



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994, 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

By email: nuwcentral@nuw.org.au

Dear Mr Stevens,

Re: Financial Documents for year ended 30 June 2005 - FR2005/518
Schedule 1B - Workplace Relations Act 1996 (RAO Schedule)

I acknowledge receipt of the financial reports and concise report for the Central Branch of the National Union of Workers for the year ended 30 June 2005. The documents were lodged in the Registry on 12 December 2005.

This is the second lodgment by the branch of its audited financial reports under the *Registration and Accountability of Organisations (RAO) Schedule* which commenced on 12 May 2003. Such financial accounts are also required to comply with the Industrial Registrar's *Reporting Guidelines* issued under s253 of the RAO Schedule.

The documents have been filed.

If you have any queries please contact me on (03) 8661 7799.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Schultz', written over a horizontal line.

Andrew Schultz
Statutory Services Branch

21 December 2005

7 December 2005

Our Ref: DS:YB / K14:05

Rec'd 12/12/05

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

FR2005/S18

Dear Registrar

**RE: DESIGNATED OFFICERS CERTIFICATE – FINANCIAL ACCOUNTS 2004 - 2005
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 of 2004 – 2005 attached to this correspondence are copies of the full report as received from our auditors in accordance with Section 268.
- That the financial statement for year ending 30 June 2005 was posted on the NUW website and advised to members in our national journal mailed Wednesday 2 December 2005.
- That the full report was presented to a meeting of the Committee of Management, the reporting unit, on 7 December 2005 in accordance with Section 266.

If you require any further information in relation to this matter please contact the undersigned on (03) 9287 1855, or alternately on 0417 332 722.

Yours sincerely



DOUG STEVENS
Branch Secretary

Enc

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

CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2005

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

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 2005 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 2005 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 \$177,185 compared with a surplus of \$28,642 for the 2004 year. This higher surplus is due to expenses having decreased by 42% over the 2004 year whilst revenue has only decreased by 5% over the same period.

Statement of Financial Position:

Total assets increased by \$163,657 or 135% mainly due to an increase in cash and non-current assets while total liabilities fell by \$13,528 or 27% mainly due to a reduction in employee entitlements. As a consequence members fund increased by \$177,185 from the 2004 year.

Apart from the above, there has been no significant change in the composition of the assets and liabilities from the 2004 year.

Statement of Cash Flows:

Cash assets increased from \$89,994 as at 30 June 2004 to \$203,083 as at 30 June 2005.

Cash flows provided by operations reduced by 200% during the year from (\$149,706) in 2004 to \$162,212 in 2005. 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 2005 when compared to 2004.

The net increase in cash held during the year was significantly higher when compared to the 2004 year. This is primarily due to the effect of the decrease in expenses paid.



.....
Doug Stevens

Dated

27/10/05

**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 2005.

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 Milczarek

Doug Stevens

Bill Bolitho (appointed on 1 September 2004)

The members of the Committee of Managements 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 \$177,185.

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 2005 the National Union of Workers - Central Branch had 2,476 (2004: 2,191) members and 1(2004: 4) 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

As at 30 June 2005, no one held positions in a superannuation fund by virtue of their office or membership of the Branch. 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


Doug Stevens

Dated

27/10/05

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

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
Revenue from ordinary activities	3	408,857	442,880
Employee expenses		(45,696)	(146,550)
Occupancy expenses		(13,143)	(5,436)
Legal and professional fees		(7,210)	(9,235)
Meeting and conference expenses		(3,020)	(16,724)
Sustentation fee paid to NUW National Office		-	(50,000)
Tasmanian sub-branch expenses		(105,783)	(140,177)
Travel and accommodation		(13,080)	(11,161)
Other expenses from ordinary activities		<u>(43,740)</u>	<u>(34,955)</u>
		<u>(231,672)</u>	<u>(414,238)</u>
Surplus from ordinary activities		<u><u>177,185</u></u>	<u><u>28,642</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 2005

	Notes	2005 \$	2004 \$
CURRENT ASSETS			
Cash assets		203,083	89,994
Receivables		21,384	15,701
Other		<u>1,451</u>	<u>1,132</u>
TOTAL CURRENT ASSETS		<u>225,918</u>	<u>106,827</u>
NON-CURRENT ASSETS			
Property, plant and equipment		<u>58,783</u>	<u>14,217</u>
TOTAL NON-CURRENT ASSETS		<u>58,783</u>	<u>14,217</u>
TOTAL ASSETS		<u>284,701</u>	<u>121,044</u>
CURRENT LIABILITIES			
Payables		33,764	31,742
Provisions		<u>1,830</u>	<u>12,237</u>
TOTAL CURRENT LIABILITIES		<u>35,594</u>	<u>43,979</u>
NON-CURRENT LIABILITIES			
Provisions		<u>1,094</u>	<u>6,237</u>
TOTAL NON-CURRENT LIABILITIES		<u>1,094</u>	<u>6,237</u>
TOTAL LIABILITIES		<u>36,688</u>	<u>50,216</u>
NET ASSETS		<u>248,013</u>	<u>70,828</u>
MEMBERS FUND			
Reserves		-	(30,137)
Accumulated surplus		<u>248,013</u>	<u>100,965</u>
TOTAL MEMBERS FUND		<u>248,013</u>	<u>70,828</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 2005

	Notes	2005 \$	2004 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and other income		442,572	413,710
Payments to suppliers and employees		<u>(280,360)</u>	<u>(563,416)</u>
Net cash provided by/(used in) operating activities		<u>162,212</u>	<u>(149,706)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	13,636
Payment for property, plant and equipment		(51,222)	(10,824)
Payment for investments		<u>2,099</u>	<u>2,478</u>
Net cash provided by/(used in) investing activities		<u>(49,123)</u>	<u>5,290</u>
Net increase/(decrease) in cash held		113,089	(144,416)
Cash at beginning of financial year		<u>89,994</u>	<u>234,410</u>
Cash at end of financial year		<u><u>203,083</u></u>	<u><u>89,994</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 2005**

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 2005

	Note	2005 \$	2004 \$
NOTE 3: REVENUE			
Operating activities			
- member subscription		396,676	366,755
- interest	3(a)	2,096	2,507
- other revenue		<u>10,085</u>	<u>6,273</u>
		<u>408,857</u>	<u>375,535</u>
Non - operating activities			
- proceeds of sale of property, plant and equipment		-	13,636
- excess on settlement of Tasmanian Branch's liabilities		-	<u>53,709</u>
		-	<u>67,345</u>
Total Revenue		<u>408,857</u>	<u>442,880</u>
 (a) Interest from:			
- other persons		2,096	2,507

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

On *27-10-05* 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 2005:

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 2005:
 - 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.
6. The necessary resolution to provide concise report to members has been passed in accordance with section 265(2) of the RAO Schedule.



.....
Doug Stevens

Dated

27/10/05

**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 2005 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 2005. Our audit report on the full financial report was signed on 3 November 2005, 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 .

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.

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

3 November 2005

Melbourne

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

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2005

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

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 committees present their report on the union for the financial year ended 30 June 2005.

Committee Members

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

Kevin Back

Tim Googh

Ted Milczarek

Doug Stevens

Bill Bolitho (appointed on 1 September 2004)

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

Operating Results

The surplus of the union for the financial year amounted to \$177,185.

Review of Operations

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

Principal Activity

The principal activity of the union 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.

After Balance Date Events

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

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

OPERATING REPORT (continued)

Membership and employee numbers

As at 30 June 2005, the National Union of Workers - Central Branch had 2,476 (2004: 2,191) members and 1 (2004: 4) employee.

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

As at 30 June 2005, no one held positions in a superannuation fund by virtue of their office or membership of the Branch. 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



Doug Stevens

Dated this

27/10/05

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

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
Revenue from ordinary activities	3	408,857	442,880
Employee expenses		(45,696)	(146,550)
Occupancy expenses		(13,143)	(5,436)
Legal and professional fee		(7,210)	(9,235)
Meeting and conference expenses		(3,020)	(16,724)
Sustentation fee to NUW National Office		-	(50,000)
Tasmanian sub-branch expenses		(105,783)	(140,177)
Travel and accommodation		(13,080)	(11,161)
Other expenses from ordinary activities		<u>(43,740)</u>	<u>(34,955)</u>
		<u>(231,672)</u>	<u>(414,238)</u>
Surplus from ordinary activities		<u>177,185</u>	<u>28,642</u>
Total changes in equity		<u>177,185</u>	<u>28,642</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 2005

	Notes	2005 \$	2004 \$
CURRENT ASSETS			
Cash assets	6	203,083	89,994
Receivables	7	21,384	15,701
Other	8	<u>1,451</u>	<u>1,132</u>
TOTAL CURRENT ASSETS		<u>225,918</u>	<u>106,827</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	<u>58,783</u>	<u>14,217</u>
TOTAL NON-CURRENT ASSETS		<u>58,783</u>	<u>14,217</u>
TOTAL ASSETS		<u>284,701</u>	<u>121,044</u>
CURRENT LIABILITIES			
Payables	10	33,764	31,742
Provisions	11	<u>1,830</u>	<u>12,237</u>
TOTAL CURRENT LIABILITIES		<u>35,594</u>	<u>43,979</u>
NON-CURRENT LIABILITIES			
Provisions	11	<u>1,094</u>	<u>6,237</u>
TOTAL NON-CURRENT LIABILITIES		<u>1,094</u>	<u>6,237</u>
TOTAL LIABILITIES		<u>36,688</u>	<u>50,216</u>
NET ASSETS		<u>248,013</u>	<u>70,828</u>
MEMBERS FUND			
Reserves	12	-	(30,137)
Accumulated surplus	13	<u>248,013</u>	<u>100,965</u>
TOTAL MEMBERS FUND		<u>248,013</u>	<u>70,828</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 2005

	Notes	2005 \$	2004 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Membership fees and other income received		442,572	413,710
Payments to suppliers and employees		<u>(280,360)</u>	<u>(563,416)</u>
Net cash provided by/(used in) operating activities	16(b)	<u>162,212</u>	<u>(149,706)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	13,636
Payment for property, plant and equipment		(51,222)	(10,824)
Payment for investments		<u>2,099</u>	<u>2,478</u>
Net cash provided by/(used in) investing activities		<u>(49,123)</u>	<u>5,290</u>
Net increase/(decrease) in cash held		113,089	(144,416)
Cash at beginning of financial year		<u>89,994</u>	<u>234,410</u>
Cash at end of financial year	16 (a)	<u>203,083</u>	<u>89,994</u>

The accompanying notes form part of these financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

National Union of Workers - Central Branch (the Branch) is a registered body under the Workplace Relations Act 1996. The purpose of the Branch 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. It does not take into account changing money values or, except where stated, current valuations of non-current assets. 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 Branch 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 Branch 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 Branch Committee 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 buildings and capitalised leased assets, are depreciated over their estimated useful lives to the Branch commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. 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 Branch 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 Branch 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

(d) Employee Benefits

Provision is made for the Branch'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 Branch 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) Impact of Adoption of Australian Equivalents to International Financial Reporting Standards

The Branch is preparing and managing the transition to Australian Equivalent of International Financial Reporting Standards (AIFRS) effective for financial years commencing from 1 January 2005. The adoption of AIFRS will be reflected in the Branch's financial statements for the year ending 30 June 2006. On first time adoption of AIFRS, comparatives for the financial year ended 30 June 2005 are required to be restated. The majority of the AIFRS transitional adjustments will be made retrospectively against retained earnings at 1 July 2004.

The Branch Committee has assessed the significance of the expected changes and are preparing for their implementation. The impact of the alternative treatments and elections under AASB1: First Time Adoption of Australian Equivalents to International Financial Reporting Standards, has been considered where applicable.

The Branch Committee is of the opinion that the key material differences in the union's accounting policies on conversion to AIFRS and the financial effect of these differences where known are negligible. Users of the financial statements should, however, note that the amounts disclosed could change if there are any amendments by standard-setters to the current AIFRS, or interpretation of the AIFRS requirements changes from the continued work of the Branch Committee.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) 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.

(i) Comparative Figures

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
NOTE 3: REVENUE			
Operating activities			
- members subscription		396,676	366,755
- interest	3(a)	2,096	2,507
- other revenue		<u>10,085</u>	<u>6,273</u>
		<u>408,857</u>	<u>375,535</u>
Non - operating activities			
- proceeds of sale of property, plant and equipment		-	13,636
- excess on settlement of Tasmanian Branch's liabilities		<u>-</u>	<u>53,709</u>
		<u>-</u>	<u>67,345</u>
Total Revenue from ordinary activities		<u>408,857</u>	<u>442,880</u>
 (a) Interest from:			
- other persons		<u>2,096</u>	<u>2,507</u>
 NOTE 4: SURPLUS FROM ORDINARY ACTIVITIES			
Surplus from ordinary activities has been determined after:			
(a) Expenses			
Depreciation of non-current assets			
- property, plant and equipment		6,656	1,462
Remuneration of the auditors for			
- audit or review services		6,200	5,300
- audit of membership numbers		385	380
Affiliation fee		4,972	3,129
Donation		7,645	202
Legal fees		1,010	308
Expenses incurred as consideration for employers making payroll deduction of membership subscription		6,676	3,247

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
NOTE 5: EMPLOYEE EXPENSES			
Wages & Salaries - employees		79,328	129,522
Wages & salaries - officer		-	48,470
Superannuation - employees		8,359	21,207
Superannuation - officer		-	5,115
Leave entitlements provision - employee		(15,108)	9,467
Leave entitlements provision - officer		<u>(442)</u>	<u>(1,166)</u>
		<u>72,137</u>	<u>212,615</u>
 NOTE 6: CASH ASSETS			
Cash on hand		2,147	160
Cash at bank		180,936	69,834
Term Deposit		<u>20,000</u>	<u>20,000</u>
		<u>203,083</u>	<u>89,994</u>
 NOTE 7: RECEIVABLES			
CURRENT			
Other debtors		5,292	2,651
Net GST		<u>16,092</u>	<u>13,050</u>
		<u>21,384</u>	<u>15,701</u>
 NOTE 8: OTHER ASSETS			
CURRENT			
Prepayments		<u>1,451</u>	<u>1,132</u>
 NOTE 9: PROPERTY, PLANT AND EQUIPMENT			
BUILDING IMPROVEMENTS			
At cost		14,635	10,790
Less accumulated amortisation		<u>(1,430)</u>	<u>(78)</u>
		<u>13,205</u>	<u>10,712</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT (Continued)			
PLANT AND EQUIPMENT			
(a) Motor vehicles			
At cost		29,278	-
Less accumulated depreciation		<u>(2,948)</u>	<u>-</u>
		<u>26,330</u>	<u>-</u>
(b) Office equipment			
At cost		41,872	23,773
Less accumulated depreciation		<u>(22,644)</u>	<u>(20,297)</u>
		<u>19,228</u>	<u>3,476</u>
Under lease		5,953	5,953
Less accumulated depreciation		<u>(5,933)</u>	<u>(5,924)</u>
		<u>20</u>	<u>29</u>
Total plant and equipment		<u>45,578</u>	<u>3,505</u>
Total property, plant and equipment		<u>58,783</u>	<u>14,217</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 \$
2005				
Balance at the beginning of the year	10,712	-	3,505	14,217
Additions	3,845	29,278	18,099	51,222
Depreciation expense	<u>(1,352)</u>	<u>(2,948)</u>	<u>(2,356)</u>	<u>(6,656)</u>
Carrying amount at end of year	<u>13,205</u>	<u>26,330</u>	<u>19,248</u>	<u>58,783</u>

NOTE 10: PAYABLES

CURRENT

Unsecured liabilities

Other creditors

NUW-National Office

	3,471	1,449
	<u>30,293</u>	<u>30,293</u>
	<u>33,764</u>	<u>31,742</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
NOTE 11: PROVISIONS			
CURRENT			
Employee benefits	11(a)	<u>1,830</u>	<u>12,237</u>
NON-CURRENT			
Employee benefits	11(a)	<u>1,094</u>	<u>6,237</u>
(a) Aggregate employee benefits liability		<u>2,924</u>	<u>18,474</u>
(b) Number of employees at year end		<u>1</u>	<u>4</u>

NOTE 12: RESERVES

Amalgamation reserves	(a)	<u>-</u>	<u>(30,137)</u>
(a) Amalgamation reserves			
Movements during the financial year:			
Opening balance		(30,137)	(83,846)
Transfer to accumulated surplus		30,137	-
Excess on settlement of Tasmanian Branch's liabilities		<u>-</u>	<u>53,709</u>
Closing balance		<u>-</u>	<u>(30,137)</u>

The reserve has resulted from the amalgamation of various entities. The Commonwealth Foreman's Association amalgamated with NUW to create NUW-Foreman & 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.

NOTE 13: ACCUMULATED SURPLUS

Accumulated surplus at the beginning of the financial year	100,965	126,032
Net surplus attributable to members of the entity	177,185	28,642
Transfers to reserves	-	(53,709)
Transfers from reserves	<u>(30,137)</u>	<u>-</u>
Accumulated surplus at the end of the financial year	<u>248,013</u>	<u>100,965</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
NOTE 14: CAPITAL AND LEASING COMMITMENTS			
(a) Operating lease commitments			
Non-cancellable operating leases contracted for but not capitalised in the financial statements:			
Payable			
- not later than one year		9,797	1,232
- later than one year and not later than five years		<u>32,310</u>	<u>-</u>
		<u>42,107</u>	<u>1,232</u>

General description of leasing arrangement:

The lease is related to the rental of office space and carpark in
NSW.

NOTE 15: RELATED PARTY TRANSACTIONS

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

Kevin Back

Tim Googh

Ted Milczarek

Doug Stevens

Bill Bolitho (appointed on 1 September 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
NOTE 16: CASH FLOW INFORMATION			
(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		2,147	160
Cash at bank		180,936	69,834
Term deposit		<u>20,000</u>	<u>20,000</u>
		<u>203,083</u>	<u>89,994</u>
(b) Reconciliation of cash flow from operations with surplus from ordinary activities			
Surplus from ordinary activities		177,185	28,642
Non-cash flows in surplus from ordinary activities			
Depreciation		6,656	1,462
Net (gain) / loss on disposal of property, plant and equipment		-	7,780
Investment income		(2,099)	(2,478)
Changes in assets and liabilities			
Increase in receivables		(5,683)	(4,830)
(Increase)/decrease in other assets		(318)	512
Increase/(decrease) in payables		2,021	(89,384)
Decrease in provisions		<u>(15,550)</u>	<u>(91,410)</u>
Cash flows from operations		<u>162,212</u>	<u>(149,706)</u>

NOTE 17: FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Branch'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:

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

	Weighted Average Effective Interest Rate		Fixed Interest Rate Maturing Within 1 Year		Floating Interest Rate		Non Interest Bearing	
	2005	2004	2005	2004	2005	2004	2005	2004
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash	3.00	3.00	20,000	20,000	180,936	69,834	2,147	160
Receivables	-	-	-	-	-	-	21,384	15,701
Total Financial Assets			<u>20,000</u>	<u>20,000</u>	<u>180,936</u>	<u>69,834</u>	<u>23,531</u>	<u>15,861</u>
Financial Liabilities:								
Trade and sundry creditors	-	-	-	-	-	-	33,764	31,742
Total Financial Liabilities			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,764</u>	<u>31,742</u>

	Total	
	2005	2004
	\$	\$
Financial Assets:		
Cash	203,083	89,994
Receivables	<u>21,384</u>	<u>15,701</u>
Total Financial Assets	<u>224,467</u>	<u>105,695</u>
Financial Liabilities:		
Trade and sundry creditors	<u>33,764</u>	<u>31,742</u>
Total Financial Liabilities	<u>33,764</u>	<u>31,742</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 Branch does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Branch.

(c) Net Fair Values

The net fair value of assets and liabilities approximates their carrying value.

NOTE 18: UNION DETAILS

The principal place of business of the union is:

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

NATIONAL UNION OF WORKERS - CENTRAL BRANCH
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COMMITTEE OF MANAGEMENT STATEMENT

On *27-10-05* 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 2005:

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 and other mandatory professional reporting requirements;
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 union 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 2005:
 - 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.

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

Designated Officer



Dough Stevens

Dated this

27/10/05

**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 2005 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 Branch'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 2005 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.

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

3 November 2005

Melbourne