

6th December 2005
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Rec'd 9/12/05

Australian Industrial Registry
Statutory Services Branch
Principal Registry
80 Collins Street
MELBOURNE VIC 3000

Fax: (03) 9654 6672
Phone: (03) 8661 7799

FR 2005/S19.

Dear Sir/Madam,

Re: Financial Documents for the year ending 30th June 2005

Please find enclosed financial documents of the National Union of Workers NSW Branch for the year ended 30th June 2005, which have been presented to a meeting of the Branch Committee of Management on 25th October 2005.

If you have any queries, please do not hesitate to contact Stefan Mueller on (02) 9682 4622.

Yours faithfully
NATIONAL UNION OF WORKERS NSW BRANCH

D Belan
.....
DERRICK BELAN
BRANCH SECRETARY

Encl.

State Secretary: Derrick Belan

NB: All official communications must be addressed to the Secretary.

**National Union of Workers -
NSW Branch**

Audited Financial Accounts

Year Ended 30 June 2005

**National Union of Workers
NSW Branch**

COMMITTEE OF MANAGEMENT STATEMENT

On 25th October 2005 the Committee of Management of the National Union of Workers – NSW Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2005:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPRF relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) 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
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) 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: **Derrick Belan**

Title of Office Held: **Branch Secretary**

Signature:

Date: 25/10/2005



**National Union of Workers
NSW Branch**

**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2005**

In accordance with sec. 254 of the Workplace Relations Act 1996 ("the Act"), your Committee of Management report as follows:

Principal Activities

The principal activity of the Branch during the year was that of a registered trade union. No significant change occurred in the nature of those activities during the year.

Operating Result

The operating result of the Branch for the year ended 30th June 2005 was a deficit of \$17,617. No provision for tax was necessary as the Branch is considered exempt.

Significant Changes

There was no significant change in the financial affairs of the Branch during the year.

Rights of Members

Subject to the rules of the organisation and sec. 174 of the Act, members have the right to resign from membership of the Branch by written notice addressed to and delivered to the Secretary of the Branch.

Superannuation Office-holders

No officers and/or members of the Branch are directors of the companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation.

**National Union of Workers
NSW Branch**

**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2005 (continued)**

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration & Accountability of Organisations) Regulations:-

- (a) the number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the RAO Schedule and who are taken to be members of the Branch under sec. 244 of the RAO Schedule was 16,070;
- (b) the number of persons who were at the end of the financial year employees of the Branch including both full-time and part-time employees measured on a full-time equivalent basis was 25;
- (c) the names of those who have been members of the Committee of Management of the Branch at any time during the financial year and the time for which he or she held office were:-

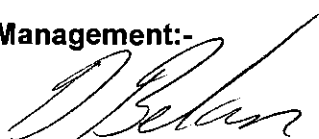
<u>Name</u>	<u>Time Held</u>
Marilyn Issanchon	12 Months
Ron Dunn	12 Months
Derrick Belan	12 Months
Wayne Meaney	12 Months
John Anderson	12 Months
Gary Cripps	12 Months
Frazer Hall	12 Months
Colin Minns	12 Months
Nigel Livingstone	12 Months
Stefan Reidel	12 Months
Tony Abdow	12 Months
Lyn Warzecha	12 Months
Lynne Green	12 Months
Ray Welsh	3 Months
James Nero	3 Months

Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management:-

Date: 25/10/2005


.....
Branch Secretary

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE FOR
THE YEAR ENDED 30 JUNE 2005**

GENERAL

	Note	2005 \$	2004 \$
INCOME			
Contributions and Entrance Fees	1	4,002,821	3,854,264
Interest		128,996	179,733
Payroll Protection Reimbursement		36,259	33,335
Profit/(Loss) on Sale of Assets		(127,340)	3,713
Sundry Income		-	27,126
Asset Revaluation		630	998
Dividends Received		162	94
Rent Received		179	
		<hr/>	<hr/>
TOTAL INCOME		4,041,708	4,099,263
		<hr/>	<hr/>
EXPENDITURE			
Depreciation			
Furniture and Fittings		39,770	19,491
Motor Vehicles		71,312	67,671
Property		32,201	32,201
		<hr/>	<hr/>
		143,283	119,363
		<hr/>	<hr/>
Employee Benefits Expense			
Salaries and Allowances			
-Officials		699,534	686,474
-Other Employees		1,123,836	687,991
-Temporary Staff		7,548	5,579
Accrued Annual Leave		(8,598)	(430)
Long Service Leave		20,268	(1,781)
Fringe Benefits Tax		46,507	46,027
Officers' Superannuation		164,437	210,467
Payroll Tax		94,300	69,415
		<hr/>	<hr/>
		2,147,832	1,703,742
		<hr/>	<hr/>

(The attached notes 1 to 13 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE
YEAR ENDED 30 JUNE 2005 (continued)**

	Note	2005 \$	2004 \$
Other Expenses			
Advertising		11,574	9,292
Affiliation Fees		120,557	80,012
Arbitration Reports and Awards		15,496	14,074
Building Expenses		46,518	46,619
Car Expenses		128,502	101,064
Commission		122,520	109,821
Computer Expenses		40,566	41,998
Delegates Fees and Expenses		25,780	54,022
Donations		14,139	1,904
Electricity		13,224	12,343
Entertainment		988	-
Federal Council Sustentation Fees		706,215	645,608
Freight Paid		155	-
General/Sundry Expenses		36,078	34,974
Insurance		28,893	29,188
Interest Paid		324	56
Professional Services	3	97,102	75,898
Meeting Expenses		20,893	17,933
Mortality Fund Payments		29,000	19,860
Officers' Travelling and Other Expenses		104,902	120,070
Picket Expenses		2,856	909
Picnic Expenses		-	6,093
Postage		28,485	6,271
Printing and Stationery		63,379	50,201
Rent		5,479	5,579
Repairs and Maintenance		9,899	18,356
Staff Training		17,053	5,605
Telephone		71,369	58,385
Workcover Expenditure		-	10,023
		<u>1,761,946</u>	<u>1,576,158</u>
TOTAL EXPENDITURE		<u>4,053,061</u>	<u>3,399,263</u>
OPERATING (DEFICIT) SURPLUS FOR THE YEAR		(11,353)	700,000
Transfer to Asset Revaluation Reserve		(630)	(998)
Accumulated Funds at beginning of Year		<u>4,947,117</u>	<u>4,248,115</u>
ACCUMULATED FUNDS AT END OF YEAR		<u>4,935,134</u>	<u>4,947,117</u>

(The attached notes 1 to 13 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE
YEAR ENDED 30 JUNE 2005 (continued)**

MEMBERS' DISTRESS	Note	2005	2004
		\$	\$
INCOME			
Contributions	1	168,906	152,610
Interest		<u>39,353</u>	<u>37,918</u>
TOTAL INCOME		<u>208,259</u>	<u>190,528</u>
LESS EXPENDITURE			
Advances and Expenses		<u>67,084</u>	<u>191,429</u>
TOTAL EXPENDITURE		<u>67,084</u>	<u>191,429</u>
NET (DEFICIT) SURPLUS FOR THE YEAR		141,175	(901)
Accumulated Funds at Beginning of Year		<u>946,205</u>	<u>947,106</u>
ACCUMULATED FUNDS AT END OF YEAR		<u>1,087,380</u>	<u>946,205</u>

(The attached notes 1 to 13 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE
YEAR ENDED 30 JUNE 2005 (continued)**

DELEGATES FUND	2005	2004
	\$	\$
INCOME		
Deductions from Commission	40,722	34,301
Interest	<u>13</u>	<u>688</u>
TOTAL INCOME	<u>40,735</u>	<u>34,989</u>
EXPENDITURE		
Bank Charges	-	66
Delegates Expenses	<u>87,288</u>	<u>69,079</u>
TOTAL EXPENSES	<u>87,288</u>	<u>69,145</u>
NET (DEFICIT) SURPLUS FOR THE YEAR	(46,553)	(34,156)
Prior year adjustment	12	-
	<u>(46,553)</u>	<u>(34,156)</u>
Accumulated loss at beginning of year	<u>19,842</u>	<u>53,998</u>
ACCUMULATED RESERVES AT END OF YEAR	<u>(26,711)</u>	<u>19,842</u>

(The attached Notes 1 to 13 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005

	Note	2005 \$	2004 \$
ACCUMULATED FUNDS AND RESERVES			
Asset Revaluation Reserve		2,739	2,109
General Fund		4,935,134	4,947,117
Members' Distress Reserve		1,087,380	946,205
Delegate Reserve		<u>(26,711)</u>	<u>19,842</u>
		5,998,542	5,915,273
Represented by Net Assets as follows:			
CURRENT ASSETS			
Cash Assets			
Cash on Hand		1,100	1,100
Cash at Bank-General		<u>1,534,214</u>	<u>210,043</u>
		<u>1,535,314</u>	<u>211,143</u>
Receivables			
Accrued Interest		8,778	7,662
Prepayments		37,013	32,276
Sundry Debtors		<u>44,699</u>	<u>68,489</u>
		<u>90,490</u>	<u>108,427</u>
Investment	7	<u>2,014,482</u>	<u>1,823,528</u>
Long Service Leave and Retiring Allowance Fund			
Cash at bank		<u>219,684</u>	<u>210,185</u>
Members' Distress Fund			
Cash at bank		877,937	783,353
Accrued Interest		3,499	3,192
Sundry Debtor		39,688	
Distress Clearing Account		10	
Sundry Debtor-General Fund		<u>57,086</u>	<u>50,490</u>
		<u>978,220</u>	<u>837,035</u>
Delegates Trust Fund			
Cash at Bank		(12)	4,945
Sundry Debtor-General Fund		<u>(26,699)</u>	<u>14,897</u>
		<u>(26,711)</u>	<u>19,842</u>
TOTAL CURRENT ASSETS		<u>4,811,479</u>	<u>3,210,160</u>

(The attached notes 1 to 13 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2004 (continued)

	Note	2005 \$	2004 \$
NON CURRENT ASSETS			
Other Financial Assets			
Shares	8	<u>4,375</u>	<u>3,745</u>
Fixed Assets			
Property	4	1,121,484	1,153,685
Motor Vehicles	5	541,989	480,350
Office Furniture	6	<u>278,378</u>	<u>155,885</u>
		<u>1,941,851</u>	<u>1,789,920</u>
Loan Receivable	9	-	1,500,000
TOTAL NON CURRENT ASSETS		<u>1,946,226</u>	<u>1,793,665</u>
TOTAL ASSETS		<u>6,757,706</u>	<u>6,503,825</u>
LESS LIABILITIES			
CURRENT LIABILITIES			
Payables			
Income Received in Advance		-	-
Sundry Creditors		445,377	257,032
Bond-Wollongong		5,500	5,500
Levy Against Future Legal Costs		10,083	10,083
		<u>460,960</u>	<u>272,615</u>
Provisions			
Provision for Accrued Annual Leave		130,705	139,303
Provision for Long Service Leave		167,498	176,634
		<u>298,203</u>	<u>315,937</u>
TOTAL CURRENT LIABILITIES		<u>759,163</u>	<u>588,552</u>
NET ASSETS		<u>5,998,542</u>	<u>5,915,273</u>

(The attached notes 1 to 13 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Contributions		4,171,728	4,006,874
Payment to Suppliers & Employees		(3,792,688)	(3,433,883)
Interest		168,349	217,651
Other Receipt/(Payments)		<u>36,600</u>	<u>60,555</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	11B	<u>583,989</u>	<u>851,197</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale and Transfer of Property, Plant & Equipment		272,232	10,600
Payment for Property, Plant and Equipment		(694,787)	(241,946)
Payment from Delegates Trust-Net		(46,553)	(34,156)
Loan Repaid		1,500,000	(1,500,000)
Investment Redeemed (Invested)		<u>(191,583)</u>	<u>692,848</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>839,309</u>	<u>(1,072,654)</u>
NET INCREASE (DECREASE) IN CASH HELD		1,423,297	(221,457)
Cash at Beginning of Year		<u>1,209,626</u>	<u>1,431,083</u>
CASH AT END OF YEAR	11A	<u>2,632,923</u>	<u>1,209,626</u>

(The attached notes 1 to 13 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005

1. STATEMENT OF ACCOUNTING POLICIES

The accounts have been prepared in accordance with Statements of applicable Accounting Standards, other mandatory professional reporting requirements and the Australian Workplace Relations Act, 1996. The accounts have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the economic entity in the preparation of the accounts.

- (a) Depreciation of fixed assets is calculated on the straight line basis in order to write the assets off over their useful lives to the Union.
- (b) Provision for employee benefits in the form of Long Service Leave and Accrued Annual Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.
- (c) Contributions are accounted for on a cash receipts basis. Otherwise the concept of accruals accounting has been adopted in the preparation of the financial statements.
- (d) No provision for Income Tax is necessary as the Union is exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act.

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 provision of Sub-Sections [1], [2] and [3] of Section 274 which reads as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

	2005	2004
	\$	\$
3. PROFESSIONAL SERVICES		
Audit Fees	35,535	25,000
Legal Expenses	61,567	50,898
	<u>97,102</u>	<u>75,898</u>

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005 (continued)

	2005 \$	2004 \$
4. PROPERTY		
Land and Buildings at Cost	1,710,101	1,710,101
Less Accumulated Depreciation on Buildings	<u>588,617</u>	<u>556,416</u>
TOTAL LAND AND BUILDINGS	<u>1,121,484</u>	<u>1,153,685</u>
Located at:		
3-5 Bridge Street, Granville		
1 Bridge Street, Granville		
2 Bridge Street, Granville		
5. MOTOR VEHICLES		
At Cost	556,734	581,634
Less Accumulated Depreciation	<u>14,745</u>	<u>101,284</u>
	<u>541,989</u>	<u>480,350</u>
6. OFFICE FURNITURE		
At Cost	434,004	857,916
Less Accumulated Depreciation	<u>155,626</u>	<u>702,031</u>
	<u>278,378</u>	<u>155,885</u>
7. INVESTMENT(AT COST)		
Other		
Realisable within one year	<u>2,014,482</u>	<u>1,823,527</u>
	<u>2,014,482</u>	<u>1,823,527</u>
8. SHARES		
NRMA at valuation	3,750	3,120
Express Newspapers at Cost	400	400
Trade Union Medical Centre at Cost	225	225
	<u>4,375</u>	<u>3,745</u>
9. LOAN RECEIVABLE		
Australian Labour Party - New South Wales Branch	<u>-</u>	<u>1,500,000</u>

The loan is guaranteed by the Labor Campaign Pty Limited and bears interest at 6 % per annum. Repayable by 31 December 2005. Interest is payable in quarterly instalments in March, June, September and December.

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005 (continued)**

10. STATE REGISTERED ORGANISATIONS

In view of conflicting authorities in respect to the effect of dual incorporation of Trade Unions (including Moore v Doyle [1969] 15 FLR 59, Baily v Krantz (1985) 13 IR 339; Sharpe v Goodhew (1990) 33 IR 238, Frizziero v Rice (1991) 36 IR 291 and on Appeal (1992) 45 IR 204 together with the decision of the Federal Court of Australia in McJannet v White (1992) 46 IR 183 and on Appeal (VI 64 of 1992, 4 May 1994), it has not been possible to definitely apportion property and assets held by the New South Wales Branch of the National Union of Workers and the counterpart State Trade Union, registered pursuant to the provisions of the Industrial Relations Act 1996 (NSW).

Further, an agreement pursuant to Section 202 of the Australian Industrial Relations Act 1988 was executed between the National Union of Workers, New South Wales Branch and the National Association of Workers (D No 30075 of 1992) whereby all persons who are members of the National Union of Workers, New South Wales Branch are also entitled to membership of the Federal Organisation and whereby agreement has also been reached in respect to the payment of a common membership fee and also in respect to the joint holding of funds, property and assets.

Accordingly, the financial records herein represent a replication of records which have been produced to the Commonwealth Industrial Registrar in respect of the financial year ended 30 June 2005.

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005

(continued)

	2005 \$	2004 \$
11. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2004		
A. RECONCILIATION OF CASH		
Cash on hand and on call deposits with banks or Financial Institutions		
Cash at Bank		
Delegates Commission Trust	(12)	4,945
General Fund	1,534,214	210,043
Long Service Leave & Retiring Allowance Fund	219,684	210,185
Distress Fund	877,937	783,353
Cash on Hand	<u>1,100</u>	<u>1,100</u>
	<u>2,632,923</u>	<u>1,209,626</u>
B. RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH OPERATING SURPLUS		
Operating Surplus		
General Account Surplus	(11,353)	700,000
Distress Fund (Deficit) Surplus	141,175	(901)
Non Cash Flows in Operating Surplus		
Depreciation	143,283	119,363
Changes in Employees Provision	(17,734)	(2,211)
(Profit)/Loss on Sale of Assets	127,340	(3,713)
Changes in Assets & Liabilities		
(Increase)/Decrease in Sundry Debtors	19,092	(93,008)
(Increase)/Decrease in Accrued Interest	(1,423)	3,928
(Increase)/Decrease in Prepayments	(4,737)	(1,168)
Increase/(Decrease) in Sundry Creditors	<u>188,345</u>	<u>128,907</u>
CASH FLOWS FROM OPERATIONS	<u>583,989</u>	<u>851,197</u>

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005
(continued)

	2005	2004
	\$	\$
12. DELEGATES TRUST FUND		
INCOME		
Deductions from Commission	-	-
Interest	-	-
	<hr/>	<hr/>
TOTAL INCOME	-	-
	<hr/>	<hr/>
EXPENDITURE		
Bank Charges	-	-
Delegates Expenses	-	-
	<hr/>	<hr/>
TOTAL EXPENSES	-	-
	<hr/>	<hr/>
NET DEFICIT FOR THE YEAR	-	-
	<hr/>	<hr/>
BALANCE AT BEGINNING OF YEAR	-	-
	<hr/>	<hr/>
BALANCE AT END OF YEAR	-	-
	<hr/>	<hr/>

The Delegates Trust Fund figures have been restated as a Statement of Financial Performance to give a more meaningful presentation.

13. CONTINGENT LIABILITIES

Contingent Liabilities exist in relation to matters of litigation involving the Branch, and which have not been resolved at the date of adoption of these accounts. All such matters are being vigorously defended by the Branch and no provision has been made in the accounts for such matters.

The Branch may also be liable for costs in respect of certain legal matters but it is not possible to assess the amount of such costs, and accordingly, no provision for same had been made in the accounts.



CERTIFIED PRACTISING ACCOUNTANTS
REGISTERED COMPANY AUDITORS

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Wagga Wagga NSW 2650

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ABN 41 413 766 018

NATIONAL UNION OF WORKERS – NEW SOUTH WALES BRANCH INDEPENDENT AUDIT REPORT

To the members of the National Union of Workers – New South Wales Branch.

SCOPE

We have audited the financial report of the National Union of Workers – New South Wales Branch for the year ended 30 June 2005 as set out on pages 1 to 14. The Branch's Committee of Management is responsible for the preparation and presentation of the financial report and the information it contains. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the branch.

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 account estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Australian accounting standards, other mandatory professional reporting requirements and statutory requirements so as to present a view of the Branch which is consistent with our understanding of its financial position and the results of its operations.

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

AUDIT OPINION

We have received all the information and explanations required for the purposes of our audit.

As noted in the attached financial report the financial transactions, assets and liabilities appearing in the report also appear in identical manner in the financial report lodged with the Commonwealth Industrial Registrar for the same financial period. Such disclosure is made on legal advice pending a final determination as to the ultimate holdings of properties and funds between those respective bodies.

In our opinion:

- (i) The financial report is properly drawn up so as to present fairly the financial position of the Union as at 30 June 2005 and its performance for the year ended on that date;
- (ii) The financial report is in accordance with the provisions of the Workplace relations Act 1996 and Australian Accounting Standards.

Phillip W Miller CPA
HMA Accounting
Suite 4/104 Baylis Street
WAGGA WAGGA NSW 2650

28 October 2005

PARTNERS

Phillip W. Miller B.Bus (Acc/Comp), CPA
David W. Hodge B.Bus (Acc/Comp), CPA

CONSULTANT

Robert J. Flower PNA

ASSOCIATE

Matthew V. Woolnough CA

Liability limited by a
Scheme approved under
Professional Standards Legislation



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 Derrick Belan
Branch Secretary
National Union of Workers
New South Wales Branch
3-5 Bridge St
GRANVILLE NSW 2142

By email: dbelan@nuw.com.au

Dear Mr Belan,

Re: Financial Documents for year ended 30 June 2005 - FR2005/519
Schedule 1B - Workplace Relations Act 1996 (RAO Schedule)

I have received the financial reports for the NSW Branch of the National Union of Workers for the year ended 30 June 2005. The documents were lodged in the Registry on 9 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.

For your assistance I also enclose a *Timeline* which sets out the fundamental financial reporting requirements of the RAO Schedule.

The documents have not yet been filed as the following three matters require your further attention by Friday 27 January 2006.

1. Provide copy of all reports to meeting

Sections 265(1) and (5) of the RAO Schedule require the following reports to be presented to a meeting:

- Auditor's Report,
- General Purpose Financial Report
- Operating Report

The Secretary's Certificate states that the financial documents were presented to a Committee of Management meeting on 25 October 2005. However, the Auditor's Report was dated 3 days later (28 October 2005). Therefore it would appear that the signed and dated Auditor's Report was not able to be presented to the meeting – see s257(9) of the RAO Schedule.

Action required - The branch is required to present all three financial reports to a further Committee of Management meeting and then to lodge a revised Secretary's Certificate that confirms this has occurred and provides the date of the meeting – s268 of the RAO Schedule.

2. Operating Report - superannuation trustees

The Operating Report must give details (including details of the position held) of any officer or member of the reporting unit who is:

- a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme;

where a criterion for the officer/member being the trustee or director is that the officer/member is an officer/member of a registered organisation – see s254(2)(d) of the RAO Schedule.

The Operating Report for the branch for year ending 30 June 2005 states that:

No officers and/or members of the branch are directors of the companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation.

I note, however, that:

- in the year ending 30 June 2004 the Branch Operating Report stated that you were a 'director' of LUCRF Pty Ltd, and
- in the year ending 30 June 2005 the Annual Report for LUCRF Pty Ltd stated that you were a 'trustee' of LUCRF Pty Ltd.

Action required - Can you clarify whether, in the financial year ending 30 June 2005, you were a trustee of LUCRF Pty Ltd due to being an officer or member of a registered organisation.

3. Provide details regarding donations

An organisation is required to lodge details in relation to each donation made during the financial year for an amount exceeding \$1,000 - see s237 of the RAO Schedule.

Action required - As the accounts disclosed a total for donations of \$14,139 it would be appreciated if you could complete the enclosed form to provide the relevant particulars for any individual donation(s) that may have exceeded \$1,000.

RAO Schedule available on internet

For the benefit of registered organisations you can view the full text of the following documents on the Australian Industrial Relations Commission's website at www.airc.gov.au:

- Workplace Relations Act 1996,
- the RAO Schedule,
- the RAO Regulations,
- the RAO Reporting Guidelines,

If you have any queries regarding the above matters please contact me on (03) 8661 7799.

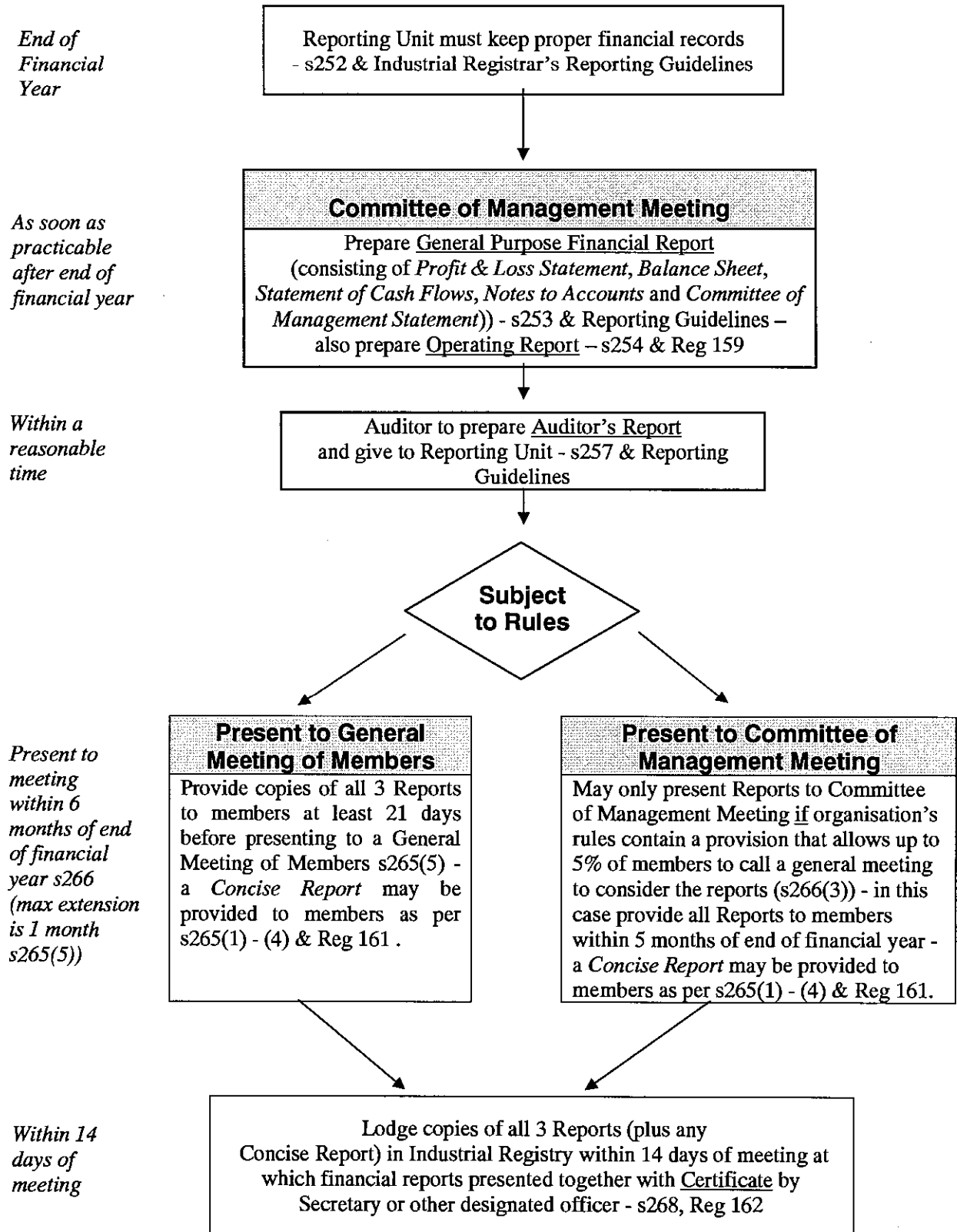
Yours faithfully,



Andrew Schultz
Statutory Services Branch
21 December 2005

Financial Reporting Timeline (RAO Schedule)

Lodge financial reports within 6½ months of end of financial year by completing the following steps:





Statement of loans, grants and donations exceeding \$1,000 for financial year ending / /

Please refer to section 237 of the Registration and Accountability of Organisations Schedule when completing this form. This statement when lodged in the Industrial Registry may only be viewed by a member of the organisation. Use of this form is optional.

Organisation's details

Name of organisation including division or branch

Postal Address

Postcode

Details of officer completing the statement

Name

Name of office held in organisation

(An officer of the organisation should complete the statement)

Postal Address

Postcode

Telephone number (BH)

Facsimile number

Email

I certify that the information contained in this statement and its attachments is true and complete.

Signature

Date

An organisation must lodge this statement within 90 days of the end of its financial year.

Enquiries and statements should be addressed to:

THE INDUSTRIAL REGISTRAR
 AUSTRALIAN INDUSTRIAL REGISTRY
 LEVEL 42, NAURU HOUSE
 80 COLLINS STREET
 MELBOURNE VIC 3000
 Tel: (03) 8661 7777
 Fax: (03) 9655 0401
 Email: melbourne@air.gov.au

AUSTRALIAN INDUSTRIAL REGISTRY

Australian Industry Registry

LOANS, GRANTS AND DONATIONS EXCEEDING \$1,000 MADE BY ORGANISATION

(if insufficient space, please attach separate sheet)

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan

Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant

Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

DONATIONS

Name of Recipient of Donation	Address	Amount	Purpose of Donation

Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.



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Mr Derrick Belan
Branch Secretary
National Union of Workers
New South Wales Branch
3-5 Bridge St
GRANVILLE NSW 2142

By email: dbelan@nuw.com.au

Dear Mr Belan,

Attention: Mr Stefan Mueller, Industrial Officer

Re: Financial Documents for year ended 30 June 2005 - FR2005/519
Schedule 1B - Workplace Relations Act 1996 (RAO Schedule)

I have received your letter dated 10 January 2006 that provides further information regarding the financial reports for the NSW Branch of the NUW for year ending 30 June 2005. The letter was received in the Registry, by facsimile, on 10 January 2006.

The letter advises that:

- the financial reports were presented to a Branch Committee of Management meeting on 21 November 2005; and that
- you were a director and trustee of LUCRF Pty Ltd during the financial year ending 30 June 2005 but subsequently resigned from this position in August 2005. A copy of your resignation letter, dated 11 August 2005, was also received.

Statement of donations

I have also received your statement relating to donations made by the branch during the year ending 30 June 2005. This statement has been placed on a file that is not available to the general public in accordance with s237(4) of the RAO Schedule.

Thank you for forwarding the above information.

The financial reports for the branch for year ending 30 June 2005 have now been filed.

Yours faithfully,

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

Andrew Schultz
Statutory Services Branch

12 January 2006



10th January 2006
exec\indreg\financial accounts.05

Australian Industrial Registry
Level 35, Nauru House
80 Collins Street
MELBOURNE VIC 3000

Fax: (03) 9654 6672

Attention: Andrew Schultz

Dear Mr. Schultz,

Re: Financial Documents for year ended 30th June 2005 – FR2005/519

I refer to the abovementioned matter and your letter dated 21st December 2005. You have informed us that the financial reports lodged in the Industrial Registry on 9th December 2005 have not yet been filed as some matters require further attention.

Please find enclosed the following documents:

- Letter of resignation of Mr. Derrick Belan (Branch Secretary) to Mr. Greg Sword (Chairman Labour Union Co-operative Retirement Fund (LUCRF), dated 11th August 2005 (s.254(2)(d) of the RAO Schedule).
- Details in relation to each donation made during the financial year for donations exceeding \$1,000 (s.237 of the RAO Schedule).

I further declare as follows:

The financial documents were presented to a Committee of Management meeting on 21st November 2005, subsequent to the Auditor's Report being signed and dated on 28th October 2005.

The Secretary's Certificate lodged in the Registry contained an incorrect date.

.../2

State Secretary: Derrick Belan

NB: All official communications must be addressed to the Secretary.

National Union of Workers (New South Wales Branch) • 3-5 Bridge Street, Granville NSW 2142
Telephone: 9682 4622 • Facsimile: 9897 3713 • Email: dbelan@nuw.com.au or membership@nuw.com.au
ABN 89 572 801 634

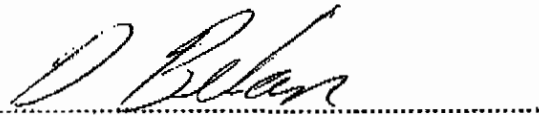
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I was a trustee of LUCRF during the financial year ending 30th June 2005. I have been advised by LUCRF that my letter of resignation was received on 15th August 2005 and that LUCRF notified the Australian Securities & Investments Commission (ASIC) on 16th August 2005 of my resignation as a trustee.

If you require any further information, please contact Stefan Mueller at this office on (02) 9682 4622.

Yours faithfully
NATIONAL UNION OF WORKERS NSW BRANCH



DERRICK BELAN
BRANCH SECRETARY

Encl.

11 August 2005.

Mr. Greg Sword
Chairman
Labour Union Cooperative Retirement Fund
552 Victoria Street
NORTH MELBOURNE. VIC. 3051.

Dear Greg,

I write to inform yourself and the LUCRF Board members of my decision to resign as a director and trustee of LUCRF.

I make this decision in the full knowledge that the Fund is successfully implementing significant changes that will place the Fund in a strong position to continue to deliver decent retirement incomes to its members.

This resignation is effective upon receipt of this correspondence.

Finally, I would like to thank my fellow Board members and management for all their assistance during y time on the Board, and also to wish the Fund great success in the future.

Yours faithfully


Derrick Belan

15/8/05.