FairWork Commission

9 January 2017

Mr Timothy Kennedy
General Secretary
National Union of Workers
833 Bourke Street
Docklands VIC 3008

By e-mail: nuwassist@nuw.org.au

Dear Mr Kennedy

National Union of Workers
Financial Report for the year ended 30 June 2016 - FR2016/183

I acknowledge receipt of the financial report for the year ended 30 June 2016 for the National Union of Workers. The financial report was lodged with the Fair Work Commission on 7 December 2016.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Whilst the 2016 report has been filed the following should be addressed in the preparation of the next financial report.

General Purpose Financial Report (GPFR)

Intangibles reconciliation

Australian Accounting Standard *AASB 138 Intangible Assets* paragraph 118(e) requires a reconciliation of the carry amount at the beginning and end of the period for each class of intangible.

While Note 13 provides the opening and closing balance of intangibles information relating to additions/disposals/revaluation/other changes has not been provided.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4685 or by email at ken.morgan@fwc.gov.au

Yours sincerely

K.Morgan

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch

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Melbourne VIC 3000
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FAIR WORK COMMISSION

s268 Fair Work (Registered Organisations) Act 2009

I, Timothy John Kennedy being the General Secretary of the National Union of Workers ("the Union") certify:

1. That the document lodged with the Fair Work Commission on 7 December 2016 is the full report of the National Union of Workers – National Office referred to in s268 of the *Fair Work (Registered Organisations) Act 2009.*

2. That the full report was provided to members of the Union on 16 November 2016.

3. That the full report was presented to the National Committee of Management on 6 December 2016.

TIMOTHY JOHN KENNEDY
GENERAL SECRETARY
NATIONAL UNION OF WORKERS

DATED: 7 December 2016

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

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016

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

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

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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 November 2016.

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 2016.

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*
Caterina Cinanni	General President
Susie Allison	General Vice President
Gary Maas	General Vice President
Ron Herbert	General Vice President
Marissa Bernardi	General Vice President (resigned 31 March 2016)
Sam Roberts	General Vice President
Dani Shanahan	General Vice President (resigned 2 September 2015)
Imogen Beynon	General Vice President (appointed 11 October 2016)
Jill Batt	General Vice President (appointed 11 October 2016)
Tim Kennedy	General Secretary
Paul Richardson	Assistant General Secretary
Derrick Belan	Branch Secretary (resigned 23 October 2015)
Wayne Meaney	Branch Secretary (appointed on 23 October 2015, resigned 29 January 2016)
Martin Cartwright	Branch Secretary (appointed 29 January 2016)

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 Union 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. In particular the Union committed significant resources to organizing workers employed in the farms sector who are part of the supermarket supply chain. 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 Union 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. In particular the Union committed significant resources to organizing workers employed in the farms sector who are part of the supermarket supply chain. 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 2016 was 49.5 (2015: 46).
The number of financial members of the whole National Union of Workers at 30 June 2016 was 68,834 (2015: 71,010).

General Branch:

The number of full time equivalents of the General Branch employees at 30 June 2016 was 25.5 (2015:24).
The number of financial members of the General Branch at 30 June 2016 was 14,340 (2015:14,861).

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
Timothy Kennedy	Director	LUCRF Pty Ltd	LUCRF Super	$7,831
Paul Richardson	Director	LUCRF Pty Ltd	LUCRF Super	$5,019
Caterina Cinanni	Director	LUCRF Pty Ltd	LUCRF Super	$5,494
Gary Maas	Director	LUCRF Pty Ltd	LUCRF Super	$5,019
Sam Roberts	Director	LUCRF Pty Ltd	LUCRF Super	$5,019

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
Caterina Cinanni	Trade Union Education Foundation	Oversight and development of training	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	Provider of services to ACTU affiliates	Nominated by the reporting unit
	Australian Institute of Employment Right Inc (term of office ceased 24 November 2015)	Policy development	Nominated by the reporting unit
	Manufacturing Skills Australia Inc.	Industry Skills Council	Nominated by the reporting unit
	IFS Insurance Solutions Pty Ltd	Insurance broking	Nominated by the reporting unit
	ACTU Education Inc	Governing body for trade union education	Nominated by the reporting unit
Tim Kennedy	Newskills Ltd	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)
	United Commerce Pty Ltd	Gateway and clearing house for superannuation contributions	Nominated by LUCRF Pty Ltd Board
Gary Maas	Labour Union and Investment Property Services Pty Ltd	Real estate and property	Because he is an officer of the reporting unit
	Publicity Works	Printing & publicity	Because he is an officer of the reporting unit (non beneficial shareholder)

OPERATING REPORT (CONTINUED)

Directorships of Boards (Continued)

Name	Board	Principal activity	Reason
Sam Roberts	Labour Union and Investment Property Services Pty Ltd	Real estate and property	Because he is an officer of the reporting unit
	APHEDA Inc	Overseas aid agency	Nominated by a peak council (ACTU)
	Newskills Ltd	Registered Training Organisation	Because he is an officer of the reporting unit
Tony Snelson	Food, Tourism and Hospitality Industry Skills Advisory Council (office vacated 31 Mar 2016 due to entity being wound up)	Skills Advisory Council	Because he is an officer of the reporting unit
Tim Gunstone	Australian Institute of Employment Rights Inc	Policy development	Nominated for position by the reporting unit
Ian Mackay	Retail and Wholesale Industry Standing Committee (appointed 22 Mar 2016)	Health and safety advisory body to the Queensland Government	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 2016.

Name of officer	Office	Total Remuneration
Tim Kennedy	General Secretary	$233,421
Paul Richardson	Assistant General Secretary	$209,951

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)
- superannuation contributions 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 2016.

Name of officer	Office	Total Remuneration
Sam Roberts	Branch Secretary	$192,214
Godfrey Moase	Assistant Branch Secretary	$162,088

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)
- superannuation contributions 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: [signature]

Name of designated officer: TIMOTHY KENNEDY

Title of designated officer: NATIONAL SECRETARY

Date: 16/11/2016

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 2016

	Notes	Consolidated Group		Parent Entity	
		2016 $	2015 $	2016 $	2015 $
Revenue from continuing operations	4	**10,254,579**	10,141,625	**10,263,895**	10,450,305
Other income	5	**-**	84,063	**-**	61,641
Administrative expenses		**(929,532)**	(849,361)	**(923,901)**	(831,764)
Affiliation fee and capitation fee	7	**(690,457)**	(593,283)	**(690,457)**	(593,283)
Campaign expenses		**(394,250)**	(194,000)	**(394,250)**	(194,000)
Delegates & members expenses		**(55,054)**	(94,092)	**(55,054)**	(94,092)
Industrial & services expenses		**(100,503)**	(99,999)	**(100,503)**	(99,999)
Legal and professional fees		**(157,130)**	(144,248)	**(148,355)**	(125,588)
Motor vehicle expenses		**(202,089)**	(190,616)	**(202,089)**	(190,616)
Occupancy expenses		**(706,441)**	(692,798)	**(676,177)**	(672,736)
Official expenses		**(71,783)**	(105,017)	**(71,783)**	(105,017)
Salaries and related expenses	8	**(6,964,947)**	(6,263,349)	**(6,964,947)**	(6,263,349)
Telephone and internet expenses		**(117,691)**	(144,169)	**(117,691)**	(144,169)
Travel & entertainment expenses		**(375,073)**	(408,931)	**(375,073)**	(408,931)
Impairment of financial assets		**(278,386)**	-	**(278,386)**	-
Grant expenses		**-**	(142,810)	**-**	(142,810)
		(11,043,336)	(9,922,673)	**(10,998,666)**	(9,866,354)
Share of net profit of associates and joint ventures accounted for using the equity method		**262,273**	203,720	**262,273**	203,720
(Loss) Profit before income tax		**(526,484)**	506,735	**(472,498)**	849,312
Income tax expense	9	**9,010**	(77,488)	**-**	-
(Loss) Profit attributable to members		**(517,474)**	429,247	**(472,498)**	849,312
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Share of gain on revaluation of land and buildings of associates and joint ventures		**31,790**	260,148	**31,790**	260,148
Total comprehensive income for the year		**(485,684)**	689,395	**(440,708)**	1,109,460

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 2016

	Notes	Consolidated Group		Parent Entity	
		2016	2015	2016	2015
		$	$	$	$
ASSETS					
Current assets					
Cash and cash equivalents	10	**5,252,762**	4,896,880	**4,340,077**	3,833,078
Trade and other receivables	11	**1,002,714**	950,088	**967,543**	938,658
Total current assets		**6,255,476**	5,846,968	**5,307,620**	4,771,736
Non-current assets					
Financial assets	12	**4,497,515**	4,908,023	**5,072,517**	5,483,025
Intangibles assets	13	**119,629**	133,500	**119,629**	133,500
Property, plant and equipment	14	**1,673,073**	1,850,133	**1,673,073**	1,850,133
Investment properties	15	**2,210,883**	2,224,761	**260,883**	274,761
Total non-current assets		**8,501,100**	9,116,417	**7,126,102**	7,741,419
Total assets		**14,756,576**	14,963,385	**12,433,722**	12,513,155
LIABILITIES					
Current liabilities					
Trade and other payables	16	**682,606**	666,998	**670,264**	632,750
Tax provisions	17	**-**	60,494	**-**	-
Employee benefit obligations	18	**1,997,102**	1,673,341	**1,997,102**	1,673,341
Total current liabilities		**2,679,708**	2,400,833	**2,667,366**	2,306,091
Total liabilities		**2,679,708**	2,400,833	**2,667,366**	2,306,091
Net assets		**12,076,868**	12,562,552	**9,766,356**	10,207,064
MEMBERS' FUND					
Reserves	19	**1,414,319**	3,638,291	**438,587**	2,662,559
Retained profits	20	**10,662,549**	8,924,261	**9,327,769**	7,544,505
Total members' fund		**12,076,868**	12,562,552	**9,766,356**	10,207,064

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 2016

Consolidated Group	Reserves $	Retained profits $	Total $
Balance at 1 July 2014	3,426,485	8,446,672	11,873,157
Profit for the year	-	429,247	429,247
Other comprehensive income	260,148	-	260,148
Transfer to reserve	(48,342)	48,342	-
Balance at 30 June 2015	3,638,291	8,924,261	12,562,552
Balance at 1 July 2015	3,638,291	8,924,261	12,562,552
(Loss) for the year	-	(517,474)	(517,474)
Other comprehensive income	31,790	-	31,790
Transfer to reserve	(2,255,762)	2,255,762	-
Balance at 30 June 2016	1,414,319	10,662,549	12,076,868
Parent Entity			
Balance at 1 July 2014	2,450,753	6,646,851	9,097,604
Profit for the year	-	849,312	849,312
Other comprehensive income	260,148	-	260,148
Transfer to reserve	(48,342)	48,342	-
Balance at 30 June 2015	2,662,559	7,544,505	10,207,064
Balance at 1 July 2015	2,662,559	7,544,505	10,207,064
(Loss) for the year	-	(472,498)	(472,498)
Other comprehensive income	31,790	-	31,790
Transfer to reserve	(2,255,762)	2,255,762	-
Balance at 30 June 2016	438,587	9,327,769	9,766,356

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

NATIONAL UNION OF WORKERS – NATIONAL OFFICE
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STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Consolidated Group		Parent Entity	
		2016	2015	2016	2015
		$	$	$	$
Cash flows from operating activities					
Receipts from other reporting units	29(a)	**4,542,809**	4,580,884	**4,542,809**	4,580,884
Membership fees received		**5,716,256**	5,470,753	**5,716,256**	5,470,753
Receipts from controlled entities	29(b)	**-**	-	**101,400**	102,400
Grant received		**-**	170,500	**-**	170,500
LUCRF service fee		**412,791**	497,508	**412,791**	497,508
Other income		**326,556**	403,927	**243,784**	123,153
Payments to suppliers and employees		**(10,401,172)**	(9,975,475)	**(10,329,869)**	(9,874,203)
Payments to other reporting units	29(c)	**(513,638)**	(274,954)	**(513,638)**	(274,954)
Payments to controlled entities		**-**	-	**-**	-
Dividends/Distribution received		**402,389**	449,625	**402,389**	466,576
Interest received		**49,993**	51,062	**31,578**	17,155
Income tax (paid)		**(79,601)**	(33,143)	**-**	-
Net cash inflow from operating activities	29(d)	**456,383**	1,340,687	**607,500**	1,279,772
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		**-**	151,527	**-**	151,527
Payment for property, plant, equipment and other assets		**(152,354)**	(841,252)	**(152,354)**	(841,252)
Payment for intangibles		**(34,501)**	(12,179)	**(34,501)**	(12,179)
Proceeds from sale of investment		**86,354**		**86,354**	-
Payment for investments		**-**	(12,241)	**-**	(12,241)
Net cash (outflow) from investing activities		**(100,501)**	(714,145)	**(100,501)**	(714,145)
Net increase in cash and cash equivalents		**355,882**	626,542	**506,999**	565,627
Cash and cash equivalents at beginning of financial year		**4,896,880**	4,270,338	**3,833,078**	3,267,451
Cash and cash equivalents at end of financial year	10(a)	**5,252,762**	4,896,880	**4,340,077**	3,833,078

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

New and amended standards adopted by the group

The group adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Board (AASB) that are relevant to the operations and effective for the current annual reporting period.

The group has assessed the impact of other new and amended standards that came into effect for the first time for the annual reporting period commencing 1 July 2015. These standards did not result in changes to the group's accounting policies and had no effect on the amounts reported for current or prior year financial statements

Early adoption of standards

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

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- available-for-sale financial assets, financial assets and liabilities (including derivative instruments)
- certain classes of property, plant and equipment and investment property – measured at fair value
- assets held for sale – measured at fair value less cost of disposal, and
- retirement benefit obligations – plan assets measured at fair value.

1: Summary of significant accounting policies (Continued)

(a) Basis of Preparation (Continued)

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.

(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 2016 and the results of all subsidiaries for the year then ended. National Union of Workers – National Office and its subsidiaries together are referred to in this financial report as the Group or the Consolidated Group.

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

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

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

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

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and balance sheet respectively

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

1: Summary of significant accounting policies (Continued)

(c) Revenue Recognition

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

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

Revenue is recognised for the major operating activities as follows:

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.

Directors' fees

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

Investment revenue

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

Interest income

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

Other revenue

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

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

1: Summary of significant accounting policies (Continued)

(d) Leases

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

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

(e) Income tax

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

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the 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.

1: Summary of significant accounting policies (Continued)

(f) Impairment of assets

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

(g) Cash and cash equivalents

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

(h) Trade receivables

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

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

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

(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.

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) Investment in associates

An associate is an entity over which the reporting unit has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates and its joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 'Non-current Asset Held for Sale and Discontinued Operations. 'Under the equity method, an investment in an associate or joint venture is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate or joint venture exceeds the interest in that associate, the reporting unit discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

(l) 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)

(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) 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.

(o) Intangible assets

Costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to either the software or website intangible assets. Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on the project. Costs are amortised at the point at which the asset is ready for use. .Amortisation is calculated on a straight-line basis over a period of 5 years

1: Summary of significant accounting policies (Continued)

(p) 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.

(q) 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.

(r) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(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.

(iii) Retirement benefit obligations

Contributions to the defined contribution section of the group's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable.

1: Summary of significant accounting policies (Continued)

(s) New and amended standards adopted by the group

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 *Financial Instruments* (effective from 1 January 2018)

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. Since December 2013, it also sets out new rules for hedge accounting. When adopted, the standard will affect the entity'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. There will be no impact on the entity'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 entity does not have any such liabilities.

(ii) AASB 15 Revenue from Contracts with customers (effective from 1 January 2018)

The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (eg 1 January 2017), ie without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application. There will be no impact on the entity's financial report.

(iii) AASB 16 Leases (effective from 1 January 2019)

AASB 16 will primarily affect the accounting by lessees and will result in the recognition of almost all leases on the balance sheet. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for almost all lease contracts. The accounting by lessors, however, will not significantly change. The changes under AASB 16 are significant and will have a pervasive impact, particularly for lessees with operating leases.

The entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the likely impact on the first time adoption of the Standard for the year ending 30 June 2020 includes:

- there will be a significant increase in lease assets and financial liabilities recognised on the balance sheet
- the reported equity will reduce as the carrying amount of lease assets will reduce more quickly than the carrying amount of lease liabilities
- Results in the statement of profit or loss and other comprehensive income will be higher as the implicit interest in lease payments for former off balance sheet leases will be presented as part of finance costs rather than being included in operating expenses
- operating cash outflows will be lower and financing cash flows will be higher in the statement of cash flows as principal repayments on all lease liabilities will now be included in financing activities rather than operating activities. Interest can also be included within financing activities

1: Summary of significant accounting policies (Continued)

(s) New and amended standards adopted by the group (Continued)

(iv) Sales or contribution of assets between an investor and its associates or joint venture (effective from 1 January 2018)

The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting depends on whether the contributed assets constitute a business or an asset. There will be no impact on the entity's financial report.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(t) 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.

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 judgement 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	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
From continuing operations				
- sustentation fees				
- NUW NSW Branch	**1,420,913**	1,441,357	**1,420,913**	1,441,357
- NUW Vic Branch	**2,201,690**	2,133,250	**2,201,690**	2,133,250
- membership subscriptions	**5,215,425**	4,885,221	**5,215,425**	4,885,221
- capitation fees – other reporting units	**-**	-	**-**	-
- levies	**-**	-	**-**	-
	8,838,028	8,459,828	**8,838,028**	8,459,828
Other revenue				
- interest	**57,409**	51,062	**38,994**	17,155
- reimbursements from Branches				
- NUW NSW Branch	**47,750**	47,750	**47,750**	47,750
- NUW Vic Branch	**127,087**	166,255	**127,087**	166,255
- LUCRF service fee	**375,264**	364,464	**375,264**	364,464
- management fee	**83,128**	80,062	**83,128**	80,062
- director fees	**326,542**	321,227	**350,542**	345,227
- investment income	**131,785**	91,600	**131,785**	91,600
- dividends	**38,693**	47,165	**113,693**	562,199
- rent	**178,413**	304,750	**107,144**	108,303
- donations	**1,350**	6,550	**1,350**	6,550
- grant income	**-**	165,769	**-**	165,769
- sponsorship	**11,000**	3,886	**11,000**	3,886
- financial support from another reporting unit	**-**	-	**-**	-
- other revenue	**38,130**	31,257	**38,130**	31,257
	10,254,579	10,141,625	**10,263,895**	10,450,305

5: Other income

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Net gain on disposal of property, plant and equipment and investments	**-**	22,422	**-**	-
Net gain on revaluation of investments	**-**	61,641	**-**	61,641
	-	84,063	**-**	61,641

6: Expenses

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Profit before income tax expenses includes the following specific expenses:				
Depreciation	**341,974**	338,119	**341,974**	338,119
Amortisation of intangible assets	**48,372**	49,566	**48,372**	49,566
Bad debts	**127**	-	**127**	-
Defined contribution superannuation expense	**878,844**	763,545	**878,844**	763,545
Rental expenses relating to operating leases				
Minimum lease payments	**473,992**	457,280	**473,992**	457,280
Loss on disposal of property, plant and equipment	**1,317**	18,543	**1,317**	18,543
Loss on disposal of investment	**53,626**	-	**53,626**	-
Compulsory levies	**-**	-	**-**	-
Consideration to employers for payroll deduction	**18,423**	21,870	**18,423**	21,870
Conference and meeting allowances	**91,494**	74,892	**91,494**	74,892
Conference and meeting expenses	**11,184**	59,459	**11,184**	59,459
Donations:				
Total paid that were $1,000 or less	**2,709**	1,909	**2,709**	1,909
Total paid that exceeded $1,000	**24,810**	59,727	**24,810**	59,727
Sponsorship	**55,670**	22,663	**55,670**	22,663
Grants:				
Total paid that were $1,000 or less	**-**	-	**-**	-
Total paid that exceeded $1,000	**28,670**	-	**28,670**	-
Legal fees				
- litigation	**59,670**	15,150	**59,670**	15,150
- other legal matters	**35,984**	47,819	**33,484**	44,119
Penalties – RO Act or RO Regulations	**-**	-	**-**	-
ACTU campaign levy	**191,000**	194,000	**191,000**	194,000

7: Affiliation & capitation fees

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Affiliation fees				
- ACTU	**437,721**	360,456	**437,721**	360,456
- AIER	**5,000**	5,000	**5,000**	5,000
- ALP NT	**315**	147	**315**	147
- ALP Qld	**32,174**	30,518	**32,174**	30,518
- ALP SA	**13,084**	12,716	**13,084**	12,716
- ALP TAS	**1,977**	2,136	**1,977**	2,136
- ALP Vic	**6,700**	6,994	**6,700**	6,994
- ALP WA	**9,670**	8,685	**9,670**	8,685
- APHEDA	**3,273**	2,418	**3,273**	2,418
- ITF	**31,046**	29,381	**31,046**	29,381
- IUF	**84,516**	76,795	**84,516**	76,795
- IUF Regional	**12,000**	4,000	**12,000**	4,000
- QCU	**28,775**	30,203	**28,775**	30,203
- Union TAS	**3,137**	3,462	**3,137**	3,462
- Unions SA	**12,518**	12,714	**12,518**	12,714
- Unions WA	**8,551**	7,658	**8,551**	7,658
Capitation fees	**-**	-	**-**	-
	690,457	593,283	**690,457**	593,283

8: Salaries and related expenses

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Employees other than holders of office				
- wages and salaries	**4,387,458**	3,891,332	**4,387,458**	3,891,332
- superannuation	**763,169**	644,400	**763,169**	644,400
- leave and other entitlements	**88,851**	107,643	**88,851**	107,643
- separation and redundancies	**-**	-	**-**	-
- other employee expenses *(note a)*	**409,062**	375,357	**409,062**	375,357
	5,648,540	5,018,732	**5,648,540**	5,018,732
Holders of office (NCOM)				
- wages and salaries	**754,153**	758,516	**754,153**	758,516
- superannuation	**115,676**	119,144	**115,676**	119,144
- leave and other entitlements	**234,910**	147,345	**234,910**	147,345
- separation and redundancies	**-**	-	**-**	-
- other employee expenses *(note a)*	**70,313**	73,166	**70,313**	73,166
	1,175,052	1,098,171	**1,175,052**	1,098,171
Other staff costs (note b)	**141,355**	146,446	**141,355**	146,446
	6,964,947	6,263,349	**6,964,947**	6,263,349

(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	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
(a) Income of tax expense:				
Current tax	**(9,010)**	77,488	**-**	-
Deferred tax	**-**	-	**-**	-
	(9,010)	77,488	**-**	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable:				
Profit from continuing operations before income tax expense	**(526,484)**	506,735	**(472,498)**	849,312
Prima facie income tax payable on profit before income tax at 30.0% (2015 – 30.0%)	**(157,945)**	152,020	**(141,749)**	254,794
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Sundry items	**7,186**	10,984	**-**	-
Non taxable income	**141,749**	(85,516)	**141,749**	(254,794)
Income tax expense attributable to profit	**(9,010)**	77,488	**-**	-

10: Current assets – Cash and cash equivalents

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Cash In hand	**409**	509	**409**	509
Cash at bank	**3,305,847**	4,198,371	**3,289,668**	3,832,569
Term deposits	**1,946,506**	698,000	**1,050,000**	-
	5,252,762	4,896,880	**4,340,077**	3,833,078

(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	**5,252,762**	4,896,880	**4,340,077**	3,833,078
Bank overdrafts	**-**	-	**-**	-
Balances per statement of cash flows	**5,252,762**	4,896,880	**4,340,077**	3,833,078

11: Current assets - Trade and other receivables

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Receivable from other reporting units				
NUW NSW Branch	**135,969**	135,722	**135,969**	135,722
NUW Victorian Branch	**251,936**	238,261	**251,936**	238,261
	387,905	373,983	**387,905**	373,983
Less provision for impairment of receivables	**-**	-	**-**	-
	387,905	373,983	**387,905**	373,983
Other				
Prepayments	**121,775**	125,869	**121,775**	125,869
Tax refund	**28,117**	-	**-**	-
Other receivables	**464,917**	450,236	**457,863**	438,806
	614,809	576,105	**579,638**	564,675
	1,002,714	950,088	**967,543**	938,658

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

(a) Classification as trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as noncurrent assets. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current. The entity's impairment and other accounting policies for trade and other receivables are outlined in note 1.

(b) Other receivables

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

(c) Impaired receivables

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount directly. The other receivables are assessed collectively to determine whether there is objective evidence that an impairment has been incurred but not yet been identified. For these receivables the estimated impairment losses are recognised in a separate provision for impairment.

The entity considers that there is evidence of impairment if any of the following indicators are present:

- 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).

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. Impairment losses are recognised in profit or loss within other expenses. Subsequent recoveries of amounts previously written off are credited against other expenses. See note 1 for information about how impairment losses are calculated.

(d) Movements in the provision for impairment of trade receivables that are assessed for impairment collectively are as follows:

	2016 $	2015 $
At 1 July	-	-
Provision for impairment recognised during the year	-	-
At 30 June	-	-

(e) Fair value of trade and other receivables

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

12: Non-current assets – financial assets

		Consolidated Group		Parent Entity	
		2016	2015	2016	2015
		$	$	$	$
Available-for-sale financial assets	a	**694,989**	1,046,609	**694,989**	1,046,609
Investments accounted for using the equity method	b	**3,802,526**	3,861,414	**3,802,526**	3,861,414
Other investments	c	**-**	-	**575,002**	575,002
		4,497,515	4,908,023	**5,072,517**	5,483,025

(a) Available-for-sale financial assets					
Listed investment, at fair value					
- shares in listed trusts and shares	d	**672,810**	1,026,078	**672,810**	1,026,078
Unlisted investment, at cost					
- units in unit trusts	e	**22,136**	20,488	**22,136**	20,488
- shares in unlisted companies		**43**	43	**43**	43
		694,989	1,046,609	**694,989**	1,046,609

(b) Investments accounted for using the equity method

Set out below are the associates and joint ventures of the group as at 30 June 2016 which, in the opinion of the directors, are material to the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Country of incorporation	Nature of ownership	% of ownership 2016	% of ownership 2015	Carrying amount 2016 $	Carrying amount 2015 $
833 Bourke Street Unit Trust	Australia	Associate (1)	15.89%	15.89%	**3,138,001**	3,106,211
87 St Vincent Unit Trust	Australia	Associate (2)	25%	25%	**546,121**	611,121
IPP Pty Ltd & Trust	Australia	Associate (3)	8%	8%	**118,404**	144,082
					3,802,526	3,861,414

- the above are private entities and therefore no quoted prices are available.

(1) 833 Bourke Street Unit Trust operates as a property investor. The National Office and Victorian Branch of the National Union of Workers jointly hold units in the trust. These units are registered in the name of the “National Union of Workers”. Because of this, it is considered that the necessary significant influence exists to require that the investment is accounted for using the equity method.

(2) 87 St Vincent Unit Trust operates as a property investor.

(3) IPP Pty Ltd and the associated trust provide marketing, graphic design and communication services. The National Office and Victorian Branch of the National Union of Workers jointly hold shares in Industrial Printing and Publishing Pty Ltd and units in IPP Property Trust. These units and shares are registered in the name of the “National Union of Workers”. Because of this, it is considered that the necessary significant influence exists to require that the investment is accounted for using the equity method.

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

(b) Investments accounted for using the equity method (Continued)

(i) There are no commitments or contingent liabilities in respect of the associates.

(ii) Summarised financial information for associates

The tables below provide summarised financial information for those associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not National Union of Workers-National Office's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

	833 Bourke St Unit Trust		87 St Vincent Unit Trust		IPP Pty Ltd & Trust	
Summarised balance sheet	**2016 $**	**2015 $**	**2016 $**	**2015 $**	**2016 $**	**2015 $**
Total current assets	**307,427**	301,308	**367,330**	366,512	**764,244**	922,233
Total non-current assets	**19,600,000**	19,400,000	**1,840,000**	2,100,000	**5,221,751**	5,192,454
Total assets	**19,907,427**	19,701,308	**2,207,330**	2,466,512	**5,985,995**	6,114,687
Total current liabilities	**165,363**	159,244	**22,848**	22,030	**2,864,514**	2,760,424
Total non-current liabilities	**-**	-	**-**	-	**1,629,593**	1,538,825
Total liabilities	**165,363**	159,244	**22,848**	22,030	**4,494,107**	4,299,249
Net assets	**19,742,064**	19,542,064	**2,184,482**	2,444,482	**1,491,888**	1,815,438
Reconciliation to carrying amounts						
Opening net assets 1 July	**19,542,064**	18,042,064	**2,444,482**	2,544,482	**1,815,438**	1,722,403
Profit (loss) for the period	**1,895,010**	3,148,566	**(185,882)**	(22,715)	**(323,550)**	93,035
Other comprehensive income	**-**	-	**-**	-	**-**	-
Distribution/Dividends paid	**(1,695,010)**	(1,648,566)	**(74,118)**	(77,285)	**-**	-
Closing net assets	**19,742,064**	19,542,064	**2,184,482**	2,444,482	**1,491,888**	1,815,438
Group's share in %	**15.89%**	15.89%	**25%**	25%	**8%**	8%
Group's share in $	**3,138,001**	3,106,211	**546,121**	611,121	**118,404**	144,082
Goodwill	**-**	-		-	**-**	-
Carrying amount	**3,138,001**	3,106,211	**546,121**	611,121	**118,404**	144,082

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

(b) Investments accounted for using the equity method (Continued)

(ii) Summarised financial information for associates (Continued)

	833 Bourke St Unit Trust		87 St Vincent Unit Trust		IPP Pty Ltd & Trust	
Summarised statement of comprehensive income	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**	**$**	**$**
Revenue	**1,690,446**	1,632,435	**100,827**	96,949	**3,840,801**	4,221,062
Profit from continuing operation	**1,895,010**	3,148,566	**(185,882)**	(22,715)	**(298,550)**	93,035
Profit from discontinued operation	**-**	-	**-**	-	**-**	-
Profit for the period	**1,895,010**	3,148,566	**(185,882)**	(22,715)	**(323,550)**	93,035
Other comprehensive income	**-**	-	**-**	-	**-**	-
Total comprehensive income	**1,895,010**	3,148,566	**(185,882)**	(22,715)	**(323,550)**	93,035
Distribution / Dividends received from associates	**269,422**	262,040	**18,529**	19,321	**-**	-

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
(c) Other investments:				
Shares in subsidiaries	**-**	-	**575,002**	575,002
	-	-	**575,002**	575,002
(d) Movements in fair value of listed investment during the financial year:				
Opening balance	**1,026,078**	904,720	**1,026,078**	462,512
Net (Disposals) / Additions	**(139,882)**	12,241	**(139,979)**	476,925
Fair value adjustment	**(213,386)**	109,117	**(213,289)**	86,641
Closing balance	**672,810**	1,026,078	**672,810**	1,026,078
(e) Movements in unlisted investment – at cost during the financial year:				
Opening balance	**20,488**	17,599	**20,488**	17,599
Addition – at cost	**1,648**	2,889	**1,648**	2,889
Transfer to investment at recoverable amount (e)	**-**	-	**-**	-
Closing balance	**22,136**	20,488	**22,136**	20,488

13: Non-current assets – Intangible assets

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Website				
Costs	**245,870**	236,020	**245,870**	236,020
Less: accumulated amortisation	**(147,194)**	(102,520)	**(147,194)**	(102,520)
	98,676	133,500	**98,676**	133,500
Software				
Costs	**24,651**	-	**24,651**	-
Less: accumulated amortisation	**(3,698)**	-	**(3,698)**	-
	20,953	-	**20,953**	-
Total intangible assets	**119,629**	133,500	**119,629**	133,500

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

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Buildings				
At cost	**282,205**	282,204	**282,205**	282,204
Less accumulated depreciation	**(65,273)**	(60,845)	**(65,273)**	(60,845)
	216,932	221,359	**216,932**	221,359
Total property	**216,932**	221,359	**216,932**	221,359
PLANT AND EQUIPMENT				
Motor vehicles				
At cost	**930,297**	885,723	**930,297**	885,723
Less accumulated depreciation	**(475,856)**	(271,402)	**(475,856)**	(271,402)
	454,441	614,321	**454,441**	614,321
Office equipment				
At cost	**166,168**	163,504	**166,168**	163,504
Less accumulated depreciation	**(121,126)**	(114,507)	**(121,126)**	(114,507)
	45,042	48,997	**45,042**	48,997
Computer equipment				
At cost	**353,472**	253,544	**353,472**	253,544
Less accumulated depreciation	**(244,003)**	(195,778)	**(244,003)**	(195,778)
	109,469	57,766	**109,469**	57,766

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

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Furniture, fixtures and fittings				
At cost	**1,270,496**	1,269,913	**1,270,496**	1,269,913
Less accumulated depreciation	**(423,307)**	(362,223)	**(423,307)**	(362,223)
	847,189	907,690	**847,189**	907,690
Total plant and equipment	**1,456,141**	1,628,774	**1,456,141**	1,628,774
Total property plant and equipment	**1,673,073**	1,850,133	**1,673,073**	1,850,133

(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:

2015 - Group	**Freehold buildings**	**Furniture, fixture & fittings**	**Vehicles**	**Office equipment**	**Computer equipment**	**Total**
	$	$	$	$	$	$
Opening net book amount	225,877	967,983	832,123	60,083	47,689	2,133,755
Additions	-	8,257	108,411	-	45,458	162,126
Disposals	-	(3,984)	(111,371)	(2,801)	(3,409)	(121,565)
Depreciation	(4,518)	(64,566)	(214,842)	(8,285)	(31,972)	(324,183)
Closing net book amount	221,359	907,690	614,321	48,997	57,766	1,850,133

2016 – Group	**Freehold buildings**	**Furniture, fixture & fittings**	**Vehicles**	**Office equipment**	**Computer equipment**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Opening net book amount	221,359	907,690	614,321	48,997	57,766	1,850,133
Additions	-	583	44,574	3,251	103,946	152,354
Disposals	-	-	-	-	(1,318)	(1,318)
Depreciation	(4,427)	(61,084)	(204,454)	(7,206)	(50,925)	(328,096)
Closing net book amount	216,932	847,189	454,441	45,042	109,469	1,673,073

2015 - Parent	**Freehold buildings**	**Furniture, fixture & fittings**	**Vehicles**	**Office equipment**	**Computer equipment**	**Total**
	$	$	$	$	$	$
Opening net book amount	225,877	967,983	832,123	60,083	47,689	2,133,755
Additions	-	8,257	108,411	-	45,458	162,126
Disposals	-	(3,984)	(111,371)	(2,801)	(3,409)	(121,565)
Depreciation	(4,518)	(64,566)	(214,842)	(8,285)	(31,972)	(324,183)
Closing net book amount	221,359	907,690	614,321	48,997	57,766	1,850,133

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

2016 - Parent	Freehold buildings	Furniture, fixture & fittings	Vehicles	Office equipment	Computer equipment	Total
	$	$	$	$	$	$
Opening net book amount	221,359	907,690	614,321	48,997	57,766	1,850,133
Additions	-	583	44,574	3,251	103,946	152,354
Disposals	-	-	-	-	(1,318)	(1,318)
Depreciation	(4,427)	(61,084)	(204,454)	(7,206)	(50,925)	(328,096)
Closing net book amount	216,932	847,189	454,441	45,042	109,469	1,673,073

(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	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
At cost or fair value	**2,280,839**	2,280,839	**330,839**	330,839
Less accumulated depreciation	**(69,956)**	(56,078)	**(69,956)**	(56,078)
	2,210,883	2,224,761	**260,883**	274,761

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

Rental income	**179,855**	299,562	**118,900**	121,098
Direct operating expenses from property that generated rental income	**(55,585)**	(46,053)	**(25,321)**	(25,991)
Direct operating expenses from property that did not generate rental income	**-**	-	**-**	-
	124,270	253,509	**93,579**	95,107

(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	**89,012**	89,012
Later than one year but not later than five years	**445,060**	445,060	**445,060**	445,060
Later than five years	**133,518**	222,530	**133,518**	222,530
	667,590	756,602	**667,590**	756,602

15: Non-current assets – Investment property (Continued)

(c) Movements

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Opening net book amount	**2,224,761**	2,238,696	**274,761**	288,696
Depreciation charge	**(13,878)**	(13,935)	**(13,878)**	(13,935)
Closing net book amount	**2,210,883**	2,224,761	**260,883**	274,761

16: Current liabilities - Trade and other payables

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Unsecured				
Trade payables	**131,053**	151,652	**130,555**	131,428
Legal cost payables – other matters	**-**	-	**-**	-
Legal cost payables – litigation	**41,370**	-	**41,370**	-
Amount payables to other reporting units				
- NUW Victorian Branch	**31,351**	14,645	**31,351**	14,645
Consideration to employers for payroll deductions	**-**	-	**-**	-
Other payables	**478,832**	500,701	**466,988**	486,677
	682,606	666,998	**670,264**	632,750

Trade payables are unsecured and are usually paid within 30 days of recognition.
The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

17: Current liabilities – Tax provision

	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Tax payable	**-**	60,494	**-**	-

18: Current liabilities – Employee benefit obligations

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Holders of office (NCOM):				
Annual leave	**317,672**	174,645	**317,672**	174,645
Long service leave	**318,681**	226,798	**318,681**	226,798
Separations and redundancies	-	-	-	-
Other	-	-	-	-
Total holders of office	**636,353**	401,443	**636,353**	401,443
Employees other than holders of office:				
Annual leave	**681,924**	600,522	**681,924**	600,522
Long service leave	**678,825**	671,376	**678,825**	671,376
Separations and redundancies	-	-	-	-
Other	-	-	-	-
Total employees other than office holders:	**1,360,749**	1,271,898	**1,360,749**	1,271,898
Total employee provisions	**1,997,102**	1,673,341	**1,997,102**	1,673,341

(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	
		2016	2015	2016	2015
		$	$	$	$
Strike/Distress fund reserve	a	**115,649**	150,542	**115,649**	150,542
Amalgamation reserve	b	**-**	2,220,869	**-**	2,220,869
Asset revaluation reserve	c	**1,293,710**	1,261,920	**322,938**	291,148
Capital profit reserve	d	**4,960**	4,960	-	-
		1,414,319	3,638,291	**438,587**	2,662,559

19: Reserves (Continued)

(a) Strike / Distress fund reserve	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Movements in reserve were as follows:				
Balance 1 July	**150,542**	198,884	**150,542**	198,884
Net transfer from retained profits consists of:				
- Interest received	**2,364**	224	**2,364**	224
- Contributions received	**26,687**	30,900	**26,687**	30,900
- Expenses incurred	**(63,944)**	(79,466)	**(63,944)**	(79,466)
Net transfer from accumulated surplus	**(34,893)**	(48,342)	**(34,893)**	(48,342)
Balance 30 June	**115,649**	150,542	**115,649**	150,542

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

(b) Amalgamation reserve	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Movements in reserve were as follows:				
Balance 1 July	**2,220,869**	2,220,869	**2,220,869**	2,220,869
Transfer to General Fund	**(2,220,869)**	-	**(2,220,869)**	-
Balance 30 June	**-**	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. During the year, a resolution was passed to transfer this reserve to the General Fund.

(c) Asset revaluation reserve	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Movements in reserve were as follows:				
Balance 1 July	**1,261,920**	1,001,772	**291,148**	31,000
Movement during the year	**31,790**	260,148	**31,790**	260,148
Balance 30 June	**1,293,710**	1,261,920	**322,938**	291,148

The asset revaluation reserve records the revaluation of capital assets.

19: Reserves (Continued)

(d) Capital profit reserve	Consolidated Group		Parent Entity	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
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	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Movements in retained profits were as follows:				
Balance 1 July	**8,924,261**	8,446,672	**7,544,505**	6,646,851
Transfer from (to) reserves	**2,255,762**	48,342	**2,255,762**	48,342
Net (loss) profit for the year	**(517,474)**	429,247	**(472,498)**	849,312
Balance 30 June	**10,662,549**	8,924,261	**9,327,769**	7,544,505

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: Contingencies

At 30 June 2016, no contingencies exist.

23: 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.

24: Commitments

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
(a) Funding commitments				
Funding contracted for at the reporting date but not recognised as liabilities is as follows:				
Funding to other organisation	-	13,261	-	13,261

The above commitments relate to the research funding provided.

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

	Consolidated Group 2016 $	Consolidated Group 2015 $	Parent Entity 2016 $	Parent Entity 2015 $
Within one year	**199,909**	199,288	**199,909**	199,288
Later than one year but not later than five years	**984,023**	980,920	**984,023**	980,920
More than 5 years	**194,705**	390,889	**194,705**	390,889
	1,378,637	1,571,097	**1,378,637**	1,571,097

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

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 acquire any asset or 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	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
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 – parent entity audit				
Audit or review of the financial report	**41,650**	40,250	**41,650**	40,250
Other audits	**1,800**	1,800	**1,800**	1,800
Other audits – SA return	**1,580**	-	**1,580**	-
Grant audits	**-**	6,200	**-**	6,200
Other services	**7,050**	9,780	**7,050**	9,780
	52,080	58,030	**52,080**	58,030
(b) Remuneration of other auditors of subsidiaries				
Audit or review of the financial report	**6,275**	18,660	-	-
Other services	**-**	-	-	-
	6,275	18,660	-	-

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 2016	Equity holding 2015
Labour Union Investment & Property Services Pty Ltd (formerly known as Labour Union Insurance (Brokers) Pty Ltd)	Australia	Ordinary	100%	100%

27: Related party transactions (Continued)

(c) Transactions with related parties

	Consolidated Group	
	2016	2015
	$	$
Sales of goods and services		
Sustentation fees received from Branches	**3,622,603**	3,574,607
Purchases of goods and services		
Reimbursements to Branches	**174,837**	214,005

(d) Outstanding balances arising from sales/purchases of goods and services

These balances are included in the notes on receivables and payables.

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.

(e) Other transactions

- As part of directorship arrangement, director fees earned by any officers or employees who are 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.

(f) Loans to key management personnel

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

27: Related party transactions (Continued)

(g) 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*
Caterina Cinanni	General President
Susie Allison	General Vice President
Gary Maas	General Vice President
Ron Herbert	General Vice President
Marissa Bernardi	General Vice President (resigned 31 March 2016)
Sam Roberts	General Vice President
Dani Shanahan	General Vice President (resigned 2 September 2015)
Imogen Beynon	General Vice President (appointed 11 October 2016)
Jill Batt	General Vice President (appointed 11 October 2016)
Tim Kennedy	General Secretary
Paul Richardson	Assistant General Secretary
Derrick Belan	Branch Secretary (resigned 23 October 2015)
Wayne Meaney	Branch Secretary (appointed on 23 October 2015, resigned 29 January 2016)
Martin Cartwright	Branch Secretary (appointed 29 January 2016)

(h) Key management personnel compensation

	Consolidated Group		**Parent Entity**	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
The aggregate compensation made to key management personnel of the Group is as follows:				
Short-term employee benefits				
Salary (including leave taken)	**932,295**	839,101	**932,295**	839,101
Annual leave accrued	**72,945**	70,438	**72,945**	70,438
Total short-term employee benefits	**1,005,240**	909,539	**1,005,240**	909,539
Post-employment benefits:				
Superannuation	**115,676**	119,144	**115,676**	119,144
Total post-employment benefits	**115,676**	119,144	**115,676**	119,144
Other long-term benefits:				
Long-service leave accrued	**19,960**	22,892	**19,960**	22,892
Total other long-term benefits	**19,960**	22,892	**19,960**	22,892
Termination benefits	**-**	-	**-**	-
Total	**1,140,876**	1,051,575	**1,140,876**	1,051,575

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	**52,194**	**10,211,701**	**10,263,895**	216,315	10,233,990	10,450,305
Other income	**-**	**-**	**-**	-	61,641	61,641
Administrative expenses	**(203,271)**	**(720,630)**	**(923,901)**	(135,162)	(696,602)	(831,764)
Affiliation fee	**(116,901)**	**(573,556)**	**(690,457)**	(115,233)	(478,050)	(593,283)
Campaign expenses	**-**	**(394,250)**	**(394,250)**	-	(194,000)	(194,000)
Delegates and members expenses	**(51,113)**	**(3,941)**	**(55,054)**	(90,237)	(3,855)	(94,092)
Industrial and service expenses	**(43,209)**	**(57,294)**	**(100,503)**	(42,230)	(57,769)	(99,999)
Legal and professional fees	**(34,622)**	**(113,733)**	**(148,355)**	(46,595)	(78,993)	(125,588)
Motor vehicle expenses	**(143,383)**	**(58,706)**	**(202,089)**	(136,424)	(54,192)	(190,616)
Occupancy expenses	**(289,307)**	**(386,870)**	**(676,177)**	(304,196)	(368,540)	(672,736)
Official conference expenses	**(40,093)**	**(31,690)**	**(71,783)**	(36,904)	(68,113)	(105,017)
Salaries and related expenses	**(3,322,057)**	**(3,642,890)**	**(6,964,947)**	(3,157,883)	(3,105,466)	(6,263,349)
Telephone and internet expenses	**(79,168)**	**(38,523)**	**(117,691)**	(107,552)	(36,617)	(144,169)
Travel and entertainment expenses	**(208,983)**	**(166,090)**	**(375,073)**	(209,467)	(199,464)	(408,931)
Impairment of financial assets	**-**	**(278,386)**	**(278,386)**	-	-	-
Grant expenses	**-**	**-**	**-**	(142,522)	(288)	(142,810)
Total expenses	**(4,532,107)**	**(6,466,559)**	**(10,998,666)**	(4,524,405)	(5,341,949)	(9,866,354)
Share of net profit of associates & joint ventures accounted for using the equity method	**-**	**262,273**	**262,273**	-	203,720	203,720
(Loss)/Profit before income tax	**(4,479,913)**	**4,007,415**	**(472,498)**	(4,308,090)	5,157,402	849,312
Income tax expense	-	-	-	-	-	-
(Loss)/Profit attributable to members	**(4,479,913)**	**4,007,415**	**(472,498)**	(4,308,090)	5,157,404	849,312
Other comprehensive income	**-**	**31,790**	**31,790**	-	260,148	260,148
Total comprehensive (loss) income for the year	**(4,479,913)**	**4,039,205**	**(440,708)**	(4,308,090)	5,417,550	1,109,460

Attention is drawn to Rule 32 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 reimbursements)	**Consolidated Group**		**Parent Entity**	
	2016	**2015**	**2016**	**2015**
Branches	**$**	**$**	**$**	**$**
New South Wales	**1,635,024**	1,656,798	**1,635,024**	1,656,798
Victoria	**2,907,785**	2,924,086	**2,907,785**	2,924,086
	4,542,809	4,580,884	**4,542,809**	4,580,884

(b) Receipts from controlled entities	**Consolidated Group**		**Parent Entity**	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Dividend received from Labour Union Investment & Property Services Pty Ltd	**-**	-	**75,000**	76,000
Director fees from Labour Union Investment & Property Services Pty Ltd	**-**	-	**26,400**	26,400
	-	-	**101,400**	102,400

(c) Payments to branches	**Consolidated Group**		**Parent Entity**	
	2016	**2015**	**2016**	**2015**
Branches	**$**	**$**	**$**	**$**
New South Wales	**8,215**	3,874	**8,215**	3,874
Victoria	**505,423**	271,080	**505,423**	271,080
	513,638	274,954	**513,638**	274,954

29: Cash flow information (Continued)

(d) Reconciliation of cash flow from operations with (loss) profit after income tax	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
(Loss) Profit after income tax	**(517,474)**	429,247	**(472,498)**	849,312
Non-cash flows in (loss) profit				
Depreciation	**341,974**	338,119	**341,974**	338,119
Amortisation	**48,372**	49,566	**48,372**	49,566
Unrealised loss (gain) on investments	**278,386**	(61,641)	**278,386**	(61,641)
Non-cash distribution	**23,932**	74,698	**23,932**	(389,932)
Realised loss (gain) on investments	**53,626**	(22,422)	**53,626**	-
Net loss on disposal of property, plant and equipment	**1,317**	18,543	**1,317**	18,543
Changes in assets and liabilities				
(Increase)/decrease in receivables	**(24,509)**	223,092	**(28,885)**	232,680
(Decrease) in payables	**15,608**	(142,688)	**37,514**	(146,704)
(Decrease) in income tax provision	**(88,611)**	44,345	**-**	-
Increase in provisions	**323,762**	389,828	**323,762**	389,829
Net cash flows from operating activities	**456,383**	1,340,687	**607,500**	1,279,772

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 as advised to 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% (2015 - 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	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Effect on equity:				
Increase of equity index by 10%	**67,281**	102,608	**67,281**	102,608
Decrease of equity index by 10%	**(67,281)**	(102,608)	**(67,281)**	(102,608)

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	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Cash at bank:				
AA- Rating	**5,252,353**	4,896,371	4,339,668	3,832,569

(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	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Effect on results:				
Increase of interest rates by 2%	**105,047**	97,927	**86,793**	76,651
Decrease of interest rates by 2%	**(105,047)**	(97,927)	**(86,793)**	(76,651)

31: Financial risk management (Continued)

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

Group
2016

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	1.84	3,305,847	1,946,506	-	-	409	5,252,762
Amounts due from branches		-	-	-	-	387,905	387,905
Other receivables		-	-	-	-	493,034	493,034
Investments	3.7	4,497,515	-	-	-	-	4,497,515
		7,803,362	1,946,506	-	-	881,348	10,631,216
Financial Liabilities							
Trade creditors		-	-	-	-	203,774	203,774
Other payables		-	-	-	-	478,832	478,832
		-	-	-	-	682,606	682,606
Net Financial Assets		7,803,362	1,946,506	-	-	198,742	9,948,610

Group
2015

	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	4,198,371	698,000	-	-	509	4,896,880
Amounts due from branches		-	-	-	-	373,983	373,983
Other receivables		-	-	-	-	450,236	450,236
Investments	2.8	4,908,023	-	-	-	-	4,908,023
		9,104,394	698,000	-	-	824,728	10,629,122
Financial Liabilities							
Trade creditors		-	-	-	-	166,297	166,297
Other payables		-	-	-	-	500,701	500,701
		-	-	-	-	666,998	666,998
Net Financial Assets		9,106,394	698,000	-	-	157,730	9,962,124

31: Financial risk management (Continued)

(e) Maturity profile of financial instruments (Continued)

Parent
2016

	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	1.6	3,289,668	1,050,000	-	-	409	4,340,077
Amounts due from branches		-	-	-	-	387,905	387,905
Other receivables		-	-	-	-	457,863	457,863
Investments	4.8	5,072,517	-	-	-	-	5,072,517
		8,362,186	1,050,000	-	-	846,177	10,258,362
Financial Liabilities							
Trade creditors		-	-	-	-	203,276	203,276
Other payables		-	-	-	-	466,988	466,988
		-	-	-	-	670,264	670,264
Net Financial Assets		8,362,186	1,050,000	-	-	175,913	9,588,098

Parent
2015

	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	3,832,569	-	-	-	509	3,833,078
Amounts due from branches		-	-	-	-	373,983	373,983
Other receivables		-	-	-	-	438,806	438,806
Investments	12	5,483,025	-	-	-	-	5,483,025
		9,315,594	-	-	-	813,298	10,128,892
Financial Liabilities							
Trade creditors		-	-	-	-	146,073	146,073
Other payables		-	-	-	-	486,677	486,677
		-	-	-	-	632,750	632,750
Net Financial Assets		9,315,594	-	-	-	180,548	9,496,142

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. There were no transfers between Levels 1 and 2 for assets measured at fair value on a recurring basis during the reporting period (2015: no transfers).

Group

	Level 1		Level 2		Level 3		Total	
	2016	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
	$		$		$		$	
Assets at fair value								
Available-for-sale financial assets	**694,989**	1,046,609	**-**	-	**-**	-	**694,989**	1,046,609
Financial assets through profit and loss	**-**	-	**-**	-	**-**	-	**-**	-
Total Assets	**694,989**	1,046,609	**-**	-	**-**	-	**694,989**	1,046,609

Parent

	Level 1		Level 2		Level 3		Total	
	2016	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
	$		$		$		$	
Assets at fair value								
Available-for-sale financial assets	**694,989**	1,046,609	**-**	-	**-**	-	**694,989**	1,046,609
Financial assets through profit and loss	**-**	-	**-**	-	**-**	-	**-**	-
Total Assets	**694,989**	1,046,609	**-**	-	**-**	-	**694,989**	1,046,609

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

STATEMENT BY COMMITTEE OF MANAGEMENT

On 16/11/2016, 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 2016:

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: T. Kennedy

Name of designated officer: TIMOTHY KENNEDY

Title of designated officer: NATIONAL SECRETARY

Dated: 16/11/2016

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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 2016, 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.

CHARTERED ACCOUNTANTS
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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 2016 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

J Hinds

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

Melbourne
16 November 2016

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