	NUWN - Annual Financial Reports
Date:	Friday, 28 November 2014 3:02:20 PM
Attachments:	BW_PDF011.PDF
Importance:	High

Dear Stephen

Further to our telephone conversation of even date please find attached a replacement certificate in the above matter.

Should you require any further information please contact me

Regards

Paul Richardson | Assistant National Secretary | National Union of Workers

P: (03) 9287 1850 | M: 0417 330 825 | F : (03) 9287 1818 | E: prichardson@nuw.org.au

Fair Work (Registered Organisations) Act 2009

Fair Work (Registered Organisations) Regulations 2009

CERTIFICATE

I, Timothy John Kennedy, 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 both of the reports were made available to members on 21 October 2014; and

3. That the full report was presented to a meeting of the National Committee of Management of the reporting unit on 20 November 2014 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009.*

DATED: 28 November 2014

TIMOTHY JOHN KENNEDY
GENERAL SECRETARY

NATIONAL UNION OF WORKERS

UNITY IS STRENGTH.

PR:RB

14D-016

20 November, 2014

Ms B O'Neill
General Manager
Fair Work Australia
GPO Box 1994
Melbourne VIC 3001

Dear Ms O'Neill,

Re: s 268 – Fair Work (Registered Organisations) Act 2009

I refer to the above and enclose the financial report for the National Union of Workers – National Office for the period ending 30 June 2014.

Consistent with the certificate dated 15 November 2011 the reporting unit comprises both the National Office and the General Branch of the Union (R2011/115)

Should you require any further information please contact Assistant General Secretary Paul Richardson on 03 9287 1856.

Yours faithfully,

TIM KENNEDY
GENERAL SECRETARY

RECEIVED
24 NOV 2014

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

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

ANNUAL CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014

National
VIC
NSW
QLD
SA
WA

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 2014. 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. On15 November 2011, the General Manager issued a certificate amending the reporting units so that the National Office and the General Branch of the National Union of Workers are combined for the purpose of financial reporting (R2011/115). 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 via the public notices page of our website – www.nuw.org.au or contact the Union on 1300 275 689.

The committee of management has resolved on 16th October 2014 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 2014. The financial statements and specific disclosures in the concise financial report have been derived from the 2014 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 2014 financial report of National Union of Workers – National Office and its controlled entities.

Statement of Comprehensive Income

The consolidated surplus attributable to members for the year was $1,138,294 which is a 76% increase from last year surplus of $643,249.

This increase in the surplus occurred due to a combination of increase in revenue of 12% from $9,290,581 in 2013 to $10,466,137 in 2014 whilst expenses only increased by 8% from $8,627,135 in 2013 to $9,327,843 this year.

Balance Sheet

Total consolidated assets increased by 13% or $1,680,993 from $13,042,282 in 2013 to $14,723,275 this year mainly due to an increase in cash on hand and an increase in investments.

Total liabilities increased by $574,449 or 25% from $2,275,669 in 2013 to $2,850,118 in 2014. This increase is mainly as a result of increase of trade payables and tax provisions.

As the increase in assets is in excess of the increase in liabilities there has been a net increase in member's funds from 2013 of $1,106,544.

Cash Flows

Consolidated net cash flows from operations decreased by $54,241 from a net inflow of $909,957 in 2013 to a net inflow of $855,716 in 2014. The decrease was mainly due to the timing of creditor payments.

Overall cash balances increased by $272,627 from last reporting period, with cash on hand and at banks at 30 June 2014 being $3,997,711 (2013: $3,997,711).

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

Signature of designated officer: ______________________

Name of designated officer: TIMOTHY KENNEDY

Title of designated officer: GENERAL SECRETARY

Date: 16/10/2014

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 2014.

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*
Tim Kennedy	General President (resigned on 30 June 2014)
Caterina Cinanni	General President (appointed on 1 July 2014)
Gayle Burmeister	General Vice President
Gary Maas	General Vice President
Ron Herbert	General Vice President
Marissa Bernardi	General Vice President
Sam Roberts	General Vice President
Dani Shanahan	General Vice President
Charles Donnelly	General Secretary (resigned on 30 June 2014)
Tim Kennedy	General Secretary (appointed on 1 July 2014)
Paul Richardson	Assistant General Secretary
Derrick Belan	Branch Secretary

All NCOM 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 were to improve the wages and working conditions of its members. This was undertaken through bargaining with employers, maintaining the content of modern awards and by appearing before industrial tribunals, principally the Fair Work Commission.

During the reporting period the Union launched or fostered campaigns around issues of importance to its members and working men and women generally.

Decisions of the National Committee of Management and the National Council were implemented in furtherance of the above during the reporting period

General Branch:

The principal activities of the General Branch were to improve the wages and working conditions of its members. This was undertaken through bargaining with employers, maintaining the content of modern awards and by appearing before industrial tribunals, principally the Fair Work Commission.

During the reporting period the Union either launched or fostered campaigns around issues of importance to its members and working men and women generally.

Decisions of the Branch Committee of Management were implemented in furtherance of the above during the reporting period.

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.

National Union of Workers details

National Fund:

The number of full time equivalents employees of at 30 June 2014 was 50 (2013: 48).

The number of financial members of the whole National Union of Workers at 30 June 2014 was 71,251 (2013: 71,562).

General Branch:

The number of full time equivalents of the General Branch employees at 30 June 2014 was 29 (2013:25).

The number of financial members of the General Branch at 30 June 2014 was 13,934 (2013: 12,707).

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.

Directorships of Superannuation Fund

To the best of our knowledge and belief, the following officers and employees are superannuation fund trustees or directors of a company that is a superannuation fund trustee. In each case the officer or employee was nominated for the position by the reporting unit.

Officer/ Employee	Position	Trustee Company	Name of Superfund	SGC Contribution
Charles Donnelly (resigned 16/5/2014)	Director	LUCRF Pty Ltd	LUCRF Super	$4,934.40
Timothy Kennedy	Director	LUCRF Pty Ltd	LUCRF Super	$5,329.80
Paul Richardson	Director	LUCRF Pty Ltd	LUCRF Super	$4,429.80
Caterina Cinanni	Director	LUCRF Pty Ltd	LUCRF Super	$4,879.80
Gary Maas	Director	LUCRF Pty Ltd	LUCRF Super	$4,429.80
Sam Roberts (from 19/6/2014)	Director	LUCRF Pty Ltd	LUCRF Super	$119.94

A superannuation contribution of the amount specified by legislation of LUCRF director's fees is paid to the individual officers nominated superannuation fund. For the reporting period the contribution was as appears in the table above

OPERATING REPORT (CONTINUED)

Directorships of Boards

In terms of the Unions policy on disclosure, the following information is provided regarding directorships of boards and/or entities held by officers during the reporting period:

Name	Board	Principal activity	Reason
Charles Donnelly	Newskills Ltd *(resigned 30 June 2014)*	Registered Training Organisation	Because he is an officer of the reporting unit
	Publicity Works *(resigned 30 June 2014)*	Printing & publicity	Because he is an officer of the reporting unit
	Labour Union and Investment Property Services Pty Ltd *(resigned 11 June 2014)*	Real estate and property	Because he is an officer of the reporting unit (non-beneficial shareholder)
	ARIS Pty Ltd	Deregistered entity	Not applicable
	The Trade Union Education Foundation *(resigned 30 June 2014)*	Training provider	Nominated by a peak council (ACTU)
	Transport and Logistics Skills Council Inc *(resigned 30 June 2014)*	Industry Skills Council	Nominated by the reporting unit
	ACTU Member Connect Pty Ltd *(resigned 4 Sept 2013)*	Provider of services to ACTU affiliates	Nominated by the reporting unit
Paul Richardson	Labour Union and Investment Property Services Pty Ltd	Real estate and property	Because he is an officer of the reporting unit (non-beneficial shareholder)
	ACTU Member Connect Pty Ltd *(appointed 4 Sept 2013)*	Provider of services to ACTU affiliates	Nominated by the reporting unit
	Australian Institute of Employment Right Inc	Policy development	Nominated by the reporting unit
	Manufacturing Skills Australia Inc.	Industry Skills Council	Nominated by the reporting unit
	Auto Skills Australia Inc. *(resigned 30 June 2014)*	Nominated by the reporting unit	Nominated for position by the Board of Manufacturing Skills Australia (observer status only)
Tim Kennedy	Newskills Ltd *(resigned 24 June 2014)*	Registered Training Organisation	Because he is an officer of the reporting unit
	Labour Union and Investment Property Services Pty Ltd	Real estate and property	Because he is an officer of the reporting unit (non-beneficial shareholder)
	ARIS Pty Ltd	Deregistered entity	Not applicable
	APHEDA Inc	Overseas aid agency	Nominated by a peak council (ACTU)

OPERATING REPORT (CONTINUED)

Directorships of Boards (Continued)

Name	Board	Principal activity	Reason
Tim Kennedy	IFS Insurance Solutions Pty Ltd	Insurance	Nominated by the reporting unit
Gary Maas	Labour Union and Investment Property Services Pty Ltd *(appointed 19 June 2014)*	Real estate and property	Because he is an officer of the reporting unit (non-beneficial shareholder)
	Publicity Works *(appointed 30 June 2014)*	Printing & publicity	Because he is an officer of the reporting unit
Sam Roberts	Labour Union and Investment Property Services Pty Ltd *(appointed 19 June 2014)*	Real estate and property	Because he is an officer of the reporting unit (non-beneficial shareholder)
	APHEDA Inc *(appointed 20 June 2014)*	Overseas aid agency	Nominated by a peak council (ACTU)
	Newskills Ltd *(appointed 24 June 2014)*	Registered Training Organisation	Because he is an officer of the reporting unit

Other than the SGC contribution noted previously, none of the above officers received any remuneration associated with their membership or directorship of any board of which they are a member (as defined by Rule 14B)

Any remuneration that otherwise could have been paid to the officer by virtue of directorships of the above boards and/or entity was paid in lieu to the Union's operating account.

No other disclosures as required under Rule 14B were made by officers for the reporting period.

No officer received any remuneration from a related third party of the Union in connection with the performance of their duties. Rule 68(c) prohibits officers undertaking external or secondary employment without the permission of the National Committee of Management. No such permissions were sought during the reporting period.

The Union maintains a register of interests of all officers and observes procedures for dealing with conflicts of interests. There were no conflicts recorded or noted during the reporting period.

The salary, classification and staff and pay scale of all appointed officers and staff of the Union is as determined from time to time by Union's National Council in accordance with the Rules.

All officers in accordance with Rule 14D are required to undertake training approved by the General Manager of the Fair Work Commission by 29 December 2013 or within six months of assuming office. All officers have complied with this Rule. A register of participation in approved training is maintained by the Union.

Costs associated with the delivery of the training and attendance is met by the Union.

Members wishing to obtain additional information or detail on any of these matters may do so by contacting the Union on 1300 275 689 or by email – info@nuw.org.au

A copy of the Union's rules along with additional material relevant to governance is available for download on the website – nuw.www.org.au/publicnotices

OPERATING REPORT (CONTINUED)

Remuneration and Disclosures

National Office

Under section 148A of the Act and Rule 14B of the Union's Rules, the five highest paid officers of the National Office and their remuneration for the reporting period are required to be disclosed. The following information relates to the year ended 30 June 2014.

Name of officer	Office	Total Remuneration
Charles Donnelly	General Secretary	$217,907 **
Paul Richardson	Assistant General Secretary	$190,357

** Charles Donnelly was also paid his accrued leave entitlements upon his resignation which amounted to $230,161.

There are no other paid officers of the National Office. All other officers are honorary positions and receive no remuneration associated with their office

The above relevant remuneration for each of the above officers includes the following:

- annual leave and annual leave loading in accordance with Rule 68(d)
- long service leave in accordance with Rule 68(e)
- 12 rostered days off per calendar year (which do not accrue)
- a superannuation contribution is in accordance with Rule 69.

Additionally the above officers have an entitlement to paid parental leave and other leave that is regulated by the National Employment Standards.

Relevant non cash benefits provided to each paid officer during the reporting period were the provision of a maintained, registered and insured motor vehicle as well as salary continuance insurance

The above officers, (along with non elected officers of the Union) are entitled to claim reimbursements associated with travel, meals and incidentals (both interstate and overseas) as well as attendance at conferences in accordance with the policy of the Union. As reimbursements these are not considered to be remuneration or non cash benefits

The above officers are entitled to claim reimbursement of home telephony and internet access and to receive media and/or professional subscriptions in accordance with Union policy and to fulfil their duties as officers of the Union. These are not considered to be non cash benefits.

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

OPERATING REPORT (CONTINUED)

Remuneration and Disclosures

General Branch

Under section 148A of the Act and Rule 14B of the Union's Rules, the five highest paid officers of the General Branch and their remuneration for the reporting period are required to be disclosed. The following information relates to the year ended 30 June 2014.

Name of officer	Office	Total Remuneration
Sam Roberts	Branch Secretary	$179,669
Godfrey Moase (New office created and filled by election from 1 October 2013)	Assistant Branch Secretary	$110,086

There are no other paid officers of the General Branch. All other officers are honorary positions and receive no remuneration associated with their office

The above relevant remuneration for each of the above officers includes the following:

- annual leave and annual leave loading in accordance with Rule 68(d)
- long service leave in accordance with Rule 68(e)
- 12 rostered days off per calendar year (which do not accrue)
- a superannuation contribution is in accordance with Rule 69.

Additionally the above officers have an entitlement to paid parental leave and other leave that is regulated by the National Employment Standards.

Relevant non cash benefits provided to each paid officer during the reporting period were the provision of a maintained, registered and insured motor vehicle as well as salary continuance insurance

The above officers, (along with non elected officers of the Union) are entitled to claim reimbursements associated with travel, meals and incidentals (both interstate and overseas) as well as attendance at conferences in accordance with the policy of the Union. As reimbursements these are not considered to be remuneration or non cash benefits

The above officers are entitled to claim reimbursement of home telephony and internet access and to receive media and/or professional subscriptions in accordance with Union policy. These are not considered to be non cash benefits.

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

Signature of designated officer: ____________________

Name of designated officer: TIMOTHY KENNEDY

Title of designated officer: GENERAL SECRETARY

Date: 16/10/2014

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

	Notes	Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
Revenue from continuing operations	3	**10,272,432**	9,289,221	**10,049,357**	9,399,423
Other income	4	**193,705**	1,360	**133,031**	1,360
Administrative expenses		**(855,083)**	(670,754)	**(837,484)**	(647,808)
Affiliation fee and capitation fee		**(566,974)**	(522,572)	**(566,974)**	(522,572)
Campaign expenses		**(233,971)**	(196,544)	**(233,971)**	(196,544)
Industrial expenses		**(431,955)**	(466,500)	**(431,955)**	(466,500)
Official expenses		**(122,393)**	(354,718)	**(122,393)**	(354,718)
Legal and professional fees		**(107,326)**	(121,051)	**(84,376)**	(83,837)
Motor vehicle expenses		**(265,755)**	(248,690)	**(265,755)**	(248,690)
Occupancy expenses		**(690,762)**	(589,143)	**(649,716)**	(562,212)
Communication expenses		**(38,923)**	(25,143)	**(38,923)**	(25,143)
Salaries and related expenses		**(6,014,701)**	(5,271,551)	**(6,000,847)**	(5,259,946)
Impairment loss		**-**	(160,469)	**-**	(160,469)
		(9,327,843)	(8,627,135)	**(9,232,394)**	(8,528,439)
Profit before income tax		**1,138,294**	663,446	**949,994**	872,344
Income tax expense		**(31,750)**	(20,197)	**-**	-
Profit attributable to members		**1,106,544**	643,249	**949,994**	872,344
Other comprehensive income					
Changes in distress fund		**25,809**	18,328	**25,809**	18,328
Total comprehensive income for the year		**1,132,353**	661,577	**975,803**	890,672

The above statements of profit or loss and other 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 2014

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
ASSETS				
Current assets				
Cash and cash equivalents	**4,270,338**	3,997,711	**3,267,451**	3,069,032
Trade and other receivables	**1,283,330**	1,052,430	**1,281,489**	1,050,627
Total current assets	**5,553,668**	5,050,141	**4,548,940**	4,119,659
Non-current assets				
Financial assets	**4,626,269**	4,399,396	**4,759,063**	4,640,053
Intangibles assets	**170,887**	130,253	**170,887**	130,253
Property, plant and equipment	**2,133,755**	3,462,492	**2,133,755**	1,512,492
Investment properties	**2,238,696**	-	**288,696**	-
Total non-current assets	**9,169,607**	7,992,141	**7,352,401**	6,282,798
Total assets	**14,723,275**	13,042,282	**11,901,341**	10,402,457
LIABILITIES				
Current liabilities				
Trade and other payables	**1,550,457**	913,218	**1,520,225**	892,396
Tax provisions	**16,149**	-	**-**	-
Provisions	**1,283,512**	1,362,451	**1,283,512**	1,362,451
Total current liabilities	**2,850,118**	2,275,669	**2,803,737**	2,254,847
Total liabilities	**2,850,118**	2,275,669	**2,803,737**	2,254,847
Net assets	**11,873,157**	10,766,613	**9,097,604**	8,147,610
MEMBERS' FUND				
Reserves	**3,395,485**	3,421,294	**2,419,753**	2,445,562
Retained profits	**8,477,672**	7,345,319	**6,677,851**	5,702,048
Total members' fund	**11,873,157**	10,766,613	**9,097,604**	8,147,610

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 2014

Consolidated Group	Reserves $	Retained profits $	Total $
Balance at 1 July 2012	3,439,622	6,683,742	10,123,364
Profit for the year	-	643,249	643,249
Transfer to reserve	(18,328)	18,328	-
Balance at 30 June 2013	3,421,294	7,345,319	10,766,613
Balance at 1 July 2013	3,421,294	7,345,319	10,766,613
Profit for the year	-	1,106,544	1,106,544
Transfer to reserve	(25,809)	25,809	-
Balance at 30 June 2014	3,395,485	8,477,672	11,873,157
Parent Entity			
Balance at 1 July 2012	2,463,890	4,811,376	7,275,266
Surplus for the year	-	872,344	872,344
Transfer to reserve	(18,328)	18,328	-
Balance at 30 June 2013	2,445,562	5,702,048	8,147,610
Balance at 1 July 2013	2,445,562	5,702,048	8,147,610
Surplus for the year	-	949,994	949,994
Transfer to reserve	(25,809)	25,809	-
Balance at 30 June 2014	2,419,753	6,677,851	9,097,604

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 2014

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Cash flows from operating activities				
Receipts from other reporting units	**4,599,508**	3,285,379	**4,599,508**	3,285,379
Membership fees received	**5,184,107**	4,781,428	**5,184,107**	4,781,428
Receipts from controlled entities	-	-	**33,000**	287,655
Grant received	-	329,688	-	329,688
LUCRF service fee	**267,793**	366,668	**267,793**	366,668
Other income	**348,577**	606,656	**120,648**	589,001
Commission received	-	2,576	-	-
Payments to suppliers and employees	**(9,588,130)**	(8,587,140)	**(9,483,320)**	(8,556,303)
Payments to other reporting units	**(514,112)**	(220,119)	**(514,112)**	(220,119)
Payments to controlled entities	-	-	-	-
Dividends/Distribution received	**521,053**	303,976	**503,792**	303,116
Interest received	**50,718**	82,538	**22,904**	29,715
Income tax (paid)	**(13,798)**	(41,693)	-	-
Net cash inflow from operating activities	**855,716**	909,957	**734,320**	1,196,228
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment	**8,149**	25,555	**8,149**	25,555
Payment for property, plant ,equipment and other assets	**(567,423)**	(578,523)	**(567,423)**	(578,523)
Proceeds from sale of investments	-	4,214	-	4,214
Payment for investments	**(47,189)**	(334,347)	-	-
Net cash (outflow) from investing activities	**(606,463)**	(883,101)	**(559,274)**	(548,754)
Cash flows from financing activities				
Loan repayment received	**23,374**	398,017	**23,374**	398,017
Net cash inflow from financing activities	**23,374**	398,017	**23,374**	398,017
Net increase in cash and cash equivalents	**272,627**	424,873	**198,420**	1,045,491
Cash and cash equivalents at beginning of financial year	**3,997,711**	3,572,838	**3,069,031**	2,023,540
Cash and cash equivalents at end of financial year	**4,270,338**	3,997,711	**3,267,451**	3,069,031

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

1: Summary of significant accounting policies

(a) Basis 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 Standard AASB 1039 "Concise Financial Reports".

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) Basis 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: Section 272 Fair Work (Registered Organisations) Act 2009

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) to (3) of sections 272, which read as follows:

Information to be provided to members or the General Manager of Fair Work Commission:

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

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

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

3: Revenue

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
From continuing operations	$	$	$	$
Service revenue				
- commission	-	2,342	-	-
- sustentation fees				
- NUW NSW Branch	**1,379,831**	1,036,952	**1,379,831**	1,036,952
- NUW Vic Branch	**2,140,952**	1,864,214	**2,140,952**	1,864,214
- membership subscriptions	**4,790,905**	4,576,171	**4,790,905**	4,576,171
- capitation fees – other reporting units	-	-	-	-
- levies	-	-	-	-
	8,311,688	7,479,679	**8,311,688**	7,477,337
Other revenue				
- interest	**50,718**	82,538	**22,904**	53,088
- NUW – MSC income				
- NUW Vic Branch	-	156,079	-	156,079
- reimbursements from Branches				
- NUW NSW Branch	**38,238**	24,919	**38,238**	24,919
- NUW Vic Branch	**130,047**	112,492	**130,047**	112,492
- LUCRF service fee	**355,931**	333,335	**355,931**	333,335
- management fee	**48,854**	83,255	**54,854**	95,255
- director fees	**291,011**	318,137	**315,011**	318,137
- investment income	**483,057**	284,378	**483,057**	284,378
- dividends	**37,997**	19,598	**20,735**	288,738
- rent	**238,853**	164,092	**67,253**	40,342
- donation	**1,000**	1,140	**1,000**	1,140
- grant income	**195,491**	157,668	**195,491**	157,668
- sponsorship	**11,659**		**11,659**	-
- financial support from another reporting unit	-	-	-	-
- other revenue	**77,888**	71,911	**41,489**	56,515
	10,272,432	9,289,221	**10,049,357**	9,399,423

4: Other income

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Net gain on disposal of property, plant and equipment and investments	-	1,360	-	1,360
Net gain on revaluation of investments	**193,705**	-	**133,031**	-
	193,705	1,360	**133,031**	1,360

5: Events occurring after reporting date

No 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

At 30 June 2014, a contingent liability of $82,230 existed in relation to the subsidiary's agreement with the purchaser of the subsidiary's previous insurance business.

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	**201,509**	**9,847,848**	**10,049,357**	191,978	9,207,445	9,399,423
Other income	**-**	**133,031**	**133,031**	-	1,360	1,360
Administrative expenses	**(281,095)**	**(556,389)**	**(837,484)**	(245,998)	(401,810)	(647,808)
Affiliation fee	**(101,744)**	**(465,230)**	**(566,974)**	(80,148)	(442,424)	(522,572)
Campaign expenses	**-**	**(233,971)**	**(233,971)**	-	(196,544)	(196,544)
Industrial expenses	**(324,231)**	**(107,724)**	**(431,955)**	(298,642)	(167,858)	(466,500)
Official expenses	**-**	**(122,393)**	**(122,393)**	(160,457)	(194,261)	(354,718)
Legal and professional fees	**(25,364)**	**(59,012)**	**(84,376)**	(28,743)	(55,094)	(83,837)
Motor vehicle expenses	**(161,632)**	**(104,123)**	**(265,755)**	(131,694)	(116,996)	(248,690)
Occupancy expenses	**(266,310)**	**(383,406)**	**(649,716)**	(209,740)	(352,472)	(562,212)
Communication expenses	**-**	**(38,923)**	**(38,923)**	-	(25,143)	(25,143)
Salaries and related expenses	**(3,089,710)**	**(2,911,137)**	**(6,000,847)**	(2,726,436)	(2,533,510)	(5,259,946)
Impairment loss	**-**	**-**	**-**	-	(160,469)	(160,469)
	4,250,086	**4,982,308**	**9,232,394**	(3,881,858)	(4,646,581)	(8,528,439)
(Loss)/Profit before income tax	**(4,048,577)**	**4,998,571**	**949,994**	(3,689,880)	4,562,224	872,344
Income tax expense	**-**	**-**	**-**	-	-	-
(Loss)/Profit attributable to members	**(4,048,577)**	**4,998,571**	**949,994**	(3,689,880)	4,562,224	872,344
Other comprehensive income	**-**	**25,808**	**25,808**	-	18,328	18,328
Total comprehensive (loss) income for the year	**(4,048,577)**	**5,024,379**	**975,802**	(3,689,880)	4,580,552	890,672

Attention is drawn to Rule 23 of the NUW Rules which effectively considers all income including membership contributions being part of the National Fund (National Office). 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 16 OCTOBER 2014, the National Committee of Management of National Union of Workers – National Office passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2014:

The National Committee of Management declares that in its opinion:

1. the financial statements and notes comply with Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the General Manager;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
4. there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the GPFR relates and since the end of that year:
   a. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
   b. the financial affairs of the reporting unit 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 reporting unit have been kept and maintained in accordance with the RO Act; and
   d. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
   e. where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
   f. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

6. No revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the National Committee of Management.

Signature of designated officer: ______________________

Name of designated officer: TIMOTHY KENNEDY

Title of designated officer: GENERAL SECRETARY

Dated 16/10/2014

BGL PARTNERS
CHARTERED ACCOUNTANTS

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598 St Kilda Rd
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS - NATIONAL OFFICE

Report on the financial report

We have audited the accompanying concise financial report of the National Union of Workers – National Office and consolidated group, which comprises the balance sheet as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and related notes, derived from the audited financial report of the National Union of Workers – National Office and the consolidated group for the year ended 30 June 2014, 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. The concise financial report also includes discussion and analysis of results. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

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 Australian Accounting Standards AASB 1039 *Concise Financial Reports* and the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Committee of Management determine 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 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 National Union of Workers – National Office and the consolidated group for the year ended 30 June 2014. We expressed an unmodified audit opinion on the financial report in our report dated 16 October 2014. 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 controls 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 controls. 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, discussion and analysis of results, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039 *Concise Financial Reports*.

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

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.

Independence

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

Opinion

In our opinion:

- the concise financial report of National Union of Workers – National Office and consolidated group presents fairly, in all material respects, the financial position of National Union of Workers – National Office and consolidated group as at 30 June 2014 and the results of its operations, its changes in equity and cash flows for the year then ended, complies with Australian Accounting Standard AASB 1039 *Concise Financial Reports* and the *Fair Work (Registered Organisations) Act 2009*
- the Committee of Management's use of the going concern basis of accounting in the preparation of the entity's financial statements is appropriate.

BGL Partners

BGL Partners
Chartered Accountants

I. A. Hinds - C.A. – Partner
Registered auditor with ASIC No: 56814
Chartered Accountants Australia and New Zealand
Membership number: 28696

Melbourne
16 October 2014

Chartered Accountants

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

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014

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.

On15 November 2011, the General Manager issued a certificate amending the reporting units so that the National Office and the General Branch of the National Union of Workers are combined for the purpose of financial reporting (R2011/115).

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 National Committee of Management on 16th day of October 2014.

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 2014.

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*
Tim Kennedy	General President (resigned on 30 June 2014)
Caterina Cinanni	General President (appointed on 1 July 2014)
Gayle Burmeister	General Vice President
Gary Maas	General Vice President
Ron Herbert	General Vice President
Marissa Bernardi	General Vice President
Sam Roberts	General Vice President
Dani Shanahan	General Vice President
Charles Donnelly	General Secretary (resigned on 30 June 2014)
Tim Kennedy	General Secretary (appointed on 1 July 2014)
Paul Richardson	Assistant General Secretary
Derrick Belan	Branch Secretary

All NCOM 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 were to improve the wages and working conditions of its members. This was undertaken through bargaining with employers, maintaining the content of modern awards and by appearing before industrial tribunals, principally the Fair Work Commission.

During the reporting period the Union launched or fostered campaigns around issues of importance to its members and working men and women generally.

Decisions of the National Committee of Management and the National Council were implemented in furtherance of the above during the reporting period

General Branch:

The principal activities of the General Branch were to improve the wages and working conditions of its members. This was undertaken through bargaining with employers, maintaining the content of modern awards and by appearing before industrial tribunals, principally the Fair Work Commission.

During the reporting period the Union either launched or fostered campaigns around issues of importance to its members and working men and women generally.

Decisions of the Branch Committee of Management were implemented in furtherance of the above during the reporting period.

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.

National Union of Workers details

National Fund:

The number of full time equivalents employees of at 30 June 2014 was 50 (2013: 48).
The number of financial members of the whole National Union of Workers at 30 June 2014 was 71,251 (2013: 71,562).

General Branch:

The number of full time equivalents of the General Branch employees at 30 June 2014 was 29 (2013:25).
The number of financial members of the General Branch at 30 June 2014 was 13,934 (2013: 12,707).

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.

Directorships of Superannuation Fund

To the best of our knowledge and belief, the following officers and employees are superannuation fund trustees or directors of a company that is a superannuation fund trustee. In each case the officer or employee was nominated for the position by the reporting unit.

Officer/ Employee	Position	Trustee Company	Name of Superfund	SGC Contribution
Charles Donnelly (resigned 16/5/2014)	Director	LUCRF Pty Ltd	LUCRF Super	$4,934.40
Timothy Kennedy	Director	LUCRF Pty Ltd	LUCRF Super	$5,329.80
Paul Richardson	Director	LUCRF Pty Ltd	LUCRF Super	$4,429.80
Caterina Cinanni	Director	LUCRF Pty Ltd	LUCRF Super	$4,879.80
Gary Maas	Director	LUCRF Pty Ltd	LUCRF Super	$4,429.80
Sam Roberts (from 19/6/2014)	Director	LUCRF Pty Ltd	LUCRF Super	$119.94

A superannuation contribution of the amount specified by legislation of LUCRF director's fees is paid to the individual officers nominated superannuation fund. For the reporting period the contribution was as appears in the table above

OPERATING REPORT (CONTINUED)

Directorships of Boards

In terms of the Unions policy on disclosure, the following information is provided regarding directorships of boards and/or entities held by officers during the reporting period:

Name	Board	Principal activity	Reason
Charles Donnelly	Newskills Ltd *(resigned 30 June 2014)*	Registered Training Organisation	Because he is an officer of the reporting unit
	Publicity Works *(resigned 30 June 2014)*	Printing & publicity	Because he is an officer of the reporting unit
	Labour Union and Investment Property Services Pty Ltd *(resigned 11 June 2014)*	Real estate and property	Because he is an officer of the reporting unit (non-beneficial shareholder)
	ARIS Pty Ltd	Deregistered entity	Not applicable
	The Trade Union Education Foundation *(resigned 30 June 2014)*	Training provider	Nominated by a peak council (ACTU)
	Transport and Logistics Skills Council Inc *(resigned 30 June 2014)*	Industry Skills Council	Nominated by the reporting unit
	ACTU Member Connect Pty Ltd *(resigned 4 Sept 2013)*	Provider of services to ACTU affiliates	Nominated by the reporting unit
Paul Richardson	Labour Union and Investment Property Services Pty Ltd	Real estate and property	Because he is an officer of the reporting unit (non-beneficial shareholder)
	ACTU Member Connect Pty Ltd *(appointed 4 Sept 2013)*	Provider of services to ACTU affiliates	Nominated by the reporting unit
	Australian Institute of Employment Right Inc	Policy development	Nominated by the reporting unit
	Manufacturing Skills Australia Inc.	Industry Skills Council	Nominated by the reporting unit
	Auto Skills Australia Inc. *(resigned 30 June 2014)*	Nominated by the reporting unit	Nominated for position by the Board of Manufacturing Skills Australia (observer status only)
Tim Kennedy	Newskills Ltd *(resigned 24 June 2014)*	Registered Training Organisation	Because he is an officer of the reporting unit
	Labour Union and Investment Property Services Pty Ltd	Real estate and property	Because he is an officer of the reporting unit (non-beneficial shareholder)
	ARIS Pty Ltd	Deregistered entity	Not applicable
	APHEDA Inc	Overseas aid agency	Nominated by a peak council (ACTU)

OPERATING REPORT (CONTINUED)

Directorships of Boards (Continued)

Name	Board	Principal activity	Reason
Tim Kennedy	IFS Insurance Solutions Pty Ltd	Insurance	Nominated by the reporting unit
Gary Maas	Labour Union and Investment Property Services Pty Ltd *(appointed 19 June 2014)*	Real estate and property	Because he is an officer of the reporting unit (non-beneficial shareholder)
	Publicity Works *(appointed 30 June 2014)*	Printing & publicity	Because he is an officer of the reporting unit
Sam Roberts	Labour Union and Investment Property Services Pty Ltd *(appointed 19 June 2014)*	Real estate and property	Because he is an officer of the reporting unit (non-beneficial shareholder)
	APHEDA Inc *(appointed 20 June 2014)*	Overseas aid agency	Nominated by a peak council (ACTU)
	Newskills Ltd *(appointed 24 June 2014)*	Registered Training Organisation	Because he is an officer of the reporting unit

Other than the SGC contribution noted previously, none of the above officers received any remuneration associated with their membership or directorship of any board of which they are a member (as defined by Rule 14B)

Any remuneration that otherwise could have been paid to the officer by virtue of directorships of the above boards and/or entity was paid in lieu to the Union's operating account.

No other disclosures as required under Rule 14B were made by officers for the reporting period.

No officer received any remuneration from a related third party of the Union in connection with the performance of their duties. Rule 68(c) prohibits officers undertaking external or secondary employment without the permission of the National Committee of Management. No such permissions were sought during the reporting period.

The Union maintains a register of interests of all officers and observes procedures for dealing with conflicts of interests. There were no conflicts recorded or noted during the reporting period.

The salary, classification and staff and pay scale of all appointed officers and staff of the Union is as determined from time to time by Union's National Council in accordance with the Rules.

All officers in accordance with Rule 14D are required to undertake training approved by the General Manager of the Fair Work Commission by 29 December 2013 or within six months of assuming office. All officers have complied with this Rule. A register of participation in approved training is maintained by the Union.

Costs associated with the delivery of the training and attendance is met by the Union.

Members wishing to obtain additional information or detail on any of these matters may do so by contacting the Union on 1300 275 689 or by email – info@nuw.org.au

A copy of the Union's rules along with additional material relevant to governance is available for download on the website – nuw.www.org.au/publicnotices

OPERATING REPORT (CONTINUED)

Remuneration and Disclosures

National Office

Under section 148A of the Act and Rule 14B of the Union's Rules, the five highest paid officers of the National Office and their remuneration for the reporting period are required to be disclosed. The following information relates to the year ended 30 June 2014.

Name of officer	Office	Total Remuneration
Charles Donnelly	General Secretary	$217,907 **
Paul Richardson	Assistant General Secretary	$190,357

** Charles Donnelly was also paid his accrued leave entitlements upon his resignation which amounted to $230,161.

There are no other paid officers of the National Office. All other officers are honorary positions and receive no remuneration associated with their office

The above relevant remuneration for each of the above officers includes the following:

- annual leave and annual leave loading in accordance with Rule 68(d)
- long service leave in accordance with Rule 68(e)
- 12 rostered days off per calendar year (which do not accrue)
- a superannuation contribution is in accordance with Rule 69.

Additionally the above officers have an entitlement to paid parental leave and other leave that is regulated by the National Employment Standards.

Relevant non cash benefits provided to each paid officer during the reporting period were the provision of a maintained, registered and insured motor vehicle as well as salary continuance insurance

The above officers, (along with non elected officers of the Union) are entitled to claim reimbursements associated with travel, meals and incidentals (both interstate and overseas) as well as attendance at conferences in accordance with the policy of the Union. As reimbursements these are not considered to be remuneration or non cash benefits

The above officers are entitled to claim reimbursement of home telephony and internet access and to receive media and/or professional subscriptions in accordance with Union policy and to fulfil their duties as officers of the Union. These are not considered to be non cash benefits.

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

OPERATING REPORT (CONTINUED)

Remuneration and Disclosures

General Branch

Under section 148A of the Act and Rule 14B of the Union's Rules, the five highest paid officers of the General Branch and their remuneration for the reporting period are required to be disclosed. The following information relates to the year ended 30 June 2014.

Name of officer	Office	Total Remuneration
Sam Roberts	Branch Secretary	$179,669
Godfrey Moase (New office created and filled by election from 1 October 2013)	Assistant Branch Secretary	$110,086

There are no other paid officers of the General Branch. All other officers are honorary positions and receive no remuneration associated with their office

The above relevant remuneration for each of the above officers includes the following:

- annual leave and annual leave loading in accordance with Rule 68(d)
- long service leave in accordance with Rule 68(e)
- 12 rostered days off per calendar year (which do not accrue)
- a superannuation contribution is in accordance with Rule 69.

Additionally the above officers have an entitlement to paid parental leave and other leave that is regulated by the National Employment Standards.

Relevant non cash benefits provided to each paid officer during the reporting period were the provision of a maintained, registered and insured motor vehicle as well as salary continuance insurance

The above officers, (along with non elected officers of the Union) are entitled to claim reimbursements associated with travel, meals and incidentals (both interstate and overseas) as well as attendance at conferences in accordance with the policy of the Union. As reimbursements these are not considered to be remuneration or non cash benefits

The above officers are entitled to claim reimbursement of home telephony and internet access and to receive media and/or professional subscriptions in accordance with Union policy. These are not considered to be non cash benefits.

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

Signature of designated officer: ______________________

Name of designated officer: TIMOTHY KENNEDY

Title of designated officer: GENERAL SECRETARY

Date: 16/10/2014

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

	Notes	Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
Revenue from continuing operations	4	**10,272,432**	9,289,221	**10,049,357**	9,399,423
Other income	5	**193,705**	1,360	**133,031**	1,360
Administrative expenses		**(855,083)**	(670,754)	**(837,484)**	(647,808)
Affiliation fee and capitation fee	7	**(566,974)**	(522,572)	**(566,974)**	(522,572)
Campaign expenses		**(233,971)**	(196,544)	**(233,971)**	(196,544)
Industrial expenses		**(431,955)**	(466,500)	**(431,955)**	(466,500)
Official expenses		**(122,393)**	(354,718)	**(122,393)**	(354,718)
Legal and professional fees		**(107,326)**	(121,051)	**(84,376)**	(83,837)
Motor vehicle expenses		**(265,755)**	(248,690)	**(265,755)**	(248,690)
Occupancy expenses		**(690,762)**	(589,143)	**(649,716)**	(562,212)
Communication expenses		**(38,923)**	(25,143)	**(38,923)**	(25,143)
Salaries and related expenses	8	**(6,014,701)**	(5,271,551)	**(6,000,847)**	(5,259,946)
Impairment loss		-	(160,469)	-	(160,469)
		(9,327,843)	(8,627,135)	**(9,232,394)**	(8,528,439)
Profit before income tax		**1,138,294**	663,446	**949,994**	872,344
Income tax expense	9	**(31,750)**	(20,197)	-	-
Profit attributable to members		**1,106,544**	643,249	**949,994**	872,344
Other comprehensive income					
Changes in distress fund	19	**25,809**	18,328	**25,809**	18,328
Total comprehensive income for the year		**1,132,353**	661,577	**975,803**	890,672

The above statements of profit or loss and other 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 2014

	Notes	Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
ASSETS					
Current assets					
Cash and cash equivalents	10	**4,270,338**	3,997,711	**3,267,451**	3,069,032
Trade and other receivables	11	**1,283,330**	1,052,430	**1,281,489**	1,050,627
Total current assets		**5,553,668**	5,050,141	**4,548,940**	4,119,659
Non-current assets					
Financial assets	12	**4,626,269**	4,399,396	**4,759,063**	4,640,053
Intangibles assets	13	**170,887**	130,253	**170,887**	130,253
Property, plant and equipment	14	**2,133,755**	3,462,492	**2,133,755**	1,512,492
Investment properties	15	**2,238,696**	-	**288,696**	-
Total non-current assets		**9,169,607**	7,992,141	**7,352,401**	6,282,798
Total assets		**14,723,275**	13,042,282	**11,901,341**	10,402,457
LIABILITIES					
Current liabilities					
Trade and other payables	16	**1,550,457**	913,218	**1,520,225**	892,396
Tax provisions	17	**16,149**	-	-	-
Provisions	18	**1,283,512**	1,362,451	**1,283,512**	1,362,451
Total current liabilities		**2,850,118**	2,275,669	**2,803,737**	2,254,847
Total liabilities		**2,850,118**	2,275,669	**2,803,737**	2,254,847
Net assets		**11,873,157**	10,766,613	**9,097,604**	8,147,610
MEMBERS' FUND					
Reserves	19	**3,395,485**	3,421,294	**2,419,753**	2,445,562
Retained profits	20	**8,477,672**	7,345,319	**6,677,851**	5,702,048
Total members' fund		**11,873,157**	10,766,613	**9,097,604**	8,147,610

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 2014

	Reserves $	Retained profits $	Total $
Consolidated Group			
Balance at 1 July 2012	3,439,622	6,683,742	10,123,364
Profit for the year	-	643,249	643,249
Transfer to reserve	(18,328)	18,328	-
Balance at 30 June 2013	3,421,294	7,345,319	10,766,613
Balance at 1 July 2013	3,421,294	7,345,319	10,766,613
Profit for the year	-	1,106,544	1,106,544
Transfer to reserve	(25,809)	25,809	-
Balance at 30 June 2014	3,395,485	8,477,672	11,873,157
Parent Entity			
Balance at 1 July 2012	2,463,890	4,811,376	7,275,266
Surplus for the year	-	872,344	872,344
Transfer to reserve	(18,328)	18,328	-
Balance at 30 June 2013	2,445,562	5,702,048	8,147,610
Balance at 1 July 2013	2,445,562	5,702,048	8,147,610
Surplus for the year	-	949,994	949,994
Transfer to reserve	(25,809)	25,809	-
Balance at 30 June 2014	2,419,753	6,677,851	9,097,604

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 2014

	Notes	Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
Cash flows from operating activities					
Receipts from other reporting units	29(a)	**4,599,508**	3,285,379	**4,599,508**	3,285,379
Membership fees received		**5,184,107**	4,781,428	**5,184,107**	4,781,428
Receipts from controlled entities	29(b)	-	-	**33,000**	287,655
Grant received		-	329,688	-	329,688
LUCRF service fee		**267,793**	366,668	**267,793**	366,668
Other income		**348,577**	606,656	**120,648**	589,001
Commission received		-	2,576	-	-
Payments to suppliers and employees		**(9,588,130)**	(8,587,140)	**(9,483,320)**	(8,556,303)
Payments to other reporting units	29(c)	**(514,112)**	(220,119)	**(514,112)**	(220,119)
Payments to controlled entities		-	-	-	-
Dividends/Distribution received		**521,053**	303,976	**503,792**	303,116
Interest received		**50,718**	82,538	**22,904**	29,715
Income tax (paid)		**(13,798)**	(41,693)	-	-
Net cash inflow from operating activities	29(d)	**855,716**	909,957	**734,320**	1,196,228
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		**8,149**	25,555	**8,149**	25,555
Payment for property, plant ,equipment and other assets		**(567,423)**	(578,523)	**(567,423)**	(578,523)
Proceeds from sale of investments		-	4,214	-	4,214
Payment for investments		**(47,189)**	(334,347)	-	-
Net cash (outflow) from investing activities		**(606,463)**	(883,101)	**(559,274)**	(548,754)
Cash flows from financing activities					
Loan repayment received		**23,374**	398,017	**23,374**	398,017
Net cash inflow from financing activities		**23,374**	398,017	**23,374**	398,017
Net increase in cash and cash equivalents		**272,627**	424,873	**198,420**	1,045,491
Cash and cash equivalents at beginning of financial year		**3,997,711**	3,572,838	**3,069,031**	2,023,540
Cash and cash equivalents at end of financial year	10(a)	**4,270,338**	3,997,711	**3,267,451**	3,069,031

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 these consolidated financial statements 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 ("The Parent Entity) and the consolidated group consisting of National Union of Workers – National Office and its subsidiaries ("The Group").

(a) Basis of Preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, The National Union of Workers – National Office is a not-for-profit entity for the purpose of preparing financial statements. Tier 1 reporting requirements as per the Australian Accounting Standard AASB 1053 Application of Tiers of Australian Accounting Standards have been applied in the preparation of this report as required under the Reporting Guidelines for the purpose of section 253 of the *Fair Work (Registered Organisations) Act 2009*.

Compliance with Australian Accounting Standards

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). A statement of full compliance with IFRS cannot be made due to the group applying the not for profit sector requirements contained in AIFRS

Early adoption of standards

No accounting standard has been adopted earlier than the application date stated in the standard.

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 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the 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)

(a) Basis of Preparation (Continued)

New and amended standards adopted by the group

A number of new and revised standards are effective for annual periods beginning on or after 1 January 2013. Information on these new standards is presented below.

AASB 13 Fair Value Measurement

AASB 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair-valued. The scope of AASB 13 is broad and it applies for both financial and non-financial items for which other Australian Accounting Standards require or permit fair value measurements or disclosures about fair value measurements except in certain circumstances. AASB 13 applies prospectively for annual periods beginning on or after 1 January 2013. Its disclosure requirements need not be applied to comparative information in the first year of application. The Group has applied AASB 13 for the first time in the current year.

Amendments to AASB 119 Employee Benefits
The 2011 amendments to AASB 119 made a number of changes to the accounting for employee benefits, the most significant relating to defined benefit plans. The amendments:

- eliminate the 'corridor method' and requires the recognition of re-measurements (including actuarial gains and losses) arising in the reporting period in other comprehensive income;
- change the measurement and presentation of certain components of the defined benefit cost. The net amount in profit or loss is affected by the removal of the expected return on plan assets and interest cost components and their replacement by a net interest expense or income based on the net defined benefit asset or liability; and
- enhance disclosures, including more information about the characteristics of defined benefit plans and related risks.

Under the amendments, employee benefits 'expected to be settled wholly' (as opposed to 'due to be settled' under the superseded version of AASB 119) within 12 months after the end of the reporting period are short-term benefits, and are therefore not discounted when calculating leave liabilities. This change has had no impact on the presentation of annual leave as a current liability in accordance with AASB 101 *Presentation of Financial Statements*.

These amendments have had no significant impact on the group.

The group has assessed the impact of other new and amended standards that came into effect first time for their annual reporting period commencing 1 July 2013. These standards did not result in changes to group's accounting policies and had no effect on the amounts reported for current or prior year financial statements.

(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 2014 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.

1: Summary of significant accounting policies (Continued)

(b) Principles of Consolidation (Continued)

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.
Revenue is recognised for the major operating activities as follows:

Membership Subscriptions
Membership subscriptions 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.

1: Summary of significant accounting policies (Continued)

(c) Revenue Recognition (Continued)

Revenue is recognised for the major operating activities as follows:

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)

(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.

1: Summary of significant accounting policies (Continued)

(e) Income tax (Continued)

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 group 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.

(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.

1: Summary of significant accounting policies (Continued)

(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.

(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.

1: Summary of significant accounting policies (Continued)

(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 and financial assets at fair value through profit or loss.

(i) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

(ii) Loans and receivables

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

Recognition and derecognition

Regular purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are carried at fair value through profit and loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

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

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.

1: Summary of significant accounting policies (Continued)

(j) Investment and other financial assets (Continued)

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) Fair value measurements

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on group specific estimates.

Specific valuation techniques used to value financial instruments include:
- The use of quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

1: Summary of significant accounting policies (Continued)

(l) Property, plant and equipment

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

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

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

Class of fixed asset	Depreciation rate	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.

(m) Investment property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the association. Investment property is carried at deemed cost as is allowed by AASB 140. Cost includes expenditure that is directly attributable to the acquisition of items.

(n) 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.

1: Summary of significant accounting policies (Continued)

(o) 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.

(p) Employee benefits

(i) Short term obligations

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

(ii) Other long term employee benefit obligations

The liability for long service leave and annual leave are not expected to be settled wholly within 12 months after the period in which the employees rendered the related services. They are therefore 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 and are measured at the amounts expected to be paid when the liabilities are settled. 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.

The obligations are presented as current liabilities in the balance sheet if the group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(q) 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.

1: Summary of significant accounting policies (Continued)

(r) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2014 reporting periods. The group'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*, AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)* (effective from 1 January 2015) and AASB 2012-6 *Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transitional Disclosures.*

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption. When adopted, the standard will affect in particular the Group'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. This change will not impact the Group as current accounting for gains and losses on available–for–sale financial assets is consistent with proposed changes.

There will be no impact on the group'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 Group does not have any such liabilities. The derecognition rules have been transferred from AASB139 *Financial Instruments: Recognition and Measurement* and have not been changed. The Group has not yet decided when to adopt AASB 9.

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 group's accounting policies

Employee entitlements
Management judgements 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: Section 272 Fair Work (Registered Organisations) Act 2009

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) to (3) of sections 272, which read as follows:

Information to be provided to members or the General Manager of Fair Work Commission:

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

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

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

4: Revenue

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
From continuing operations	$	$	$	$
Service revenue				
- commission	-	2,342	-	-
- sustentation fees				
- NUW NSW Branch	**1,379,831**	1,036,952	**1,379,831**	1,036,952
- NUW Vic Branch	**2,140,952**	1,864,214	**2,140,952**	1,864,214
- membership subscriptions	**4,790,905**	4,576,171	**4,790,905**	4,576,171
- capitation fees – other reporting units	-	-	-	-
- levies	-	-	-	-
	8,311,688	7,479,679	**8,311,688**	7,477,337
Other revenue				
- interest	**50,718**	82,538	**22,904**	53,088
- NUW – MSC income				
- NUW Vic Branch	-	156,079	-	156,079
- reimbursements from Branches				
- NUW NSW Branch	**38,238**	24,919	**38,238**	24,919
- NUW Vic Branch	**130,047**	112,492	**130,047**	112,492
- LUCRF service fee	**355,931**	333,335	**355,931**	333,335
- management fee	**48,854**	83,255	**54,854**	95,255
- director fees	**291,011**	318,137	**315,011**	318,137
- investment income	**483,057**	284,378	**483,057**	284,378
- dividends	**37,997**	19,598	**20,735**	288,738
- rent	**238,853**	164,092	**67,253**	40,342
- donation	**1,000**	1,140	**1,000**	1,140
- grant income	**195,491**	157,668	**195,491**	157,668
- sponsorship	**11,659**		**11,659**	-
- financial support from another reporting unit	-	-	-	-
- other revenue	**77,888**	71,911	**41,489**	56,515
	10,272,432	9,289,221	**10,049,357**	9,399,423

5: Other income

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Net gain on disposal of property, plant and equipment and investments	-	1,360	-	1,360
Net gain on revaluation of investments	**193,705**	-	**133,031**	-
	193,705	1,360	**133,031**	1,360

6: Expenses

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Profit before income tax expenses includes the following specific expenses:				
Depreciation	**191,889**	152,540	**191,889**	152,540
Amortisation of website costs	**37,098**	15,856	**37,098**	15,856
Bad debts	**573**	4,333	**573**	4,333
Defined contribution superannuation expense	**775,358**	636,671	**775,358**	636,671
Rental expenses relating to operating leases				
Minimum lease payments	**422,604**	383,944	**422,604**	383,944
Loss on disposal of property, plant and equipment	**34,458**	-	**34,458**	-
Compulsory levies	-	-	-	-
Consideration to employers for payroll deduction	**22,874**	20,657	**22,874**	20,657
Conference and meeting allowance	**76,026**	63,475	**76,026**	63,475
Conference and meeting expenses	**18,319**	25,283	**5,364**	12,328
Court Settlement	-	166,500	-	166,500
Donations:				
Total paid that were $1,000 or less	**2,053**	1,164	**2,053**	1,164
Total paid that exceeded $1,000	**15,500**	14,818	**15,500**	14,818
Sponsorship	**10,000**	10,000	**10,000**	10,000
Grants:				
Total paid that were $1,000 or less	-	-	-	-
Total paid that exceeded $1,000	-	-	-	-
Legal fees				
- litigation	-	46,010	-	46,010
- other legal matters	**24,338**	6,058	**24,338**	6,058
Penalties – RO Act or RO Regulations	-	-	-	-
ACTU campaign levy	**191,000**	191,000	**191,000**	191,000

7: Affiliation & capitation fees

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Affiliation fees				
- ACTU	**374,766**	321,227	**374,766**	321,227
- AIER	**5,000**	5,000	**5,000**	5,000
- ALP NT	**387**	147	**387**	147
- ALP Qld	**27,709**	15,862	**27,709**	15,862
- ALP SA	**12,203**	10,781	**12,203**	10,781
- ALP TAS	**2,203**	1,093	**2,203**	1,093
- ALP Vic	**6,837**	6,432	**6,837**	6,432
- ALP WA	**7,120**	4,234	**7,120**	4,234
- APHEDA	**2,418**	2,418	**2,418**	2,418
- Centre for Policy Development	-	22,500	-	22,500
- Industrial Global Union	-	3,768	-	3,768
- IndustriALL	**4,224**	-	**4,224**	-
- ITF	**14,030**	24,740	**14,030**	24,740
- IUF	**64,792**	58,653	**64,792**	58,653
- IUF Regional	-	4,000	-	4,000
- QCU	**24,633**	21,873	**24,633**	21,873
- Union Solidarity International	-	119	-	119
- Union TAS	**3,685**	3,906	**3,685**	3,906
- Unions SA	**12,012**	11,697	**12,012**	11,697
- Unions WA	**4,955**	4,122	**4,955**	4,122
Capitation fees	-	-	-	-
	566,974	522,572	**566,974**	522,572

8: Salaries and related expenses

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Employees other than holders of office				
- wages and salaries	**3,906,844**	3,445,715	**3,906,844**	3,432,724
- superannuation	**679,023**	538,309	**679,023**	538,309
- leave and other entitlements	**139,925**	128,390	**126,071**	128,390
- separation and redundancies	-	-	-	-
- other employee expenses *(note a)*	**360,494**	303,946	**360,494**	303,946
	5,086,286	4,416,360	**5,072,432**	4,403,369
Holders of office(NCOM)				
- wages and salaries	**847,525**	632,177	**847,525**	632,177
- superannuation	**97,168**	88,985	**97,168**	88,985
- leave and other entitlements	**(203,864)**	(48,201)	**(203,864)**	(48,201)
- separation and redundancies	-	-	-	-
- other employee expenses *(note a)*	**68,665**	49,936	**68,665**	49,936
	809,494	722,897	**809,494**	722,897
Other staff costs (note b)	**118,921**	132,294	**118,921**	133,680
	6,014,701	5,271,551	**6,000,847**	5,259,946

(a) Other employee expenses primarily comprise employee insurance, payroll tax and workcover.
(b) Other staff costs primarily comprise contract staff, recruitment expenses and training expenses.

9: Income tax expense

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
(a) Income of tax expense:				
Current tax	**31,750**	20,197	-	-
Deferred tax	-	-	-	-
	31,750	20,197	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable:				
Profit from continuing operations before income tax expense	**1,138,294**	663,446	**949,994**	872,344
Prima facie income tax payable on profit before income tax at 30.0% (2013 – 30.0%)	**341,488**	199,034	**284,998**	263,703
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Sundry items	**(24,740)**	84,866	-	-
Non taxable income	**(284,998)**	(263,703)	**(284,998)**	(263,703)
Income tax expense attributable to profit	**31,750**	20,197	-	-

10: Current assets – Cash and cash equivalents

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Cash In hand	**664**	735	**664**	733
Cash at bank	**4,269,674**	3,996,976	**3,266,787**	3,068,298
	4,270,338	3,997,711	**3,267,451**	3,069,031

(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	**4,270,338**	3,997,711	**3,267,451**	3,068,298
Bank overdrafts	**-**	-	**-**	-
Balances per statement of cash flows	**4,270,338**	3,997,711	**3,267,451**	3,068,298

11: Current assets - Trade and other receivables

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Receivable from other reporting units				
NUW NSW Branch	**145,140**	335,656	**145,140**	335,656
NUW Victorian Branch	**246,480**	246,187	**246,480**	246,187
	391,620	581,843	**391,620**	581,843
Less provision for impairment of receivables	**-**	-	**-**	-
	391,620	581,843	**391,620**	581,843
Other				
Prepayments	**122,147**	81,839	**121,177**	81,839
Other receivables	**769,563**	363,571	**768,692**	363,571
Income tax refund	**-**	1,803	**-**	-
Loans to related parties	**-**	23,374	**-**	23,374
	891,710	470,587	**889,869**	468,784
	1,283,330	1,052,430	**1,281,489**	1,050,627

12: Non-current assets – financial assets

		Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
Available-for-sale financial assets	a	**4,626,269**	4,399,396	**4,184,061**	4,065,049
Other investments	b	**-**	-	**575,002**	575,004
		4,626,269	4,399,396	**4,759,063**	4,640,053

		Consolidated Group 2014	Consolidated Group 2013	Parent Entity 2014	Parent Entity 2013
(a) Available-for-sale financial assets comprises:					
Listed investment, at fair value					
- shares in listed trusts and shares	c	**904,720**	741,427	**462,512**	407,080
Unlisted investment, at cost					
- shares in other corporations		**124,794**	124,794	**124,794**	124,794
- units in unit trusts	d	**92,849**	92,849	**92,849**	92,849
Unlisted investment, at recoverable amount					
- units in unit trust, at cost		**3,769,200**	3,769,200	**3,769,200**	3,769,200
Impairment provisions		**(265,294)**	(328,874)	**(265,294)**	(328,874)
	e	**3,503,906**	3,440,326	**3,503,906**	3,440,326
		4,626,269	4,399,396	**4,184,061**	4,065,049
(b) Other investments:					
Shares in subsidiaries		**-**	-	**575,002**	575,004
		-	-	**575,002**	575,004
(c) Movements in fair value of listed investment during the financial year:					
Opening balance		**741,427**	331,620	**407,080**	331,620
Net (Disposals) / Additions		**47,296**	330,379	**109**	(3,968)
Fair value adjustment		**115,997**	79,428	**55,323**	79,428
Closing balance		**904,720**	741,427	**462,512**	407,080
(d) Movements in unlisted investment – at cost during the financial year:					
Opening balance		**92,849**	1,033,924	**92,849**	1,033,924
Addition – at cost		**-**	-	**-**	-
Transfer to investment at recoverable amount (e)		**-**	(941,075)	**-**	(941,075)
Closing balance		**92,849**	92,849	**92,849**	92,849

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

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
(e) Movements in fair value of unlisted investment during the financial year:				
Opening balance	**3,440,326**	2,724,731	**3,440,326**	2,724,731
Transfer from investment at cost (d)	-	941,075	-	941,075
Fair value adjustment	**63,580**	(225,480)	**63,580**	(225,480)
Closing balance	**3,503,906**	3,440,326	**3,503,906**	3,440,326

13: Non-current assets – Intangible assets

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Website				
Costs	**223,841**	146,109	**223,841**	146,109
Less: accumulated amortisation	**(52,954)**	(15,856)	**(52,954)**	(15,856)
	170,887	130,253	**170,887**	130,253

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

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
PROPERTY				
Land				
At cost	-	-	-	-
At directors' valuation	-	900,000	-	-
Buildings				
At cost	**282,205**	466,574	**282,205**	466,574
At directors' valuation	-	1,050,000	-	-
Less accumulated depreciation	**(56,328)**	(85,507)	**(56,328)**	(85,507)
	225,877	1,431,067	**225,877**	381,067
Total property	**225,877**	2,331,067	**225,877**	381,067
PLANT AND EQUIPMENT				
Motor vehicles				
At cost	**906,894**	649,516	**906,894**	649,516
Less accumulated depreciation	**(74,771)**	(374,377)	**(74,771)**	(374,377)
	832,123	275,139	**832,123**	275,139

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

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
PLANT AND EQUIPMENT (Continued)				
Office equipment				
At cost	**207,744**	266,704	**207,744**	266,704
Less accumulated depreciation	**(147,661)**	(193,087)	**(147,661)**	(193,087)
	60,083	73,617	**60,083**	73,617
Computer equipment				
At cost	**244,655**	290,806	**244,655**	290,806
Less accumulated depreciation	**(196,966)**	(228,257)	**(196,966)**	(228,257)
	47,689	62,549	**47,689**	62,549
Furniture, fixtures and fittings				
At cost	**1,265,640**	967,161	**1,265,640**	967,161
Less accumulated depreciation	**(297,657)**	(247,041)	**(297,657)**	(247,041)
	967,983	720,120	**967,983**	720,120
Total plant and equipment	**1,907,878**	1,131,425	**1,907,878**	1,131,425
Total property plant and equipment	**2,133,755**	3,462,492	**2,133,755**	1,512,492

(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:

2013 - Group	Freehold land	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	900,000	1,438,844	453,617	319,691	82,376	12,285	3,206,813
Additions	-	-	304,788	56,476	5,295	65,854	432,413
Disposals	-	-	-	(24,194)	-	-	(24,194)
Depreciation	-	(7,777)	(38,285)	(76,834)	(14,054)	(15,590)	(152,540)
Closing net book amount	900,000	1,431,067	720,120	275,139	73,617	65,549	3,462,492

2014 - Group	Freehold land	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	900,000	1,431,067	720,120	275,139	73,617	62,549	3,462,492
Additions	-	-	448,969	743,083	343	28,052	1,220,447
Re-classification	(900,000)	(1,200,580)	(146,469)	-	-	-	(2,247,049)
Disposals	-	-	(869)	(113,690)	(3,347)	(693)	(118,599)
Depreciation	-	(4,610)	(53,768)	(72,409)	(10,530)	(42,219)	(183,536)
Closing net book amount	-	225,877	967,983	832,123	60,083	47,689	2,133,755

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

(a) Movements in Carrying Amounts (Continued)

2013 - Parent	Freehold land	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	-	388,844	453,617	319,691	82,376	12,285	1,256,813
Additions	-	-	304,788	56,476	5,295	65,854	432,413
Disposals	-	-	-	(24,194)	-	-	(24,194)
Depreciation	-	(7,777)	(38,285)	(76,834)	(14,054)	(15,590)	(152,540)
Closing net book amount	-	381,067	720,120	275,139	73,617	65,549	1,512,492

2014 - Parent	Freehold land	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	-	381,067	720,120	275,139	73,617	62,549	1,512,492
Additions	-	-	448,969	743,083	343	28,052	1,220,447
Re-classification	-	(150,580)	(146,469)	-	-	-	(297,049)
Disposals	-	-	(869)	(113,690)	(3,347)	(693)	(118,599)
Depreciation	-	(4,610)	(53,768)	(72,409)	(10,530)	(42,219)	(183,536)
Closing net book amount	-	225,877	967,983	832,123	60,083	47,689	2,133,755

(b) Non-current assets pledged as security

None of the non-current assets pledged as security by the parent entity and its controlled entity.

15: Non-current assets – Investment property

	Consolidated		Parent entity	
	2014	2013	2014	2013
	$	$	$	$
At cost or fair value	2,280,839	-	330,839	-
Less accumulated depreciation	(42,143)	-	(42,143)	-
	2,238,696	-	288,696	-

(a) Amounts recognised in the statement of comprehensive income for investment properties

	Consolidated 2014	Consolidated 2013	Parent entity 2014	Parent entity 2013
Rental income	253,979	-	82,379	-
Direct operating expenses from property that generated rental income.	(68,429)	-	(27,383)	-
Direct operating expenses from property that did not generate rental income	-	-	-	-
	185,550	-	54,996	-

15: Non-current assets – Investment property

	Consolidated Group		Parent entity	
	2014	2013	2014	2013
(b) Leasing arrangements	$	$	$	$
Investment properties are leased to tenants under long-term operating leases with the rental payable monthly. Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:				
Within one year	89,012	-	89,012	-
Later than one year but not later than five years	445,060	-	445,060	-
Later than five years	311,542	-	311,542	-
	845,614	-	845,614	-

(c) Movements				
Opening net book amount	-	-	-	-
Re-classification (note d)	2,247,049	-	297,049	-
Depreciation charge	(8,353)	-	(8,353)	
Closing net book amount	2,238,696	-	288,696	-

(d) During the year, the purpose of the property holding has changed, therefore they are re-classified as investment property.

16: Current liabilities - Trade and other payables

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Unsecured				
Trade payables	1,049,338	422,102	1,019,547	415,951
Legal cost payables	1,933	50,597	1,933	50,597
Amount payables to other reporting units				
- NUW Victorian Branch	60,772	115,908	60,772	115,908
Consideration to employers for payroll deductions	-	-	-	-
Other payables	438,414	169,611	437,973	154,940
Income received in advance	-	155,000	-	155,000
	1,550,457	913,218	1,520,225	892,396

17: Current liabilities – Tax provision

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Tax payable	**16,149**	-	-	-

18: Current liabilities - Provisions

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Holders of office (NCOM):				
Annual leave	**86,579**	176,373	**86,579**	176,373
Long service leave	**167,519**	281,589	**167,519**	281,589
Separations and redundancies	-	-	-	-
Other	-	-	-	-
Total holders of office	**254,098**	457,962	**254,098**	457,962
Employees other than holders of office:				
Annual leave	**473,907**	430,321	**473,907**	430,321
Long service leave	**555,507**	474,168	**555,507**	474,168
Separations and redundancies	-	-	-	-
Other	-	-	-	-
Total employees other than office holders:	**1,029,414**	904,489	**1,029,414**	904,489
Total employee provisions	**1,283,512**	1,362,451	**1,283,512**	1,362,451

(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.

19: Reserves

		Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
Strike/Distress fund reserve	a	**198,884**	224,693	**198,884**	224,693
Amalgamation reserve	b	**2,220,869**	2,220,869	**2,220,869**	2,220,869
Asset revaluation reserve	c	**970,772**	970,772	**-**	-
Capital profit reserve	d	**4,960**	4,960	**-**	-
		3,395,485	3,421,294	**2,419,753**	2,445,562

(a) Strike / Distress fund reserve

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Movements in reserve were as follows:				
Balance 1 July	**224,693**	243,021	**224,693**	243,021
Net transfer from retained profits consists of:				
- Interest received	**173**	1,539	**173**	1,539
- Contributions received	**30,900**	33,475	**30,900**	33,475
- Expenses incurred	**(56,882)**	(53,342)	**(56,882)**	(53,342)
Net transfer from accumulated surplus	**(25,809)**	(18,328)	**(25,809)**	(18,328)
Balance 30 June	**198,884**	224,693	**198,884**	224,693

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

(b) Amalgamation reserve

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Movements in reserve were as follows:				
Balance 1 July	**2,220,869**	2,220,869	**2,220,869**	2,220,869
Movement during the year	**-**	-	**-**	-
Balance 30 June	**2,220,869**	2,220,869	**2,220,869**	2,220,869

The amalgamation reserve records the net assets acquired as a result of the amalgamation of the Queensland, South Australia, Western Australia and General Branch.

19: Reserves (Continued)

(c) Asset revaluation reserve	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Movements in reserve were as follows:				
Balance 1 July	**970,772**	970,772	-	-
Movement during the year	-	-	-	-
Balance 30 June	**970,772**	970,772	-	-

The asset revaluation reserve records the revaluation of capital assets.

(d) Capital profit reserve	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
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	
	2014	2013	2014	2013
	$	$	$	$
Movements in retained profits were as follows:				
Balance 1 July	**7,345,319**	6,683,742	**5,702,048**	4,811,376
Transfer from (to) reserves	**25,809**	18,328	**25,809**	18,328
Net profit for the year	**1,106,544**	643,249	**949,994**	872,344
Balance 30 June	**8,477,672**	7,345,319	**6,677,851**	5,702,048

No specific funds or accounts have been operated in respect of compulsory levies or voluntary contributions.

21: Events occurring after reporting date

No 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.

22: Commitments

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
(a) Capital commitments				
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:				
Property, plant and equipment	-	400,000	-	400,000

The above commitments relate to the refurbishment of the entity's Queensland property.

(b) Funding commitments				
Funding contracted for at the reporting date but not recognised as liabilities is as follows:				
Funding to other organisation	**26,136**	-	**26,136**	-

The above commitments relate to the research funding provided.

(c) Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	**199,909**	108,011	**199,909**	108,011
Later than one year but not later than five years	**984,023**	442,535	**984,023**	442,535
More than 5 years	**587,073**	298,711	**587,073**	298,711
	1,771,005	849,257	**1,771,005**	849,257

The group leases office and equipments under non-cancellable operating leases expiring within one to five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated

23: Contingencies

At 30 June 2014, a contingent liability of $82,230 existed in relation to the subsidiary's agreement with the purchaser of the subsidiary's previous insurance business.

24: Wage recovery activities

All wage recovery activity has resulted in payments being made directly to members by employers. The group has not derived any revenue in respect of these activities.

25: Other information

(i) Going Concern
The group's ability to continue as a going concern is not reliant on financial support from another reporting unit.

(ii) Financial Support
No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

(iii) Acquisition of assets and liability under specific sections:

The group did not acquires any asset or a liability during the financial year as a result of:
- an amalgamation under part 2 of Chapter 3, of the RO Act;
- a restructure of the Branches of the organisation;
- a determination by the General Manager under s245(1) of the RO Act;
- a revocation by the General Manager under s249(1) of the RO Act;

(iv) Acquisition of assets and liability as part of a business combination:
If assets and liabilities were acquired during the financial year as part of a business combination, the requirement of the Australian Accounting Standards will be complied with. No such acquisition has occurred during the financial year.

26: Auditor's remuneration

	Consolidated Group		Parent Entity	
	2014	**2013**	**2014**	**2013**
	$	**$**	**$**	**$**
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	**40,100**	39,850	**40,100**	39,850
Other audit	**2,950**	2,135	**2,950**	2,135
Other services	**8,495**	14,525	**8,495**	14,525
	51,545	56,510	**51,545**	56,510
(b) Remuneration of other auditors of subsidiaries				
Audit or review of the financial report	**13,260**	17,280	-	-
Other services	**9,690**	19,934	-	-
	22,950	37,214	-	-

27: 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 2014	Equity holding 2013
Labour Union Investment & Property Services Pty Ltd (formerly known as Labour Union Insurance (Brokers) Pty Ltd)	Australia	Ordinary	100%	100%
Australia Risk Insurance Services Pty Ltd	Australia	Ordinary	- **	100%

** this company was de-registered during the year.

(c) Transactions with related parties

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Sales of goods and services				
Sustentation fees from Branches	**3,520,783**	2,901,166	**3,520,783**	2,901,166
MSC income from Branches	**-**	156,079	**-**	156,079
Management fee from subsidiary	**-**	-	**6,000**	12,000
Director fee from subsidiary	**-**	-	**24,000**	-
Purchases of goods and services				
Reimbursements to Branches	**168,284**	284,866	**168,284**	284,866

(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	
	2014	2013	2014	2013
	$	$	$	$
Movements in loan were as follows:				
Balance 1 July	**23,374**	398,018	**23,374**	398,018
Loan repayments received	**(23,531)**	(398,017)	**(23,531)**	(398,017)
Interest charged	**157**	23,373	**157**	23,373
Balance 30 June	**-**	23,374	**-**	23,374

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.

27: Related party transactions (Continued)

(f) 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*
Tim Kennedy	General President (resigned on 30 June 2014)
Caterina Cinanni	General President (appointed on 1 July 2014)
Gayle Burmeister	General Vice President
Gary Maas	General Vice President
Ron Herbert	General Vice President
Marissa Bernardi	General Vice President
Sam Roberts	General Vice President
Dani Shanahan	General Vice President
Charles Donnelly	General Secretary (resigned on 30 June 2014)
Tim Kennedy	General Secretary (appointed on 1 July 2014)
Paul Richardson	Assistant General Secretary
Derrick Belan	Branch Secretary

(g) Key management personnel compensation

	Consolidated Group		**Parent Entity**	
	2014	**2013**	**2014**	**2013**
	$	**$**	**$**	**$**
The aggregate compensation made to key management personnel of the Group is as follows:				
Short-term employee benefits				
Salary (including leave taken)	**591,940**	540,564	**591,940**	540,564
Annual leave accrued	**56,882**	52,614	**56,882**	52,614
Total short-term employee benefits	**648,822**	593,178	**648,822**	593,178
Post-employment benefits:				
Superannuation	**97,168**	88,985	**97,168**	88,985
Total post-employment benefits	**97,168**	88,985	**97,168**	88,985
Other long-term benefits:				
Long-service leave accrued	**18,487**	17,099	**18,487**	17,099
Total other long-term benefits	**18,487**	17,099	**18,487**	17,099
Termination benefits	-	-	-	-
Total	**764,477**	699,262	**764,477**	699,262

27: Related party transactions (Continued)

(g) Other transactions

- As part of directorship arrangement, director fees earned by any officers or employees who is directors of a company or trustee of superannuation scheme due to their positions of the entity, are paid to the group directly. The superannuation contributions related to the director fees paid are paid to the officer's superannuation fund.
- There were no transactions between the officers of the branch other than those relating to reimbursement by the branch in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which is reasonable to expect would have been adopted by parties at arm's length.

(h) Loans to key management personnel

There are no loans between key management personnel and the group.

28: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	**201,509**	**9,847,848**	**10,049,357**	191,978	9,207,445	9,399,423
Other income	**-**	**133,031**	**133,031**	-	1,360	1,360
Administrative expenses	**(281,095)**	**(556,389)**	**(837,484)**	(245,998)	(401,810)	(647,808)
Affiliation fee	**(101,744)**	**(465,230)**	**(566,974)**	(80,148)	(442,424)	(522,572)
Campaign expenses	**-**	**(233,971)**	**(233,971)**	-	(196,544)	(196,544)
Industrial expenses	**(324,231)**	**(107,724)**	**(431,955)**	(298,642)	(167,858)	(466,500)
Official expenses	**-**	**(122,393)**	**(122,393)**	(160,457)	(194,261)	(354,718)
Legal and professional fees	**(25,364)**	**(59,012)**	**(84,376)**	(28,743)	(55,094)	(83,837)
Motor vehicle expenses	**(161,632)**	**(104,123)**	**(265,755)**	(131,694)	(116,996)	(248,690)
Occupancy expenses	**(266,310)**	**(383,406)**	**(649,716)**	(209,740)	(352,472)	(562,212)
Communication expenses	**-**	**(38,923)**	**(38,923)**	-	(25,143)	(25,143)
Salaries and related expenses	**(3,089,710)**	**(2,911,137)**	**(6,000,847)**	(2,726,436)	(2,533,510)	(5,259,946)
Impairment loss	**-**	**-**	**-**	-	(160,469)	(160,469)
	4,250,086	**4,982,308**	**9,232,394**	(3,881,858)	(4,646,581)	(8,528,439)
(Loss)/Profit before income tax	**(4,048,577)**	**4,998,571**	**949,994**	(3,689,880)	4,562,224	872,344
Income tax expense	**-**	**-**	**-**	-	-	-
(Loss)/Profit attributable to members	**(4,048,577)**	**4,998,571**	**949,994**	(3,689,880)	4,562,224	872,344
Other comprehensive income	**-**	**25,808**	**25,808**	-	18,328	18,328
Total comprehensive (loss) income for the year	**(4,048,577)**	**5,024,379**	**975,802**	(3,689,880)	4,580,552	890,672

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

29: Cash flow information

(a) Receipts from branches
(Sustentation fees and MSC income and reimbursements)

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
Branches	$	$	$	$
New South Wales	**1,785,368**	1,022,319	**1,785,368**	1,022,319
Victoria	**2,814,140**	2,263,060	**2,814,140**	2,263,060
	4,599,508	3,285,379	**4,599,508**	3,285,379

(b) Receipts from controlled entities

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Dividend received from Labour Union Investment & Property Services Pty Ltd	-	-	-	270,000
Management fee received from Labour Union Investment & Property Services Pty Ltd	-	-	**33,000**	17,655
	-	-	**33,000**	287,655

(c) Payments to branches

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
Branches	$	$	$	$
Victoria	**514,112**	220,119	**514,112**	220,119
	514,112	220,119	**514,112**	220,119

29: Cash flow information (Continued)

(d) Reconciliation of cash flow from operations with profit after income tax	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Profit after income tax	**1,106,544**	643,249	**949,994**	872,344
Non-cash flows in profit				
Depreciation	**191,889**	152,540	**191,889**	152,540
Amortisation	**37,099**	15,855	**37,099**	15,855
Unrealised loss (gain) on investments	**(193,705)**	160,469	**(133,031)**	160,469
Non-cash distribution	**(10,124)**		**(10,124)**	
Write-off of bad debts	**-**	4,333	**-**	4,333
Net (gain) on disposal of property, plant and equipment	**34,458**	(1,360)	**34,458**	(1,360)
Changes in assets and liabilities				
(Increase)/decrease in receivables	**(144,123)**	(298,425)	**(144,085)**	(309,241)
Increase(Decrease) in payables	**(103,532)**	174,603	**(112,941)**	221,099
Increase/(decrease) in income tax provision	**16,149**	(21,496)	**-**	-
Increase/(decrease) in provisions	**(78,939)**	80,189	**(78,939)**	80,189
Net cash flows from operating activities	**855,716**	909,957	**734,320**	1,196,228

30: Capital management

The group manages its capital to ensure that it will be able to continue as a going concern while maximising the return on investments. The Committee of Management ensure that the overall risk management strategy is in line with this objective.

The capital structure of the group consists of cash and cash equivalents, listed securities and members' funds, comprising reserves and retained earnings.

The Committee of Management effectively manages the group's capital by assessing the group's financial risk and responding to changes in these risks and in the market. These responses may include the consideration of debts levels. There have been no changes to the strategy adopted by Committee of Management to control capital of the group since the previous year. No operations of the group are subject to external imposed capital requirements.

31: 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's 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, other price risks and aging analysis for credit risk.

Risk management is carried out by management under policies approved by the National Committee of Management (NCOM). The management identifies, evaluates and hedges 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. To manage its price risk arising from investments in equity securities, the group only maintains a small portfolio.

The Group is not exposed to commodity price risk.

The Group's equity investments are publicly traded and are listed on the ASX.

The table below summarises the impact of increases/decreases of the indexes on the Group's post-tax profit for the year and on equity. The analysis is based on the assumption that the equity indexes had increased/(decreased) by 10% (2013 - 10%) with all other variables held constant and all the Group's equity instruments moved according to the historical correlation with the index.

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Effect on equity:				
Increase of equity index by 10%	**90,472**	74,143	**46,251**	40,708
Decrease of equity index by 10%	**(90,472)**	(74,143)	**(46,251)**	(40,708)

Equity would further increase/decrease as a result of gains/ (losses) on equity securities classified as available-for-sale.

The price risk for the unlisted securities is immaterial in terms of the possible impact on profit or loss or total equity. It has therefore not been included in the sensitivity analysis.

(iii) Cash flow and fair value interest rate risk

The group has no borrowings and is therefore not exposed to interest rate risk on liabilities. The group has investments in a variety of interest-bearing assets which have fixed interest rates and therefore are not subject to interest rate volatility.

31: Financial risk management (Continued)

(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 group 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	
	2014	2013	2014	2013
	$	$	$	$
Cash at bank:				
AA- Rating	**4,269,674**	3,996,976	**3,266,787**	3,068,298

(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

(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	
	2014	2013	2014	2013
	$	$	$	$
Effect on results:				
Increase of interest rates by 2%	**85,393**	79,939	**65,335**	61,366
Decrease of interest rates by 2%	**(85,393)**	(79,939)	**(65,335)**	(61,366)

31: Financial risk management (Continued)

(e) Maturity profile of financial instruments
The maturity profile of financial assets and liabilities held are detailed below

Group
2014

	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	4,269,674	-	-	-	664	4,270,338
Amounts due from branches		-	-	-	-	391,620	391,620
Other receivables		-	-	-	-	769,563	769,563
Investments	6.9	4,626,269	-	-	-	-	4,626,269
		8,895,943	-	-	-	1,161,847	10,057,790
Financial Liabilities							
Trade creditors	-	-	-	-	-	1,112,043	1,112,043
Other payables	-	-	-	-	-	438,414	438,414
		-	-	-	-	1,550,457	1,550,457
Net Financial Assets		8,895,943	-	-	-	(388,610)	8,507,333

Group
2013

	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	3,996,976	-	-	-	735	3,997,711
Amounts due from branches	-	-	-	-	-	581,843	581,843
Other receivables	-	-	-	-	-	365,374	365,374
Loans to related parties	7	23,374	-	-	-	-	23,374
Investments	6.9	4,399,396	-	-	-	-	4,399,396
		8,419,746	-	-	-	947,952	9,367,698
Financial Liabilities							
Trade creditors	-	-	-	-	-	422,102	422,102
Other payables	-	-	-	-	-	491,116	491,116
		-	-	-	-	913,218	913,218
Net Financial Assets		8,419,746	-	-	-	34,734	8,454,480

31: Financial risk management (Continued)

(e) Maturity profile of financial instruments (Continued)

Parent
2014

	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 on hand	3	3,266,787	-	-	-	664	3,267,451
Amounts due from branches		-	-	-	-	391,620	391,620
Other receivables		-	-	-	-	768,692	768,692
Investments	12	4,759,063	-	-	-	-	4,759,063
		8,025,850	-	-	-	1,160,976	9,186,826
Financial Liabilities							
Trade creditors	-	-	-	-	-	1,082,252	1,082,252
Other payables	-	-	-	-	-	437,973	437,973
		-	-	-	-	1,520,225	1,520,225
Net Financial Assets (Liabilities)		8,025,850	-	-	-	(359,249)	7,666,601

Parent
2013

	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 on hand	3	3,068,298	-	-	-	733	3,069,013
Amounts due from branches	-	-	-	-	-	581,543	581,543
Other receivables	-	-	-	-	-	363,571	363,571
Loans to related parties	7	23,374	-	-	-	-	23,374
Investments	12.3	4,640,053	-	-	-	-	4,640,053
		7,731,725	-	-	-	945,847	8,677,572
Financial Liabilities							
Trade creditors	-	-	-	-	-	415,951	415,951
Other payables	-	-	-	-	-	476,445	476,445
		-	-	-	-	892,396	892,396
Net Financial Assets (Liabilities)		7,731,725	-	-	-	53,451	7,785,176

31: 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.

AASB 7 *Financial Instruments: Disclosures* 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 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 assets available-for-sale is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These are included in level 1.

Group

	Level 1		Level 2		Level 3		Total	
	2014 $	2013	2014 $	2013	2014 $	2013	2014 $	2013
Assets								
Available-for-sale financial assets	904,720	741,427	-	-	3,721,549	3,597,969	4,626,569	4,399,396
Financial assets through profit and loss	-	-	-	-	-	-	-	-
Total Assets	904,720	741,427	-	-	3,721,549	3,597,969	4,626,569	4,399,396

Parent

	Level 1		Level 2		Level 3		Total	
	2014 $	2013	2014 $	2013	2014 $	2013	2014 $	2013
Assets								
Available-for-sale financial assets	462,512	407,080	-	-	4,296,550	4,232,973	4,759,062	4,640,053
Financial assets through profit and loss	-	-	-	-	-	-	-	-
Total Assets	462,512	407,080	-	-	4,296,550	4,232,973	4,759,062	4,640,053

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

STATEMENT BY COMMITTEE OF MANAGEMENT

On 16 OCTOBER 2014, the National Committee of Management of National Union of Workers – National Office passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2014:

The National Committee of Management declares that in its opinion:

1. the financial statements and notes comply with Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the General Manager;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
4. there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the GPFR relates and since the end of that year:
   a. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
   b. the financial affairs of the reporting unit 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 reporting unit have been kept and maintained in accordance with the RO Act; and
   d. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
   e. where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
   f. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
6. No revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the National Committee of Management.

Signature of designated officer: ______________________

Name of designated officer: TIMOTHY KENNEDY

Title of designated officer: GENERAL SECRETARY

Dated 16/10/2014

BGL PARTNERS
CHARTERED ACCOUNTANTS

Suite 1, Ground Floor
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS - NATIONAL OFFICE

Report on the financial report

We have audited the accompanying financial report of the National Union of Workers – National Office and consolidated group, which comprises the balance sheet as at 30 June 2014, the statement of profit or loss and other 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 group's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

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

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

Independence

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

Opinion

In our opinion:

- the general purpose financial report of National Union of Workers – National Office and consolidated group presents fairly, in all material respects, the financial position of National Union of Workers – National Office and consolidated group as at 30 June 2014 and the results of its operations, its changes in equity and cash flows for the year then ended, in accordance with any of the following that apply to the group:

  a) the Australian Accounting Standards; and

  b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.

- the Committee of Management's use of the going concern basis of accounting in the preparation of the group's financial statements is appropriate.

BGL Partners

BGL Partners
Chartered Accountants

JHinds

I. A. Hinds - C.A. – Partner
Registered auditor with ASIC No: 56814
Chartered Accountants Australia and New Zealand
Membership number: 28696

Melbourne
16 October 2014

Chartered Accountants

Fair Work (Registered Organisations) Act 2009

Fair Work (Registered Organisations) Regulations 2009

CERTIFICATE

I, Timothy John Kennedy, 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 both of the reports were made available to members on 21 October 2014; and

3. That the full report was presented to a meeting of the National Committee of Management of the reporting unit on 16 October 2014 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009.*

DATED: 20 November 2014

TIMOTHY JOHN KENNEDY
GENERAL SECRETARY

FairWork Commission

24 July 2014

Mr Charles Donnelly
General Secretary
National Union of Workers
Sent by email: nuwassist@nuw.org.au

Dear Mr Donnelly,

Re: Lodgement of Financial Report - [FR2014/300]
Fair Work (Registered Organisations) Act 2009 (the RO Act)

The financial year of the National Union of Workers (the reporting unit) ended on 30 June 2014.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 January 2015 (being the expiry date of 6 months and 14 days from the end of the financial year), under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines, that apply to all financial reports prepared on or after 30 June 2014, are also available on the website. For your convenience, our webinar video and slides on the Reporting Guidelines have also been placed on the website.

The Fair Work Commission has also developed a model set of financial statements. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under Financial Reporting.

The financial report and any statement of loans, grants or donations made during the financial year (statement must be lodged within 90 days of end of financial year) can be emailed to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at sample documents.

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to $51,000 for a body corporate and $10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au .

Yours sincerely,

R.Pf

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /

Prepare financial statements and Operating Report.		As soon as practicable after end of financial year
(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement. (b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	/ /	
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	Within a reasonable time of having received the GPFR (NB: Auditor's report must be dated on or after date of Committee of Management Statement
Provide full report free of charge to members – s265 The full report includes: • the General Purpose Financial Report (which includes the Committee of Management Statement); • the Auditor's Report; and • the Operating Report.	/ /	*(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,* *or* *(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.*
Present full report to: (a) General Meeting of Members - s266 (1),(2); OR	/ /	*Within 6 months of end of financial year*
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	*Within 6 months of end of financial year*
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	*Within 14 days of meeting*

* *the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.*

\# *The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.*

++ *The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.*