



Australian Government

Australian Industrial Registry

Level 4, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6812

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

Email: dbelan@nuw.com.au

Dear Mr Belan

**Re: Financial Documents - year ended 30 June 2006 (FR2006/408)
Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)**

I have received the financial reports for the National Union of Workers, NSW Branch for the year ended 30 June 2006. The documents were lodged in the Registry on 27 December 2006.

The documents have not yet been filed.

The following matter requires your further attention.

Timescale requirements

I note that similar concerns were raised with the Branch in relation to the previous year's financial reports. The RAO Schedule sets out a particular chronological order in which financial documents must be prepared, audited, supplied to members and then presented to a meeting – see the enclosed *Timeline*.

The Designated Officer's Certificate states that '*the full report was presented to a meeting of the committee of management...on 18 December 2006*' yet the following parts of the full report were each dated 19 December 2006:

- Committee of Management Statement
- Operating Report

The report of the auditor (dated 6 September 2006) pre-dates both the Committee of Management Statement and the Operating Report. The auditor in his/her report is required to give an opinion in respect of the general purpose financial report prepared in accordance with s253 of the RAO Schedule, such report includes any other reports or statements required by the reporting guidelines. You should bring this matter to your Auditor's attention.

Action required – Could you please confirm, in writing, that the Branch has presented the full financial report to a further Committee of Management meeting (subsequent to 18 December 2006). If this has not occurred, the Branch is required to present the full financial report to a further Committee of Management meeting and then lodge in the Industrial Registry a revised Designated Officer's Certificate under s268 that confirms this has occurred.

Also, in order to demonstrate compliance with the timescale requirements could you also please provide details of the date that the full financial report was supplied to members.

The following comment is to assist you when you next prepare financial reports. No further action is required regarding this matter with respect to the lodged documents.

Accounts need to include Notice which sets out sections 272(1), (2) & (3)

The Notice to Members in Note 2 of the accounts is incorrect. Subsection 272(5) of the RAO Schedule requires the accounts to include a copy of subsections 272(1), (2) & (3) as follows:

272 Information to be provided to members or Registrar

- (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).*

Note: This subsection is a civil penalty provision (see section 305).

Please do not hesitate to contact me by email at robert.pfeiffer@air.gov.au or on (03) 8661 7817 if you wish to discuss this letter.

Yours sincerely,



for
Robert Pfeiffer
Statutory Services Branch

19 April 2007

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
FIRST MEETING: Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1)	/ /	<i>as soon as practicable after end of financial year</i>
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<i>within a reasonable time of having received the GPFR</i>
Provide full report free of charge to members. (a) if the report is to be presented before a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year. <i>(obligation to provide full report may be discharged by provision of a concise report s265(1))</i>	/ / / /	
SECOND MEETING: Present full report to: (a) General Meeting of Members - s266 (1),(2), or (b) where rules of organisation allow, a Committee of Management meeting - s266 (3)	/ / / /	<i>within 6 months of end of financial year</i> <i>within 6 months of end of financial year</i>
Lodge full report (including any concise report) in the Industrial Registry together with secretary's certificate (or other officer authorised by the rules of the organisation) - s268	/ /	<i>within 14 days of meeting</i>

Note: The legislation makes limited provision for extensions of time concerning the provision of the full report to members and the presentation of the full report to a general meeting etc however the maximum extra time allowed can be no more than one month.

30 April 2007

Australian Industrial Registry
Statutory Services Branch

Attention: Robert Pfeiffer

Level4, 11 Exhibition Street
Melbourne VIC 3000
Fax: (03) 8661 7777

Dear Mr Pfeiffer

Re: Financial Documents-year ended 30 June 2006 (FR2006/408)

I refer to your correspondence of 19 April 2007 and the telephone conference with Stefan Mueller, Industrial Officer of our organisation on 20 April 2007.

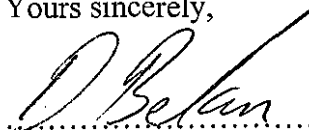
I state that the Branch has complied with the timescale requirements as the Branch has:

1. prepared the General Purpose Financial Report and Operating Report relation to the financial year ended 30 June 2006 on 17 July 2006. This occurred before the auditor of the Branch prepared and signed the Auditor's Report on 6 September 2006; and
2. supplied the full report to the members of the Branch on the 10 December 2006.

I will also ensure that the accounts include a Notice which sets out sections 272(1), (2) & (3) of the RAO Schedule when the Branch next prepares its financial reports.

Please do not hesitate to contact Stefan Mueller, Industrial Officer at smueller@nuw.com.au or on (02) 9664 2835 if you require further information.

Yours sincerely,



Derrick Belan
Branch Secretary

State Secretary: Derrick Belan

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

19th December 2006

Australian Industrial Relations Commission
Principal Registry
Level 4, 11 Exhibition Street
GPO Box 1995
MELBOURNE VIC 3001

Tel: (03) 8661 7777
Fax: (03) 9655 0401

Dear Madam/Sir,

**Re: Financial Report – Year ending 30 June 2006 – National Union of Workers,
New South Wales Branch**

Please find enclosed the financial report of the National Union of Workers, New South
Wales Branch for the year ending 30th June 2006.

Included is:-

- Operating Report
- Committee of Management Statement
- Certificate of Secretary
- Independent Auditor's Report

Yours faithfully



DERRICK BELAN
BRANCH SECRETARY

State Secretary: Derrick Belan

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

NATIONAL UNION OF WORKERS

NEW SOUTH WALES BRANCH

CERTIFICATE OF SECRETARY

I, **Derrick Belan** being the Secretary of the National Union of Workers – New South Wales Branch certify that the documents lodged are copies of the full report provided to members and presented to a meeting of the Committee of Management of the reporting unit on **18th December 2006** in accordance with section 266 of the Registration and Accountability of Organisations Schedule (RAO Schedule).

A handwritten signature in black ink, appearing to read 'D Belan', written in a cursive style.

Signature:

Date: 19th December 2006

National Union of Workers -
NSW Branch

Audited Financial Accounts

Year Ended 30 June 2006

**National Union of Workers
NSW Branch**

COMMITTEE OF MANAGEMENT STATEMENT

On 18th December 2006 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 2006:

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:

19th December 2006

**National Union of Workers
NSW Branch**

**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2006**

In accordance with sec. 254 of the Registration and Accountability of Organisations Schedule (RAO Schedule), 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 2006 was a surplus of \$309,919. 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 RAO Schedule, 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 2006 (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 16,211;
- (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 Abdou	12 Months
Lyn Warzecha	12 Months
Ron Brann	12 Months
Ray Walsh	12 Months
James Nero	12 Months

Other Relevant Information

Nil

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

Date: 19 December 2006


.....
Branch Secretary

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

STATEMENT OF FINANCIAL PERFORMANCE FOR
THE YEAR ENDED 30 JUNE 2006

GENERAL

	Note	2006 \$	2005 \$
INCOME			
Contributions and Entrance Fees	1	4,228,457	4,002,821
Interest		220,567	128,996
Payroll Protection Reimbursement		1,999	36,259
Profit/(Loss) on Sale of Assets		-	(127,340)
Sundry Income		15,583	-
Asset Revaluation		412	630
Dividends Received		252	162
Rent Received		-	179
TOTAL INCOME		4,467,270	4,041,708
EXPENDITURE			
Depreciation			
Furniture and Fittings		49,189	39,770
Motor Vehicles		73,927	71,312
Property		32,201	32,201
		155,317	143,283
Employee Benefits Expense			
Salaries and Allowances			
-Officials		600,245	699,534
-Other Employees		1,038,749	1,123,836
-Casual Labour		2,335	7,548
Accrued Annual Leave		39,940	(8,598)
Long Service Leave		50,949	20,268
Fringe Benefits Tax		39,013	46,507
Officers' Superannuation		319,963	164,437
Payroll Tax		85,871	94,300
		2,177,065	2,147,832

(The attached notes 1 to 11 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

STATEMENT OF FINANCIAL PERFORMANCE FOR THE
YEAR ENDED 30 JUNE 2006 (continued)

	Note	2006 \$	2005 \$
Other Expenses			
Advertising		15,820	11,574
Affiliation Fees		94,679	120,557
Ambulance Fund		18,063	-
Apparel		37,842	11,264
Arbitration Reports and Awards		17,699	15,496
Building Expenses		45,200	46,518
Car Expenses		132,422	128,502
Commission		33,298	122,520
Computer Expenses		20,692	40,566
Delegates Fees and Expenses		21,464	25,780
Donations		10,845	14,139
Electricity		10,552	13,224
Entertainment		-	988
Federal Council Sustentation Fees		719,784	706,215
Freight Paid		405	155
General/Sundry Expenses		32,376	24,814
Insurance		80,446	28,893
Interest Paid		2,805	324
Professional Services	3	186,702	97,102
Meeting Expenses		16,461	20,893
Mortality Fund Payments		23,354	29,000
Officers' Travelling and Other Expenses		114,120	104,902
Organising Fees		22,000	-
Picket Expenses		17,401	2,856
Postage		35,106	28,485
Printing and Stationery		67,716	63,379
Rent		3,774	5,479
Repairs and Maintenance		14,498	9,899
Staff Training		18,519	17,053
Telephone		69,024	71,369
		<u>1,883,067</u>	<u>1,761,946</u>
TOTAL EXPENDITURE		<u>4,215,449</u>	<u>4,053,061</u>
OPERATING SURPLUS (DEFICIT) FOR THE YEAR		251,821	(11,353)
Transfer to Asset Revaluation Reserve		(412)	(630)
Accumulated Funds at beginning of Year		<u>4,935,134</u>	<u>4,947,117</u>
ACCUMULATED FUNDS AT END OF YEAR		<u>5,186,543</u>	<u>4,935,134</u>

(The attached notes 1 to 11 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE
YEAR ENDED 30 JUNE 2006 (continued)**

MEMBERS' DISTRESS	Note	2006	2005
		\$	\$
INCOME			
Contributions	1	161,028	168,906
Interest		<u>36,285</u>	<u>39,353</u>
TOTAL INCOME		<u>197,313</u>	<u>208,259</u>
LESS EXPENDITURE			
Advances and Expenses		<u>4,600</u>	<u>67,084</u>
TOTAL EXPENDITURE		<u>4,600</u>	<u>67,084</u>
NET (DEFICIT) SURPLUS FOR THE YEAR		192,713	141,175
Accumulated Funds at Beginning of Year		<u>1,087,380</u>	<u>946,205</u>
ACCUMULATED FUNDS AT END OF YEAR		<u>1,280,093</u>	<u>1,087,380</u>

(The attached notes 1 to 11 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE
YEAR ENDED 30 JUNE 2006 (continued)**

DELEGATES FUND	2006	2005
	\$	\$
INCOME		
Deductions from Commission	-	40,722
Interest	-	13
TOTAL INCOME	<u>-</u>	<u>40,735</u>
EXPENDITURE		
Delegates Expenses	<u>27,067</u>	<u>87,288</u>
TOTAL EXPENSES	<u>27,067</u>	<u>87,288</u>
NET (DEFICIT) SURPLUS FOR THE YEAR	(27,067)	(46,553)
Accumulated loss at beginning of year	(26,711)	19,842
ACCUMULATED RESERVES AT END OF YEAR	<u>(53,778)</u>	<u>(26,711)</u>

(The attached Notes 1 to 11 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

STATEMENT OF FINANCIAL PERFORMANCE FOR THE
YEAR ENDED 30 JUNE 2006 (continued)

IR FUND	2006	2005
	\$	\$
INCOME		
Contributions	84,666	-
Interest	<u>168</u>	<u>-</u>
TOTAL INCOME	<u>84,834</u>	<u>-</u>
EXPENDITURE		
Federal IR Campaign	<u>191,970</u>	<u>-</u>
TOTAL EXPENSES	<u>191,970</u>	<u>-</u>
NET (DEFICIT) SURPLUS FOR THE YEAR	(107,136)	-
Prior year adjustment	<u>-</u>	<u>-</u>
ACCUMULATED RESERVES AT END OF YEAR	<u>(107,136)</u>	<u>-</u>

(The attached Notes 1 to 11 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2006

ACCUMULATED FUNDS AND RESERVES	Note	2006 \$	2005 \$
Asset Revaluation Reserve		2,328	2,739
General Fund		5,186,543	4,935,134
Members' Distress Reserve		1,280,093	1,087,380
Delegates Trust Reserve		(53,778)	(26,711)
Industrial Relations Reserve		(107,136)	-
		<u>6,308,050</u>	<u>5,998,542</u>
Represented by Net Assets as follows:			
CURRENT ASSETS			
Cash Assets			
Cash on Hand		1,100	1,100
Cash at Bank-General		270,620	1,534,214
		<u>271,720</u>	<u>1,535,314</u>
Receivables			
Accrued Interest		9,820	8,778
Prepayments		54,080	37,013
Sundry Debtors		7,596	44,699
		<u>71,497</u>	<u>90,490</u>
Investment	7	<u>3,694,509</u>	<u>2,014,482</u>
Long Service Leave and Retiring Allowance Fund			
Cash at bank		<u>229,944</u>	<u>219,684</u>
Members' Distress Fund			
Cash at bank		744,894	877,937
Accrued Interest		3,135	3,499
Sundry Debtor		27,214	39,688
Distress Clearing Account		10	10
Sundry Debtor-General Fund		395,506	57,086
		<u>1,170,759</u>	<u>978,220</u>
Delegates Trust Fund			
Cash at Bank		-	(12)
Sundry Debtor-General Fund		(53,778)	(26,699)
		<u>(53,778)</u>	<u>(26,711)</u>
Industrial Relations Fund			
Cash at Bank		92,842	-
Sundry Debtor-General Fund		(199,978)	-
		<u>(107,136)</u>	<u>-</u>
TOTAL CURRENT ASSETS		<u>5,277,516</u>	<u>4,811,479</u>

(The attached notes 1 to 11 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2006 (continued)

	Note	2006 \$	2005 \$
NON CURRENT ASSETS			
Other Financial Assets			
Shares	8	<u>3,964</u>	<u>4,375</u>
Fixed Assets			
Property	4	1,089,283	1,121,484
Motor Vehicles	5	579,090	541,989
Office Furniture	6	<u>265,629</u>	<u>278,378</u>
		<u>1,934,003</u>	<u>1,941,851</u>
TOTAL NON CURRENT ASSETS		<u>1,937,967</u>	<u>1,946,226</u>
TOTAL ASSETS		<u>7,215,482</u>	<u>6,757,706</u>
LESS LIABILITIES			
CURRENT LIABILITIES			
Payables			
Income Received in Advance		-	-
Sundry Creditors		529,597	445,377
Bond-Wollongong		-	5,500
Levy Against Future Legal Costs		-	10,083
		<u>529,597</u>	<u>460,960</u>
Provisions			
Provision for Accrued Annual Leave		170,646	130,705
Provision for Long Service Leave		207,190	167,498
		<u>377,836</u>	<u>298,203</u>
TOTAL CURRENT LIABILITIES		<u>907,432</u>	<u>759,163</u>
NET ASSETS		<u>6,308,050</u>	<u>5,998,542</u>

(The attached notes 1 to 11 form part of these Accounts)

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 \$	2005 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Contributions		4,474,151	4,171,728
Payment to Suppliers & Employees		(4,187,966)	(3,792,688)
Interest		257,020	168,349
Other Receipt/(Payments)		<u>17,834</u>	<u>36,600</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	10B	<u>561,039</u>	<u>583,988</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale and Transfer of Property, Plant & Equipment		-	272,232
Payment for Property, Plant and Equipment		(147,469)	(694,787)
Payment from Delegates Trust-Net		(27,067)	(46,553)
Loan Repaid		-	1,500,000
Investment Redeemed (Invested)		<u>(1,680,027)</u>	<u>(191,583)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(1,854,563)</u>	<u>839,309</u>
NET (DECREASE) INCREASE IN CASH HELD		(1,293,523)	1,423,297
Cash at Beginning of Year		<u>2,632,923</u>	<u>1,209,626</u>
CASH AT END OF YEAR	10A	<u>1,339,400</u>	<u>2,632,923</u>

(The attached notes 1 to 11 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 2006

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. NOTICE TO MEMBERS

Subsections (1) and (2) of section 512 of the Industrial Relations Act 1991, preserved as regulations under section 282(3) Industrial Relations Act 1996, provide that:

- s.512. (1) A member of the organisation, or the Industrial Registrar, may apply to the organisation for specified information prescribed by the regulations in relation to the organisation. [Industrial Relations Regulation 1992, clause 60]
- (2) An organisation must, on the making of such an application, make the specified information available to the member or the Industrial Registrar in the manner, and within the time, prescribed by the regulations.

	2006	2005
	\$	\$
3. PROFESSIONAL SERVICES		
Audit Fees	38,565	35,535
Legal Expenses	<u>148,137</u>	<u>61,567</u>
	<u>186,702</u>	<u>97,102</u>

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2006 (continued)

	2006 \$	2005 \$
4. PROPERTY		
Land and Buildings at Cost	1,710,101	1,710,101
Less Accumulated Depreciation on Buildings	<u>620,818</u>	<u>588,617</u>
TOTAL LAND AND BUILDINGS	<u>1,089,283</u>	<u>1,121,484</u>
Located at:		
3-5 Bridge Street, Granville		
1 Bridge Street, Granville		
2 Bridge Street, Granville		
5. MOTOR VEHICLES		
At Cost	667,762	556,734
Less Accumulated Depreciation	<u>88,672</u>	<u>14,745</u>
	<u>579,090</u>	<u>541,989</u>
6. OFFICE FURNITURE		
At Cost	470,444	434,004
Less Accumulated Depreciation	<u>204,815</u>	<u>155,626</u>
	<u>265,629</u>	<u>278,378</u>
7. INVESTMENT(AT COST)		
Other	1,581,238	-
Realisable within one year	<u>2,113,271</u>	<u>2,014,482</u>
	<u>3,694,509</u>	<u>2,014,482</u>
8. SHARES		
IAG at valuation	3,339	3,750
Express Newspapers at Cost	400	400
Trade Union Medical Centre at Cost	225	225
	<u>3,964</u>	<u>4,375</u>

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2006 (continued)**

9. STATE REGISTERED ORGANISATIONS

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).

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 Union 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 New South Wales Branch 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 New South Wales Industrial Registrar in respect of the financial year ended 30 June 2006.

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2006
(continued)

	2006 \$	2005 \$
10. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2006		
A. RECONCILIATION OF CASH		
Cash on hand and on call deposits with banks or Financial Institutions		
Cash at Bank		
Delegates Commission Trust	-	(12)
General Fund	270,620	1,534,214
Long Service Leave & Retiring Allowance Fund	229,944	219,684
Distress Fund	744,894	877,937
Industrial Relations Fund	92,842	-
Cash on Hand	<u>1,100</u>	<u>1,100</u>
	<u>1,339,400</u>	<u>2,632,923</u>
B. RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH OPERATING SURPLUS (DEFICIT)		
Operating Surplus		
General Account Surplus	251,408	(11,353)
Distress Fund Surplus	192,713	141,175
Industrial Relations Fund (Deficit)	(107,136)	-
Non Cash Flows in Operating Surplus		
Depreciation	155,317	143,283
Changes in Employees Provision	79,633	(17,734)
(Profit)/Loss on Sale of Assets	-	127,340
Changes in Assets & Liabilities		
(Increase)/Decrease in Sundry Debtors	(61,786)	19,092
(Increase)/Decrease in Accrued Interest	(678)	(1,423)
(Increase)/Decrease in Prepayments	(17,067)	(4,737)
Increase/(Decrease) in Payables	<u>68,636</u>	<u>188,345</u>
CASH FLOWS FROM OPERATIONS	<u>561,039</u>	<u>583,988</u>

NATIONAL UNION OF WORKERS - NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2006
(continued)

	2006	2005
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	\$	\$
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11. 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.

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 2006. 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.

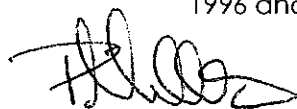
AUDIT OPINION

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 2006 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 Twomey Patterson

6 September 2006