



# National Union of Workers

DS/SB

Our Ref: L14/03

20 December 2004

Industrial Registrar  
Principle Registry  
Australian Industrial Relations Commission  
Level 35 – Nauru House  
80 Collins Street  
MELBOURNE VIC 3000

FR 2004/605

*Attention:* Mr Andrew O'Brien

Dear Registrar

Re: Designated Officers Certificate re. Financial Accounts Year 2003/2004 – National Union of Workers Central Branch

I, Douglas Robert Stevens, Branch Secretary, of the National Union of Workers Central Branch certify the following:

- That the financial documents and concise reports for the financial year 2003/2004 attached to this correspondence, are copies of the full report as received from our auditors in accordance with section 268.
- That the full report and concise report was provided to members on 10 November 2004.
- That the full report was presented to a meeting of the Committee of Management, the reporting unit on 2 December 2004 in accordance with section 266.

If you require any further information in relation to this matter, please contact the me on 03 9287 1855.

Yours faithfully

A handwritten signature in black ink, appearing to read 'D Stevens'.

**DOUG STEVENS**  
**BRANCH SECRETARY**

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Toll Free 1800 136 112 Email: nuwcentral@nuw.org.au

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**NATIONAL UNION OF WORKERS - CENTRAL BRANCH**  
**ABN 76 490 325 232**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2004**

**BGL & ASSOCIATES**  
**Chartered Accountants**  
Suite One, Ground Floor, 598 St Kilda Road, Melbourne VIC 3004  
PO Box 6094 St Kilda Road Central VIC 8008  
Tel: (03) 9525 2511 Fax: (03) 9525 2829  
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NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

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NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

OPERATING REPORT

Your branch committees present their report on the union for the financial year ended 30 June 2004.

**Members of Committee**

The names of the members of committee of managements in office at any time during or since the end of the financial year are:

Kevin Back

Tim Googh

Ted Milczareck

Doug Stevens

Kelly Wood (resigned on 21 June 2004)

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

**Operating Results**

The surplus from operations of the National Union of Workers - Central Branch for the financial year amounted to \$28,642.

**Review of Operations**

A review of the operations of the National Union of Workers - Central Branch during the financial year and the results of those operations found that during the year, the National Union Workers - Central Branch continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

**Significant Changes in State of Affairs**

No significant changes in the state of affairs of the National Union of Workers - Central Branch occurred during the financial year.

**Principal Activity**

The principal activity of the entity during the financial year was the protection and improvement of employment conditions for its members.

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

**Membership and employee numbers**

As at 30 June 2004, the National Union of Workers - Central Branch had 2,191 members and 3 employees.

NATIONAL UNION OF WORKERS - CENTRAL BRANCH

OPERATING REPORT (continued)

**Members' Right to Resign**

The rules of the union provide at Rule 59 - Resignation from Membership, that a member of the union may resign from the union in accordance with the Rule. The Rule itself is in similar terms to s. 74 and meets the requirements of the Workplace Relations Act 1996.

**Information on Superannuation Trustee**

Doug Stevens resigned as a director of LUCRF on 26 August 2004.

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

Designated officer .....  .....

Dated *25/10/04*

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2004

	Notes	2004 \$	2003 \$
Revenue from ordinary activities	3	442,880	257,903
Salaries and on-costs		(146,550)	(103,142)
Conference and meeting expenses		(16,724)	(15,169)
Legal and professional fees		(9,235)	(4,850)
Sustentation fees paid to NUW National Office		(50,000)	-
Tasmanian sub-branch expenses		(140,177)	(61,037)
Travel and accommodation		(11,161)	(12,818)
Administration expenses		<u>99,786</u>	<u>37,057</u>
		<u>(414,238)</u>	<u>(220,996)</u>
<b>Surplus from ordinary activities</b>		<u><u>28,642</u></u>	<u><u>36,907</u></u>

The accompanying notes form part of these financial statements.

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2004

	Notes	2004 \$	2003 \$
<b>CURRENT ASSETS</b>			
Cash assets	6	89,994	234,410
Receivables	7	15,701	10,871
Other	8	<u>1,132</u>	<u>1,644</u>
<b>TOTAL CURRENT ASSETS</b>		<u><b>106,827</b></u>	<u><b>246,925</b></u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	<u>14,217</u>	<u>26,271</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u><b>14,217</b></u>	<u><b>26,271</b></u>
<b>TOTAL ASSETS</b>		<u><b>121,044</b></u>	<u><b>273,196</b></u>
<b>CURRENT LIABILITIES</b>			
Payables	10	31,742	121,126
Provisions	11	<u>12,237</u>	<u>105,500</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u><b>43,979</b></u>	<u><b>226,626</b></u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	11	<u>6,237</u>	<u>4,384</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u><b>6,237</b></u>	<u><b>4,384</b></u>
<b>TOTAL LIABILITIES</b>		<u><b>50,216</b></u>	<u><b>231,010</b></u>
<b>NET ASSETS</b>		<u><b>70,828</b></u>	<u><b>42,186</b></u>
<b>MEMBERS FUND</b>			
Reserves	12	(30,137)	(83,846)
Accumulated surplus	13	<u>100,965</u>	<u>126,032</u>
<b>TOTAL MEMBERS FUND</b>		<u><b>70,828</b></u>	<u><b>42,186</b></u>

The accompanying notes form part of these financial statements.

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2004

	Notes	2004 \$	2003 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Membership fees and other income received		413,710	280,397
Payments to suppliers and employees		<u>(563,416)</u>	<u>(220,087)</u>
Net cash provided by/(used in) operating activities	16 (b)	<u>(149,706)</u>	<u>60,310</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		13,636	-
Payment for property, plant and equipment		(10,824)	(445)
Interest received from investment		<u>2,478</u>	<u>2,762</u>
Net cash provided by investing activities		<u>5,290</u>	<u>2,317</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	427
Repayment of hire purchase liability		<u>-</u>	<u>(28,672)</u>
Net cash used in financing activities		<u>-</u>	<u>(28,245)</u>
Net increase/(decrease) in cash held		(144,416)	34,382
Cash at beginning of financial year		234,410	197,767
Cash transferred from Tasmanian Branch		<u>-</u>	<u>2,261</u>
Cash at end of financial year	16 (a)	<u><u>89,994</u></u>	<u><u>234,410</u></u>

The accompanying notes form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The National Union of Workers - Central Branch is a registered body under the Workplace Relations Act 1996. The purpose of the entity is to protect and improve employment conditions and entitlements for members.

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on an accruals basis and is based on historical costs. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Income Tax**

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

**(b) Property, Plant and Equipment**

Each class of property plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

*Plant and equipment*

Plant and equipment is measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

*Depreciation*

The depreciable amount of all fixed assets including capitalised leased assets, are depreciated over their estimated useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**(c) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduced the liability.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Employee Benefits**

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

**(e) Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at banks including at call deposits with banks.

**(f) Revenue**

Revenue from members subscription is recognised upon the receipts of cash.

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

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).

**(g) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

**(h) Comparative Figures**

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

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**NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of subsection (1), (2) and (3) of sections 272, which read as follows:

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

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
<b>NOTE 3: REVENUE</b>			
<b>Operating activities</b>			
- member subscription		366,755	249,681
- interest	3(a)	2,507	2,748
- other revenue		<u>6,273</u>	<u>5,474</u>
		<u>375,535</u>	<u>257,903</u>
<b>Non - operating activities</b>			
- proceeds of sale of property, plant and equipment		13,636	-
- excess on settlement of Tasmanian Branch's liabilities		<u>53,709</u>	<u>-</u>
		<u>67,345</u>	<u>-</u>
Total Revenue		<u>442,880</u>	<u>257,903</u>
 (a) Interest from:			
- other persons		2,507	2,748
 <b>NOTE 4: SURPLUS FROM ORDINARY ACTIVITIES</b>			
Surplus from ordinary activities has been determined after:			
(a) Expenses:			
Depreciation of non-current assets			
- Property, plant and equipment		1,462	789
Remuneration of the auditors for:			
- audit or review services		5,300	2,800
- audit of Tasmanian membership numbers		380	-
Remuneration of other auditors of Tasmanian Branch for:			
- audit or review services		-	1,182
Net loss on disposal of non-current assets			
- Property, plant and equipment		7,780	-
Affiliation fee		3,129	3,000
Donation		202	1,000
Legal fees		308	-
Expenses incurred as consideration for employers making payroll deduction of membership subscription		3,247	-

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
<b>NOTE 5: EMPLOYEE BENEFITS</b>			
Wages & Salaries		111,398	78,261
Superannuation		17,788	11,908
Holiday pay		3,174	4,716
Long Service Leave		1,990	1,585
Salaries (TAS)		66,594	31,364
Superannuation (TAS)		8,534	4,472
Holiday pay (TAS)		3,273	1,447
Long service leave (TAS)		<u>(136)</u>	<u>1,186</u>
		<u>212,615</u>	<u>134,939</u>
 <b>NOTE 6: CASH ASSETS</b>			
Cash on hand		160	3
Cash at bank		69,834	214,407
Deposits at call		<u>20,000</u>	<u>20,000</u>
		<u>89,994</u>	<u>234,410</u>
 <b>NOTE 7: RECEIVABLES</b>			
<b>CURRENT</b>			
Other debtors		2,651	3,687
Net GST refund		<u>13,050</u>	<u>7,184</u>
		<u>15,701</u>	<u>10,871</u>
 <b>NOTE 8: OTHER ASSETS</b>			
<b>CURRENT</b>			
Prepayments		<u>1,132</u>	<u>1,644</u>
 <b>NOTE 9: PROPERTY, PLANT AND EQUIPMENT</b>			
<b>BUILDING IMPROVEMENTS</b>			
At cost		10,790	-
Less accumulated amortisation		<u>(78)</u>	<u>-</u>
		<u>10,712</u>	<u>-</u>

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
<b>NOTE 9: PROPERTY, PLANT AND EQUIPMENT (Continued)</b>			
<b>PLANT AND EQUIPMENT</b>			
<b>(a) Motor vehicles</b>			
At cost		-	49,557
Less accumulated depreciation		<u>-</u>	<u>(27,834)</u>
		<u>-</u>	<u>21,723</u>
<b>(b) Office equipment</b>			
At cost		23,773	23,739
Less accumulated depreciation		<u>(20,297)</u>	<u>(19,232)</u>
		<u>3,476</u>	<u>4,507</u>
Under lease		5,953	5,953
Less accumulated depreciation		<u>(5,924)</u>	<u>(5,912)</u>
		<u>29</u>	<u>41</u>
Total plant and equipment		<u>3,505</u>	<u>26,271</u>
Total property, plant and equipment		<u>14,217</u>	<u>26,271</u>

**(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 current financial year

	Building improvements \$	Motor vehicles \$	Office equipment \$	Total \$
<b>2004</b>				
Balance at the beginning of the year	-	21,723	4,548	26,271
Additions	10,790	-	34	10,824
Disposals	-	(21,416)	-	(21,416)
Depreciation expense	<u>(78)</u>	<u>(307)</u>	<u>(1,077)</u>	<u>(1,462)</u>
Carrying amount at end of year	<u>10,712</u>	<u>-</u>	<u>3,505</u>	<u>14,217</u>

**NOTE 10: PAYABLES**

**CURRENT**

Unsecured liabilities

Other creditors	1,377	87,568
Amount due to NUW - National Office	24,158	27,423
Sundry creditors and accruals	<u>6,207</u>	<u>6,135</u>
	<u>31,742</u>	<u>121,126</u>

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
<b>NOTE 11: PROVISIONS</b>			
<b>CURRENT</b>			
Employee benefits - staff	11(a)	<u>12,237</u>	<u>105,500</u>
<b>NON-CURRENT</b>			
Employee benefits - staff	11(a)	<u>6,237</u>	<u>4,384</u>
(a) Aggregate employee benefits liability		<u>18,474</u>	<u>109,884</u>
(b) Number of employees at year end		<u>4</u>	<u>4</u>
<b>NOTE 12: RESERVES</b>			
Amalgamation reserves	(a)	<u>(30,137)</u>	<u>(83,846)</u>
(a) Other reserves			
Movements during the financial year:			
Opening balance		(83,846)	96,424
Transfer from Tasmanian Branch		-	(180,270)
Excess on settlement of Tasmanian Branch's liabilities		<u>53,709</u>	-
Closing balance		<u>(30,137)</u>	<u>(83,846)</u>
<p>The reserve has resulted from the amalgamation of various entities. The Commonwealth Foreman's Association amalgamated with NUW to create NUW-Foreman &amp; Supervisory Branch (currently known as NUW-Central Branch). On 8 May 2003, the Tasmanian Branch was absorbed by the Central Branch. The net assets or liabilities at the date of amalgamation were assumed and a reserve was created to reflected the pre-amalgamation members' fund.</p>			
<b>NOTE 13: ACCUMULATED SURPLUS</b>			
Accumulated surplus at the beginning of the financial year		126,032	89,125
Net surplus (deficit) attributable to members of the entity		28,642	36,907
Transfers to reserves		<u>(53,709)</u>	-
Accumulated profits at the end of the financial year		<u>100,965</u>	<u>126,032</u>

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
<b>NOTE 14: CAPITAL AND LEASING COMMITMENTS</b>			
(a) Operating lease commitments			
Non-cancellable operating leases contracted for but not capitalised in the financial statements:			
Payable			
- not later than one year		1,232	1,344
- later than one year and not later than five years		<u>-</u>	<u>1,232</u>
		<u><u>1,232</u></u>	<u><u>2,576</u></u>

General description of leasing arrangement:

The lease is related to the rental of office equipment in Tasmania.

**NOTE 15: RELATED PARTY TRANSACTIONS**

(a) During the year, the members of the Branch Committee of Management were:

Kevin Back

Tim Googh

Ted Milczareck

Doug Stevens

Kelly Wood (resigned on 21 June 2004)

(b) During the year, some of staff and officials employed by the National Union of Workers - National Office provided services to National Union of Workers - Central Branch.



NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
<b>NOTE 16: CASH FLOW INFORMATION</b>			
(a) Reconciliation of cash			
Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Cash on hand		160	3
Cash at bank		69,834	214,407
At call deposits with financial institutions		<u>20,000</u>	<u>20,000</u>
		<u>89,994</u>	<u>234,410</u>
 (b) Reconciliation of cash flow from operations with surplus from ordinary activities			
Surplus from ordinary activities		28,642	36,907
Non-cash flows in surplus from ordinary activities			
Depreciation		1,462	789
Net (gain) / loss on disposal of property, plant and equipment		7,780	-
Investment flows as result of operation		(2,478)	(2,762)
Changes in assets and liabilities			
Increase in receivables		(4,830)	(1,546)
(Increase)/decrease in other assets		512	(1,644)
Increase/(decrease) in payables		(89,384)	19,632
Increase/(decrease) in provisions		<u>(91,410)</u>	<u>8,934</u>
Cash flows from operations		<u>(149,706)</u>	<u>60,310</u>
 (c) Acquisition/disposal of businesses			
During the year ended 30 June 2003, the Central Branch absorbed the Tasmanian branch and the book values of all assets and liabilities as 8 May 2003 were taken over by the Central Branch			
		2004 \$	2003 \$
Cash held at acquisition/disposal date		<u>-</u>	<u>2,260</u>
Cash (outflow)/inflow		<u>-</u>	<u>2,260</u>
 Other assets and liabilities held at acquisition/disposal date:			
Receivables		-	8,283
Property, plant and equipment		-	26,614
Creditors		-	(92,381)
Provisions		-	(96,376)
Creditors - non current		<u>-</u>	<u>(28,671)</u>
		<u>-</u>	<u>(182,531)</u>

NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2004

NOTE 17: FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Fixed interest Rate Maturing Within 1 Year		Floating Interest Rate		Non Interest Bearing	
	2004 %	2003 %	2004 \$	2003 \$	2004 \$	2003 \$	2004 \$	2003 \$
Financial Assets:								
Cash	3.00	3.00	20,000	20,000	69,834	214,407	160	3
Receivables	-	-	-	-	-	-	15,701	10,871
Total Financial Assets			<u>20,000</u>	<u>20,000</u>	<u>69,834</u>	<u>214,407</u>	<u>15,861</u>	<u>10,874</u>
Financial Liabilities:								
Trade and sundry creditors	-	-	-	-	-	-	31,742	121,126
Total Financial Liabilities			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,742</u>	<u>121,126</u>

	Total	
	2004 \$	2003 \$
Financial Assets:		
Cash	89,994	234,410
Receivables	<u>15,701</u>	<u>10,871</u>
Total Financial Assets	<u>105,695</u>	<u>245,281</u>
Financial Liabilities:		
Trade and sundry creditors	<u>31,742</u>	<u>93,703</u>
Total Financial Liabilities	<u>31,742</u>	<u>93,703</u>

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial report.

The entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the entity.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

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**NOTE 17: FINANCIAL INSTRUMENTS (Continued)**

**(c) Net Fair Values**

The net fair value of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments, forward exchange contracts and interest rate swaps. Financial assets where the carrying amount exceeds net fair values have not been written down as the entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

**NOTE 18: ENTITY DETAILS**

The principal place of business of the entity is:

National Union of Workers - Central Branch  
552 Victoria Street  
NORTH MELBOURNE VICTORIA 3051

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

COMMITTEE OF MANAGEMENT STATEMENT

On *25-10-04* the Committee of Management National Union of Workers - Central Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2004:

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

1. the financial statements and notes, as set out on pages 3 to 16 comply with Australian Accounting Standards;
2. the financial statements and notes, as set out on pages 3 to 16 comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of National Union of Workers - Central Branch for the financial year to which they relate;
4. there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 June 2004:
  - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - b. the financial affairs of National Union of Workers - Central Branch have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - c. the financial records of National Union of Workers - Central Branch have been kept and maintained in accordance with the Registration and Accountability of Organisations (RAO) Schedule and the RAO Regulations; and
  - d. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation ; and
  - e. the information sought in any request of a member of National Union of Workers - Central Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the members or Registrar; and
  - f. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management



.....  
Doug Stevens - Branch Secretary

Dated *25-10-04*

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
NATIONAL UNION OF WORKERS - CENTRAL BRANCH

**Scope**

We have audited the financial report of National Union of Workers - Central Branch for the financial year ended 30 June 2004 comprising of the Committee of Management Statement, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements. The Committee of Management is responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and the Workplace Relations Act 1996 so as to present a view which is consistent with our understanding of the entity's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**Audit Opinion**

In our opinion, the general purpose financial report of National Union of Workers - Central Branch presents fairly the financial position of National Union of Workers - Central Branch as at 30 June 2004 and the results of its operations and its cash flows for the financial year then ended, in accordance with any of the following that apply in relation to the reporting unit:

- (a) the Australian Accounting Standards; and
- (b) any other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Registration and Accountability of Organisations (RAO) Schedule, applicable Accounting Standards and other mandatory professional reporting requirements and the Workplace Relations Act 1996,

*BGL + Associates*

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

*I. A. Hinds*

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

Partner

*28 October 2004*

Melbourne

**NATIONAL UNION OF WORKERS - CENTRAL BRANCH**  
ABN 76 490 325 232

**CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2004**

**BGL & ASSOCIATES**  
Chartered Accountants  
Suite One, Ground Floor, 598 St Kilda Road, Melbourne VIC 3004  
PO Box 6094 St Kilda Road Central VIC 8008  
Tel: (03) 9525 2511 Fax: (03) 9525 2829  
Email: [bgl@bglassociates.com.au](mailto:bgl@bglassociates.com.au)

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

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DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

**Information on National Union of Workers - Central Branch Concise Financial Report:**

The financial statements and disclosure in the concise financial report have been derived from the 2004 financial report of National Union of Workers - Central Branch.

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

This discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on National Union of Workers - Central Branch financial statements and the information contained in the concise financial report has been derived from the full 2004 Financial Report of National Union of Workers - Central Branch.

**Statement of Financial Performance:**

The surplus from ordinary activities attributable to members for the year is \$28,642 compared with a surplus of \$36,907 for the 2003 year. This lower surplus is due to expenses having increased by 81% over the 2003 year whilst revenue has only increased by 66% over the same period.

**Statement of Financial Position:**

Total assets fell by \$152,152 or 56% mainly due to a reduction in cash and non-current assets while total liabilities fell by \$180,794 or 78% mainly due to a reduction in payables and employee entitlements. As a consequence members fund increased by \$28,642 from the 2003 year.

Apart from the above, there has been no significant change in the composition of the assets and liabilities from the 2003 year.

**Statement of Cash Flows:**

Cash assets decreased from \$234,410 as at 30 June 2003 to \$89,994 as at 30 June 2004.

Cash flows provided by operations reduced by 340% during the year from \$60,310 in 2003 to (\$149,706) in 2004. This reduction was caused by the timing effect of payments made to suppliers and is reflected by the lower total liabilities at the end of 2004 when compared to 2003.

The net decrease in cash held during the year was significantly higher when compared to the 2003 year. This is primarily due to the effect of the increased expenses paid.



---

Doug Stevens

Dated

25/10/04



NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

OPERATING REPORT

Your committees present their report on the union for the financial year ended 30 June 2004.

**Committee of Management**

The names of the members of the Committee of Managements in office at any time during or since the end of the financial year are:

Kevin Back

Tim Googh

Ted Milczareck

Doug Stevens

Kelly Wood (resigned on 21 June 2004)

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

**Operating Results**

The surplus from the operations of the National Union of Workers - Central Branch for the financial year amounted to \$28,642.

**Review of Operations**

A review of the operations of the National Union of Workers - Central Branch during the financial year and the results of those operations found that during the year, the National Union of Workers - Central Branch continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

**Significant Changes in State of Affairs**

No significant changes in the state of affairs of the National Union of Workers - Central Branch occurred during the financial year.

**Principal Activity**

The principal activity of the entity during the financial year was the protection and improvement of employment conditions for its members.

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

**Membership and employee details**

As at 30 June 2004 the National Union of Workers - Central Branch had 2,191 members and 3 employees.

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

OPERATING REPORT (continued)

**Members' Right to Resign**

The rules of the union provide at Rule 59 - Resignation from Membership, that a member of the union may resign from the union in accordance with the Rule. The Rule itself is in similar terms to s.74 and meets the requirements of the Workplace Relations Act 1996.

**Information on Superannuation Trustee**

Doug Stevens resigned as a director of LUCRF on 26 August 2004.

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

Designated Officer .....



Doug Stevens

Dated

*25-10-04*

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2004

	Notes	2004 \$	2003 \$
Revenue from ordinary activities	3	442,880	257,903
Salaries and on-costs		(146,550)	(103,142)
Legal and professional fees		(9,235)	(4,850)
Conference and meeting expenses		(16,724)	(15,169)
Sustentation fee paid to NUW National Office		(50,000)	-
Tasmanian sub-branch expenses		(140,177)	(61,037)
Travel and accommodation		(11,161)	(12,818)
Administration expenses		<u>(40,391)</u>	<u>(23,980)</u>
		<u>(414,238)</u>	<u>(220,996)</u>
<b>Surplus from ordinary activities</b>		<u><u>28,642</u></u>	<u><u>36,907</u></u>

The accompanying notes form part of this concise financial report.

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2004

	Notes	2004 \$	2003 \$
<b>CURRENT ASSETS</b>			
Cash assets		89,994	234,410
Receivables		2,651	3,687
Other		<u>1,132</u>	<u>1,644</u>
<b>TOTAL CURRENT ASSETS</b>		<u><b>93,777</b></u>	<u><b>239,741</b></u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<u>14,217</u>	<u>26,271</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u><b>14,217</b></u>	<u><b>26,271</b></u>
<b>TOTAL ASSETS</b>		<u><b>107,994</b></u>	<u><b>266,012</b></u>
<b>CURRENT LIABILITIES</b>			
Payables		18,692	113,942
Provisions		<u>12,237</u>	<u>105,500</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u><b>30,929</b></u>	<u><b>219,442</b></u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions		<u>6,237</u>	<u>4,384</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u><b>6,237</b></u>	<u><b>4,384</b></u>
<b>TOTAL LIABILITIES</b>		<u><b>37,166</b></u>	<u><b>223,826</b></u>
<b>NET ASSETS</b>		<u><b>70,828</b></u>	<u><b>42,186</b></u>
<b>MEMBERS FUND</b>			
Reserves		(30,137)	(83,846)
Accumulated surplus		<u>100,965</u>	<u>126,032</u>
<b>TOTAL MEMBERS FUND</b>		<u><b>70,828</b></u>	<u><b>42,186</b></u>

The accompanying notes form part of this concise financial report.

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2004

	Notes	2004 \$	2003 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from members and other income		413,710	280,397
Payments to suppliers and employees		<u>(563,416)</u>	<u>(220,087)</u>
Net cash provided by/(used in) operating activities		<u>(149,706)</u>	<u>60,310</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		13,636	-
Payment for property, plant and equipment		(10,824)	(445)
Payment for investments		<u>2,478</u>	<u>2,762</u>
Net cash provided by investing activities		<u>5,290</u>	<u>2,317</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	427
Repayment of borrowings		<u>-</u>	<u>(28,672)</u>
Net cash used in financing activities		<u>-</u>	<u>(28,245)</u>
Net increase/(decrease) in cash held		(144,416)	34,382
Cash at beginning of financial year		234,410	197,767
Cash transferred from Tasmanian branch		<u>-</u>	<u>2,261</u>
Cash at end of financial year		<u><u>89,994</u></u>	<u><u>234,410</u></u>

The accompanying notes form part of this concise financial report.

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full report of National Union of Workers - Central Branch. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of National Union of Workers - Central Branch as the full financial report.

The accounting policies have been consistently applied by the entity and are consistent with those of the previous financial year.

**NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of subsection (1), (2) and (3) of sections 272, which read as follows:

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

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
<b>NOTE 3: REVENUE</b>			
<b>Operating activities</b>			
- member subscription		366,755	249,681
- interest	3(a)	2,507	2,748
- other revenue		<u>6,273</u>	<u>5,474</u>
		<u>375,535</u>	<u>257,903</u>
<b>Non - operating activities</b>			
- proceeds of sale of property, plant and equipment		13,636	-
- excess on settlement of Tasmanian Branch's liabilities		<u>53,709</u>	<u>-</u>
		<u>67,345</u>	<u>-</u>
<b>Total Revenue</b>		<u><u>442,880</u></u>	<u><u>257,903</u></u>
<b>(a) Interest from:</b>			
- other persons		2,507	2,748

NATIONAL UNION OF WORKERS - CENTRAL BRANCH  
ABN 76 490 325 232

COMMITTEE OF MANAGEMENT STATEMENT

On *25-10-04* the Committee of Management National Union of Workers - Central Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2004:

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

1. the financial statements and notes, as set out on pages 4 to 8 comply with Australian Accounting Standards;
2. the financial statements and notes, as set out on pages 4 to 8 comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of National Union of Workers - Central Branch for the financial year to which they relate;
4. there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 June 2004:
  - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - b. the financial affairs of National Union of Workers - Central Branch have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - c. the financial records of National Union of Workers - Central Branch have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - d. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation ; and
  - e. the information sought in any request of a member of National Union of Workers - Central Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the members or Registrar; and
  - f. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.



.....  
Doug Stevens

Dated *25-10-04*



**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
NATIONAL UNION OF WORKERS - CENTRAL BRANCH**

**Scope**

We have audited the concise financial report of National Union of Workers - Central Branch for the financial year ended 30 June 2004 comprising of the Committee of Management Statement, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements. The Committee of Management is responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of National Union of Workers - Central Branch for the year ended 30 June 2004. Our audit report on the full financial report was signed on enter the date, and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standards and the Workplace Relations Act 1996.

The audit opinion expressed in this report has been formed on the above basis.

**Audit Opinion**

In our opinion, the concise financial report of National Union of Workers - Central Branch complies with Accounting Standard AASB 1039: Concise Financial Report and the Workplace Relations Act 1996.

*BGL & Associates*

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

*I. A. Hinds*

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

Partner

*28 October 2004*

Melbourne



**Australian Government**  
**Australian Industrial Registry**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994S, Melbourne, VIC 3001  
Telephone: (03) 8661 7799  
Fax: (03) 9654 6672

Mr Doug Stevens  
Branch Secretary  
National Union of Workers  
Central Branch  
552 Victoria Street  
NORTH MELBOURNE VIC 3051

Dear Mr Stevens,

**Re: Financial Documents for year ended 30 June 2004 - FR2004/605**  
**Schedule 1B - Workplace Relations Act 1996 (RAO Schedule)**

I acknowledge receipt of the financial reports and concise report of the Central Branch of the National Union of Workers ('NUW') for the year ended 30 June 2004. The documents were lodged in the Registry on 23 December 2004.

The documents have not yet been filed as the following matter requires your further attention:

**Documents to be presented to a general meeting of members**

The Secretary's Certificate states that the full report was presented to a meeting of the branch *Committee of Management* as distinct from such report being presented to a branch general meeting of members.

The standard obligation under subsection 266(1) of the RAO Schedule requires a full report to be presented to a general meeting of members within 7 months of the end of the financial year. It is only permissible to present the report directly to a Committee of Management meeting where the rules of an organisation contain a provision that allows up to 5% of members to demand a general meeting to be held to consider the report (see s266(3)). It is not apparent that the rules of the NUW contain a provision envisaged by the RAO Schedule to permit any variation from the standard obligation for the presentation of the financial reports. In this respect rule 46(B) is not considered to be a rule that could be utilised for such a situation. Accordingly, it would seem that the Central Branch remains obliged to present the full report to a series of sub-branch general meetings (these can include special sub-branch general meetings).

Subject to any alternative view you may have in relation to the operational effect of the financial reporting Part of the RAO Schedule, could you please advise me in writing by Friday 4 February 2005 what arrangements you propose for holding such meetings.

**Comments to assist future financial reports**

The following comments may assist you when you next prepare financial reports. No further action is required regarding these issues with respect to the financial documents already lodged.

## **Employee benefits paid to officers or employees**

Organisations are required to separately disclose the employee benefits paid to *office holders* and *employees*. This requirement is set out in point 11 of the Industrial Registrar's Reporting Guidelines. Employee benefits are defined in the glossary of the Reporting Guidelines as follows:

*employee benefits means all forms of consideration given by the reporting unit in exchange for services rendered by holders of office or employees*

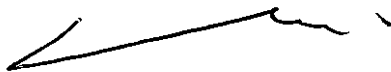
While Note 5 to the Accounts disclosed amounts regarding 'employee benefits' it did not indicate whether such amounts were paid to officers or employees or to a combination of both. Accordingly, in future financial years the branch should ensure that such amounts are separately disclosed. In the event that employee benefits are only paid to one category (whether office holders or employees) then the accounts should clearly indicate which category that is.

## **Concise Report requires resolution by Committee of Management**

The lodged documents confirm that a Concise Report of the financial documents was provided to members but there is no indication that a resolution to this effect was first made by the Committee of Management as required by subsection 265(2) of the RAO Schedule. Future financial returns which utilise a Concise Report should ensure that such a resolution has been made. In addition, an extra clause should be added to the Committee of Management Statement that confirms that the relevant resolution under s265(2) has been passed.

If you have any queries concerning any of the issues raised in this letter please contact me on (03) 8661 7799.

Yours faithfully,



Andrew Schultz  
Statutory Services Branch

20 January 2005