



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibitions Street,
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7817
Fax: (03) 9655 0410

Mr Mark Furner
Branch Secretary
National Union of Workers
Queensland Branch
1st Floor, 17 Cribb Street
MILTON QLD 4064

Dear Mr Furner,

Re: Financial reports for year ended 30 June 2007 - FR2007/393
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

Thank you for the financial reports of the Queensland Branch of the National Union of Workers for the year ended 30 June 2007. The documents were lodged in the Industrial Registry on 5 October 2007.

The documents have been filed.

Although these documents have been filed, the following comments are made to assist you with future financial reports and you do not need to take any further action in respect of the financial reports already lodged.

Timeline provisions:

I note the similarity of this financial report with that of the 30 June 2006 financial report concerning the presentation of the financial reports to a Committee of Management meeting. While the rules of the organisation permit the reporting unit to present its financial reports to a meeting of the Committee of Management, that meeting cannot predate the auditor's report. Under the legislation, the presentation of financial reports must include the consideration of the auditor's report. From the information gathered from the financial reports, it would seem that the auditor's report was made on 14 September 2007, whereas the meeting to present the financial reports was held on 12 September 2007.

This can, however, be overcome if the branch is seeking to conclude its reporting obligations on the one day. The Committee can prepare its General Purpose Financial Report, Operating report and Committee of Management Statement and sign these matters off at the morning session of its meeting convened for this purpose. The Committee forwards these reports on to its auditor and seeks from the auditor his or her signed report, if possible, by later in the day so that the Committee can present the full financial reports to its afternoon session. In other words, the preparation of the necessary reports, the auditing and the presentation of those reports can occur, with some planning, on the same date where a reporting unit has the ability to present its financial reports to a meeting of the Committee of Management.

Operating Report:

It would seem that the information provided in the Operating Report under "Membership of Superannuation Scheme" does not adequately address the requirement of subsection 254(2)(d) of the RAO Schedule. The Operating Report is required to give details whether any officer or member of the reporting unit is a trustee of a superannuation entity or a director of a company that is a trustee of a superannuation entity.

In the event that no officer or member of the organisation is a trustee or director of a superannuation entity, the Operating Report should include a comment to that effect.

Committee of Management Statement:

I note that much of the information which you have provided in your Committee of Management's Statement accords with the requirements of the Registrar's Reporting Guidelines.

The Statement however does not provide details of when the resolution of the Committee was passed nor does it provide details of whether or not the branch undertook any recovery of wages activity during the financial period. Items 25(f) and 26 of the Registrar's Reporting Guidelines require such information be disclosed in the Committee of Management's Statement.

In relation to recovery of wages, where the branch has not undertaken any recovery of wages activity for the financial year a statement by the auditor or a declaration in the committee of management statement to the effect that there was no recovery of wages activity for the financial year would be sufficient.

Donations:

I notice under Note 3 of the 'Notes to the Financial Statements' that the item 'Donations' totals \$1,730. Section 237 of Schedule 1 requires that a reporting unit shall, as soon as practicable after the end of the financial year, lodge with the Registrar a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the reporting unit during the financial year. If any single donation exceeds \$1,000 then the reporting unit is required to lodge the relevant particulars set out in subsection 237(6) for each such donation. Of course, no action is required if any single donation does not exceed \$1,000.

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,



Robert Pfeiffer
Statutory Services Branch

24 October 2007

SECRETARY'S CERTIFICATE

I Mark Lionel Furner, Branch Secretary of the Queensland Branch of the National Union of Workers certify as follows:

1. The auditors report, the accounts and statements, and the certificates of the accounting officer and of the Branch Committee in respect to the financial year commencing 1 July 2006 and ending 30 June 2007 were distributed to members free of charge or available on the NUW web site as of 8 October 2007.
2. The enclosed documents are copies of the concise auditors report, the accounts and statements, the certificates of the accounting officer and of the Branch Committee, prepared for the Branch in accordance with the Act in respect to the year ending 30 June 2007 and are as presented to the Branch Committee of Management meeting of the Queensland Branch of the National Union of Workers, on 12 September 2007.



MARK FURNER
BRANCH SECRETARY

Dated: 5 October 2007

National Union of Workers (Queensland Branch)

Registered in Queensland as

**National Union of Workers Industrial Union of Employees
Queensland**

**Financial Report
for the Year Ended 30 June 2007**

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

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NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

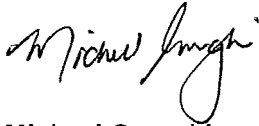
AUDITOR'S INDEPENDENCE DECLARATION TO THE COMMITTEE OF MANAGEMENT OF
NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH) Registered in Queensland as THE
NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2007 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Workplace Relations Act 1996 as amended, Industrial Relations Act 1999 as amended and Australian Professional Ethical Pronouncements in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

MGI White Hancock

MGI White Hancock



Michael Georghiou

Registered Company Auditor

Brisbane

Date: *11 September* 2007

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)**
Registered in Queensland as
THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

Scope

The financial report and Committee of Management's ("Committee") responsibility

The financial report comprises the Balance Sheet as at 30 June 2007, Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes, the accounting officers certificate and the Committee of Management statement for the National Union of Workers (Queensland Branch) ("Union"), for the year ended 30 June 2007.

The Committee of the Union is responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996 as amended ("Act") and where relevant the Industrial Relations Act 1999 as amended. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Committee of Management's responsibility for the financial report

The Committee of Management's of the Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996 as amended and where relevant the Industrial Relations Act 1999 as amended. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the Union also state, in accordance with Accounting Standard AASB 101: "Presentation of Financial Statement", that compliance with the Australian equivalents to International Reporting Standards (IFRS) ensures that the financial report, comprising the financial statement and notes, complies with IFRS.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

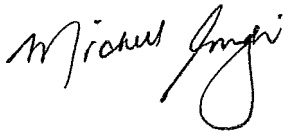
Audit Opinion

In our opinion:

- (1) The financial report of the Union is in accordance with:
 - a. the Act, including:
 - i. giving a fair view of the Union's financial position as at 30 June 2007 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations);
 - b. other mandatory professional reporting requirements; and
 - c. International Financial Reporting Standards as disclosed in Note 1.
- (2) The Union has kept satisfactory accounting records for the financial year including records of:
 - (i) The sources and nature of the Union's income, including membership subscriptions and other income from members; and
 - (ii) The nature of and reasons for the Union's expenditure.
- (3) All the information and explanations that officers or employees of the Union were required to provide have been provided; and
- (4) There was no deficiency, failure or shortcoming in any matters referred to in (1) to (3) above.

MGI White Hancock

MGI White Hancock



M A Georghiou

Registered Company Auditor

Brisbane

Date: *14 September* 2007

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

**COMMITTEE OF MANAGEMENT OPERATING REPORT AND STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

(a) Operating Report

In accordance with section 254 of the Workplace Relations Act 1996 ("Act") the Committee of Management presents its Operating Report on the National Union of Workers (Queensland Branch) ("Union") for the year ended 30 June 2007.

Principal Activities

The principal activity of the Union was to act on behalf of members in respect of:

- employment terms and conditions;
- to secure improved conditions of employment for the members;
- to assist members in dispute resolution;
- to assist members who may become injured in the course of their employment;
- to assist dependants of members through financial benefits; and
- to assist member in unfair dismissal matters before the relevant tribunals.

Results

The profit for the financial year amounted to \$340,958.

Significant Changes

There were no significant changes in the nature of the Union's activities during the financial year.

Financial Affairs

As a result of the introduction of Australian equivalents to International Financial Reporting Standards (IFRS), the Union's financial report has been prepared in accordance with those standards. However, there was no material impact on the Union upon the introduction of IFRS.

Members Right to Resign

The following extract from the Union's rules details the members' right to resign from the Union.

Union members may resign from the Union in accordance with Rule 59 – Resignation from Membership as contained within the Union's Rules

Number of Members

The number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for s.230 of the RAO Schedule and who are taken to be members of the Union under s.244 of the RAO Schedule is: Financial Members – 5,165; Unfinancial Members – 170

After Balance Date Events

No matters of 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.

Future Developments

Likely developments in the operations of the Union are the expected result of those operations in future financial years have not been included in this report as such information is likely to result in unreasonable prejudice to the Union.

Environmental Issues

The Union's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

**COMMITTEE OF MANAGEMENT OPERATING REPORT AND STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Membership of Superannuation Scheme

Those who hold a position of trustee or director of an entity, scheme or company as described in s.254 (2)(d) of Schedule 1B, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation.

Indemnifying Officers or Auditors

The Union has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defining legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against liability for the costs or expenses to defend legal proceedings.

Proceedings on Behalf of Union

No person has applied for leave of Court to bring proceedings on behalf of the Union or intervene in any proceedings to which the Union is a part for the purpose of taking responsibility on behalf of the Union for all or any part of those proceedings. The Union was not a party to any such proceedings during the year.

Number of Employees

The number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis is 8.

Members of the Committee of Management

The name of each person who has been a member of the committee of management of the Union at any time during the reporting period, and the period for which he or she held such a position is as follows:

| Name | Period of Appointment | Name | Period of Appointment |
|------------------------|------------------------------|-------------------------|------------------------------|
| L. Seaman (Continuing) | Whole Period | W. Cooke (Continuing) | Whole Period |
| C. Flage (Continuing) | Whole Period | M. Furner (Continuing) | Whole Period |
| G. Singh (Continuing) | Whole Period | M. Connors (Continuing) | Whole Period |
| T. Forbes (Continuing) | Whole Period | | |

Other Information

There is no other information that the Union considers relevant.

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

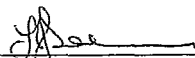
**COMMITTEE OF MANAGEMENT OPERATING REPORT AND STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

(b) Statement


The Committee of Management of the Union declares that:

1. The financial statements and notes, as set out in pages 4 to 26, are in accordance with the Workplace Relations Act 1996 as amended and Industrial Relations Act 1999 as amended:
 - a. comply with Australian Accounting Standards and the Reporting Guidelines of the Industrial Registrar; and
 - b. give a true and fair view of the financial position as at 30 June 2007 and of the performance for the year ended on that date of the Union.
2. In the Committee's opinion the Union was solvent for the whole financial year and there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable.
3. From 1 July 2006 to the date of this report and in the Committee's opinion:
 - i. meetings of the committee of management were held in accordance with the rules of the Union;
 - ii. the financial affairs of the Union have been managed in accordance with the rules of the Union;
 - iii. the financial records of the Union have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
 - iv. the information sought in any request of a member of the Union or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - v. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
4. To the knowledge of any Committee members there have been no instances during the financial year where records, rules or copies of these records or rules required by the Industrial Relations Act 1999 as amended or the rules to be provided to a member have not been so provided.

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



Leslie Seaman
Branch President



Mark Furner
Branch Secretary

Dated *12 September* 2007

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

| | Notes | 2007 \$ | 2006 \$ |
|--|--------------|-----------------------|-----------------------|
| Revenue from ordinary activities | 2 | 1,643,802 | 1,585,489 |
| Employee benefits expense | 3 | 664,427 | 617,817 |
| Depreciation and amortisation expenses | 3 | 18,446 | 22,373 |
| Other expenses from ordinary activities | 3 | <u>619,971</u> | <u>643,691</u> |
| Profit from ordinary activities before income tax expense | 3 | 340,958 | 301,608 |
| Income tax expense | 1(e) | <u>-</u> | <u>-</u> |
| Net profit from ordinary activities after income tax expense | | <u>340,958</u> | <u>301,608</u> |
| Profit attributable to members | | <u>340,958</u> | <u>301,608</u> |

This statement should be read in conjunction with the Notes to the Financial Statements.

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND**BALANCE SHEET
AS AT 30 JUNE 2007**

| | Notes | 2007 \$ | 2006 \$ |
|--------------------------------------|-------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash and Cash equivalents | 4 | 670,772 | 490,850 |
| Trade and other Receivables | 5 | 98,399 | 102,475 |
| Other Current Assets | 6 | 18,468 | 21,340 |
| TOTAL CURRENT ASSETS | | <u>787,639</u> | <u>614,665</u> |
| NON-CURRENT ASSETS | | | |
| Property, Plant and Equipment | 7 | 468,603 | 486,049 |
| Other Financial Assets | 8 | 601,566 | 402,434 |
| TOTAL NON-CURRENT ASSETS | | <u>1,070,169</u> | <u>888,483</u> |
| TOTAL ASSETS | | <u>1,857,808</u> | <u>1,503,148</u> |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 9 | 247,028 | 244,721 |
| TOTAL CURRENT LIABILITIES | | <u>247,028</u> | <u>244,721</u> |
| NON CURRENT LIABILITIES | | | |
| Trade and Other Payables | 10 | 70,655 | 59,260 |
| TOTAL NON CURRENT LIABILITIES | | 70,655 | 59,260 |
| TOTAL LIABILITIES | | <u>317,683</u> | <u>303,981</u> |
| NET ASSETS | | <u>1,540,125</u> | <u>1,199,167</u> |
| MEMBERS EQUITY | | | |
| Retained Earnings | 11 | <u>1,540,125</u> | <u>1,199,167</u> |

This Statement should be read in conjunction with the Notes to the Financial Statements.

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2007**

| | Notes | Retained Earnings | | Total Equity | |
|-----------------|-------|-------------------|------------------|------------------|------------------|
| | | \$ 2007 | \$ 2006 | \$ 2007 | \$ 2006 |
| Opening Balance | | 1,199,167 | 897,559 | 1,199,167 | 897,559 |
| Profit/Loss | | 340,958 | 301,608 | 340,958 | 301,608 |
| Closing Balance | 11 | <u>1,540,125</u> | <u>1,199,167</u> | <u>1,540,125</u> | <u>1,199,167</u> |

This Statement should be read in conjunction with the Notes to the Financial Statements.

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

| | Notes | 2007 \$ | 2006 \$ |
|---|-------|-----------------------|-----------------------|
| Cash Flows from Operating Activities | | | |
| Membership Contributions | | 1,420,136 | 1,428,976 |
| Interest Received | | 24,055 | 22,443 |
| Other receipts | | 3,126 | 11,165 |
| Rent | | 44,260 | 38,591 |
| Dividends | | 25,422 | 5,758 |
| Reimbursements | | 49,818 | - |
| Affiliation Fees | | (47,540) | (65,374) |
| Salaries and Allowances | | (573,868) | (563,407) |
| Other Expenses | | (646,417) | (547,687) |
| Net Cash flows provided by Operating Activities | 12(a) | <u>298,992</u> | <u>330,465</u> |
| Cash Flows from Investing Activities | | | |
| Payment for Property, Plant & Equipment (Nett) | | (1,000) | (819) |
| Payment for Investments | | (118,070) | (204,384) |
| Net Cash provided by/(used in) Investing Activities | | <u>(119,070)</u> | <u>(205,203)</u> |
| Net Increase in Cash Held | | 179,922 | 125,262 |
| Cash at the Beginning of the Financial Year | | <u>490,850</u> | <u>365,588</u> |
| Cash at the End of the Financial Year | 12(b) | <u>670,772</u> | <u>490,850</u> |

This Statement should be read in conjunction with the Notes to the Financial Statements.

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

The financial report covers the National Union of Workers (Queensland Branch) registered in Queensland as The National Union of Workers Industrial Union of Employees Queensland domiciled in Australia.

The financial report complies with all International Financial Reporting Standards (IFRS) in their entirety.

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

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the valuation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(a) Principles of Preparation

It has been practice to present financial statements representing the combined operations and combined financial position of the National Union of Workers Industrial Union of Employees Queensland ("State") and the National Union of Workers (Queensland Branch) ("Branch").

With certain exceptions each entity is required by Federal and State legislation respectively to prepare and lodge financial statements recording their separate financial positions.

Accordingly, investigations have been undertaken to ensure that assets and liabilities are recorded in the financial statements of the entity which is determined to be the rightful owner. As a result of these investigations it has been determined that all assets, liabilities, income and expenditure are/ is attributed to the Branch. That is, the State Union effectively does not trade and does not own any assets or owe liabilities.

(b) Accounting Methods

In accordance with the Workplace Relations Act 1996 it is a requirement for federally registered unions to prepare a general purpose financial report.

(c) Comparatives

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

Critical accounting estimates and judgments

The Committee of management evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Key Estimates – Impairments

The Union assesses impairment at each reporting by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

(d) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

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

Property

Freehold land and buildings are measured on the cost basis. It is the policy of the Union to have an independent valuation every three years, with annual appraisals being made by the Committee of management.

The revaluation of freehold land and buildings has not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax as the Union is exempt from income tax (refer note 1 (a)).

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a diminishing value basis (except buildings which are depreciated on a straight line basis) over their estimated useful lives to the Union 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 depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are:

| Class of Fixed Asset | Depreciation Rate |
|----------------------|-------------------|
| Buildings | 2% |
| Plant and equipment | 5% - 40% |
| Motor Vehicles | 18.75% |

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(e) Income Tax

The Union is exempt from income tax by virtue of s50-45 of the Income Tax Assessment Act 1997.

(f) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand, at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(g) Acquisition of Non Current Assets

The cost method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition.

(h) Financial Instruments

Recognition

Financial instruments are initially measured at cost on the trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and Loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the Union's intention to hold these investments to maturity. Any held-to-maturity investment is stated at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising the original debt less principal payments and amortisation.

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Available for Sale Financial Assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Critical Accounting Estimates and Judgments

The Committee of Management of the Union evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key estimates – impairment

The Union assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised in respect of any assets the year ended 30 June 2007.

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(i) Employee Benefits

Provision is made for the Union's liability for employee benefits (Annual Leave and Long Service Leave) arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. 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.

Provision has been made in the financial statements for employees' annual leave, long service leave and paid sick leave entitlements on the following basis:

Annual Leave

Annual leave has been provided for as the estimated accrued entitlements of all employees on the basis of each employee's terms of employment.

Long Service Leave

Provision for employee benefits in the form of long service leave has been made for the estimated accrued entitlements of employees. Official's long service leave is accrued from the date of the commencement of employment. The clerical employee's long service leave entitlements begin to perform after 5 years of service has been performed. These benefits have been discounted to their present value.

(j) Leases

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

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

(k) Investments

Non-current investments are measured on the cost basis. The carrying amount of investments is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for shares in listed companies.

(l) Revenue

Revenue from membership contributions is recognised on an accruals basis.

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

Dividend revenue is recognised when the right to receive a dividend has been established.

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

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

Registered in Queensland as

THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007****NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)****(m) 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 Tax 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 the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(n) Impairment of Assets

At each reporting date, the Union reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement. Where it is not possible to estimate the recoverable amount of an individual asset, the Union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTE 2 – REVENUE FROM OPERATIONS

| | Notes | 2007 \$ | 2006 \$ |
|--|-------|------------------|------------------|
| General Fund | | | |
| Insurance Recovery | | 38,709 | - |
| Interest Received | | 24,055 | 17,894 |
| Membership Fees | | 1,416,060 | 1,433,895 |
| Rental Income | | 44,260 | 38,591 |
| Sundry Income | | 39,656 | 21,472 |
| Increment for fair value in financial assets available for sale | | 81,062 | 73,637 |
| TOTAL REVENUE | | <u>1,643,802</u> | <u>1,585,489</u> |

NOTE 3 – PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax has been determined after the following expenses

| | | | |
|----------------------------------|------|--------|--------|
| General Fund | | | |
| Action Costs – State Office | | - | 2,291 |
| Action Costs – National Office | | 45,312 | 62,831 |
| Advertising | | 1,222 | - |
| Affiliation Fees | | 47,541 | 47,645 |
| Audit/Accountant Fees | | 15,211 | 13,573 |
| ALP Expenses | | 11,335 | 883 |
| Bank Charges | | 2,936 | 3,403 |
| Brokerage/Macquarie CMT mgt fees | | 6,837 | 3,345 |
| Cards and Journal Production | | 1,383 | 1,050 |
| Cleaning | | 8,801 | 10,805 |
| Computer Expenses | | 4,073 | 4,664 |
| Credit Card Charges | | 375 | 455 |
| Depreciation | 1(d) | 18,446 | 22,373 |
| Delegates Expenses | | 2,136 | 2,981 |
| Donations | | 1,730 | 500 |

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

**NOTE 3 – PROFIT FROM ORDINARY ACTIVITIES
(cont.)**

| | Notes | 2007 \$ | 2006 \$ |
|--|-------|-------------------------|-------------------------|
| General Fund (cont.) | | | |
| Employee Entitlements – Annual Leave | 1(i) | 10,095 | 15,748 |
| Employee Entitlements – Long Service Leave | 1(i) | (4,026) | 14,892 |
| Entertainment | | 959 | 85 |
| Fringe Benefits Tax | | 3,157 | 11,138 |
| Finance/Admin Charge | | 48 | 84 |
| Gifts, Flowers | | 231 | 105 |
| Hire of Equipment | | 18,033 | 17,555 |
| Industrial Commission Expense | | 308 | - |
| Insurance – Building | | 5,525 | 2,523 |
| Insurance – Motor Vehicle | | 2,017 | 3,290 |
| Insurance – Income Protection | | 6,480 | 6,280 |
| Labour Day Expenses | | 8,234 | 12,257 |
| Legal Costs | | 1,622 | 1,382 |
| Meeting Costs, BCM | | 2,070 | 2,921 |
| Merchandise | | 485 | 1,359 |
| Motor Vehicle Expenses | | 17,224 | 20,752 |
| Payroll Tax | | 29,975 | 30,317 |
| Postage and Couriers | | 17,243 | 12,866 |
| Printing & Stationery | | 6,767 | 7,320 |
| Rent & Outgoings | | 55,567 | 51,629 |
| Repairs and Maintenance | | 349 | 1,498 |
| Salaries and Wages – Officials | | 465,244 | 400,709 |
| Salaries and Wages – Clerical | | 118,378 | 111,608 |
| Staff Amenities | | 688 | 685 |
| Sundry Expenses | | (86) | 5,666 |
| Subscriptions | | 7,328 | 7,284 |
| Superannuation | | 74,736 | 74,861 |
| Sustentation Fees | | 235,423 | 241,055 |
| Telephone and Facsimile | | 15,589 | 18,598 |
| Training Expenses | | 43 | 2,032 |
| Transcripts | | 125 | 719 |
| Travel | | 34,756 | 27,320 |
| Work Cover | | 919 | 2,543 |
| TOTAL OPERATING EXPENSES | | <u>1,302,844</u> | <u>1,283,881</u> |

NOTE 4 – CASH AND CASH EQUIVALENTS

| | | |
|-----------------------|-----------------------|-----------------------|
| Cash on Hand | 2,026 | 909 |
| Cash at Bank | 586,242 | 423,092 |
| Term Deposit | 61,000 | 57,719 |
| Knight Frank | 20,616 | 8,075 |
| Cash Management Trust | 888 | 1,055 |
| | <u>670,772</u> | <u>365,588</u> |

The effective rate on short-term bank deposits was 5.7%; these deposits have an average maturity of 365 days.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

| | Notes | 2007 | 2006 |
|--|-------|-----------------|-----------------|
| NOTE 5 – TRADE AND OTHER RECEIVABLES | | | |
| | | \$ | \$ |
| Debtors | | 98,399 | 102,475 |
| | | <u>98,399</u> | <u>102,475</u> |
| NOTE 6 – OTHER CURRENT ASSETS | | | |
| Deposits | | 600 | 600 |
| GST Paid | 1(m) | 17,818 | 20,690 |
| Other | | 50 | 50 |
| | | <u>18,468</u> | <u>21,340</u> |
| NOTE 7 – NON CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT (AT COST) | | | |
| | 1(d) | | |
| Land and Buildings (at cost) | | 466,574 | 466,574 |
| Accumulated Depreciation | | <u>(36,772)</u> | <u>(27,993)</u> |
| | | 429,802 | 438,581 |
| Carpet (at cost) | | 4,022 | 4,022 |
| Accumulated Depreciation | | <u>(2,300)</u> | <u>(2,109)</u> |
| | | 1,722 | 1,913 |
| Computers (at cost) | | 33,875 | 33,875 |
| Accumulated Depreciation | | <u>(29,463)</u> | <u>(26,992)</u> |
| | | 4,412 | 6,883 |
| Plant and Equipment (at cost) | | 103,975 | 102,975 |
| Accumulated Depreciation | | <u>(90,940)</u> | <u>(88,466)</u> |
| | | 13,035 | 14,509 |
| Motor Vehicles (at cost) | | 32,085 | 32,085 |
| Accumulated Depreciation | | <u>(12,453)</u> | <u>(7,922)</u> |
| | | 19,632 | 24,163 |
| | | <u>468,603</u> | <u>486,049</u> |

An independent valuation of the Union's building at Cribb St was undertaken in 30 June 2005. The Valuation was undertaken by J Crawford, AAPI, Certified Practising Valuer. The valuation was based on an assessment of the property's market value and valued the buildings at \$1,100,000. The Union's share is 50% or approximately \$550,000. The financial statements of the Union do not reflect the revaluation increment of approximately \$83,426.

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THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007****NOTE 7B – MOVEMENTS IN CARRYING AMOUNTS**

| | Notes | 2007 \$ | 2006 \$ |
|--|-------|----------------|----------------|
| Land and Buildings at Cost | | | |
| Balance at the beginning of the year | | 438,581 | 447,912 |
| Additions | | - | - |
| Disposals/write offs | | - | - |
| Accumulated Depreciation write back | | - | - |
| Depreciation Expense | | (8,779) | (9,331) |
| Carrying amount at the end of the year | | <u>429,802</u> | <u>438,581</u> |
| Carpet at Cost | | | |
| Balance at the beginning of the year | | 1,913 | 2,125 |
| Additions | | - | - |
| Disposals/write offs | | - | - |
| Accumulated Depreciation write back | | - | - |
| Depreciation Expense | | (191) | (212) |
| Carrying amount at the end of the year | | <u>1,722</u> | <u>1,913</u> |
| Computers at Cost | | | |
| Balance at the beginning of the year | | 6,883 | 11,257 |
| Additions | | - | - |
| Disposals/write offs | | - | (389) |
| Accumulated Depreciation write back | | - | - |
| Depreciation Expense | | 2,471 | (3,985) |
| Carrying amount at the end of the year | | <u>4,412</u> | <u>6,883</u> |
| Plant and Equipment at Cost | | | |
| Balance at the beginning of the year | | 14,509 | 16,763 |
| Additions | | 1,000 | 818 |
| Disposals/write offs | | - | (10) |
| Accumulated Depreciation write back | | - | - |
| Depreciation Expense | | (2,474) | (3,062) |
| Carrying amount at the end of the year | | <u>13,035</u> | <u>14,509</u> |
| Motor Vehicles at Cost | | | |
| Balance at the beginning of the year | | 24,163 | 29,547 |
| Additions | | - | - |
| Disposals/write offs | | - | - |
| Accumulated Depreciation write back | | - | - |
| Depreciation Expense | | (4,531) | (5,384) |
| Carrying amount at the end of the year | | <u>19,632</u> | <u>24,163</u> |

Impairment Losses

There were no impairment losses recognised in the income statement during the period.

NATIONAL UNION OF WORKERS (QUEENSLAND BRANCH)

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THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007****NOTE 8 – OTHER FINANCIAL ASSETS**

| | | | |
|--|--|----------------|----------------|
| Available for sale financial assets | | 601,566 | 402,434 |
| Available for sale financial assets comprise | | | |
| Investments in Listed Corporations – at fair value | | <u>601,566</u> | <u>402,434</u> |
| Cost price of shares in listed corporations | | 520,501 | 361,904 |

The above are held for long term investment, to provide future income in terms of a dividend stream, and not short term trading profits.

**NOTE 9 – CURRENT LIABILITIES - TRADE AND
OTHER PAYABLES**

| | | | |
|-------------------------|------|----------------|----------------|
| Trade Creditors | | 52,894 | 72,260 |
| GST Collected | 1(m) | 29,834 | 34,036 |
| Employee Benefits – AL | 1(i) | 36,399 | 43,628 |
| Employee Benefits – LSL | 1(i) | 25,474 | 23,571 |
| Other Creditors | | <u>102,427</u> | <u>71,226</u> |
| | | <u>247,028</u> | <u>244,721</u> |

**NOTE 10 – NON CURRENT LIABILITIES – TRADE AND
OTHER PAYABLES**

| | | | |
|-------------------------|------|---------------|---------------|
| Employee Benefits – AL | 1(i) | 56,563 | 39,239 |
| Employee Benefits – LSL | 1(i) | <u>14,092</u> | <u>20,021</u> |
| | | <u>70,655</u> | <u>59,260</u> |

**NOTE 11 – MEMBERS EQUITY – ACCUMULATED
FUNDS**

| | | | |
|---------------------------------------|--|------------------|------------------|
| Balance at Beginning of Year | | 1,199,167 | 897,559 |
| Net Surplus/(Deficiency) for the Year | | <u>340,958</u> | <u>301,608</u> |
| Balance at End of Year | | <u>1,540,125</u> | <u>1,199,167</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 12 – NOTES TO THE CASH FLOW STATEMENT

| | Notes | 2007 \$ | 2006 \$ |
|--|-------|-----------------------|-----------------------|
| (a) Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus after Income Tax | | | |
| Operating Surplus (Deficiency) | | 340,958 | 301,608 |
| Add/(Subtract) Non-Cash flows in Operating Surplus | | | |
| Depreciation | | 18,446 | 22,373 |
| (increment)/Decrement in Financial assets available for sale | | (81,062) | (73,637) |
| | | <u>(62,616)</u> | <u>(51,264)</u> |
| Changes in Assets and Liabilities | | | |
| Trade and other Receivables | | 4,076 | (1,330) |
| GST Liability | | (4,202) | 3,965 |
| Trade and other Payables | | 11,834 | 47,987 |
| Employee Benefits | | 6,069 | 30,641 |
| GST Paid | | 2,873 | (1,142) |
| | | <u>20,650</u> | <u>80,121</u> |
| Net Cash from Operating Activities | | <u>298,992</u> | <u>330,465</u> |

(b) Reconciliation of Cash

For the purposes of the Cash Flow Statement, cash includes cash on hand, at banks and on deposit. Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

| | | |
|-----------------------|----------------|----------------|
| Cash on Hand | 2,026 | 909 |
| Cash at Bank | 586,242 | 423,092 |
| Term Deposit | 61,000 | 57,719 |
| Knight Frank | 20,616 | 8,075 |
| Cash Management Trust | 888 | 1,055 |
| | <u>670,772</u> | <u>490,850</u> |

NOTE 13 – COMMITMENTS

(a) Operating Lease Commitments

Non-cancellable Operating Leases contracted for but not capitalised in the financial statements.

1(j)

Payable – minimum lease payments

| | | |
|---|--------|--------|
| • Not longer than 1 year | 10,380 | 11,460 |
| • Greater than 1 year but not longer than 5 years | 40,655 | 30,560 |

In addition the Union rents its premises at Cribb St, Milton at a normal commercial rental. However there is no rental agreement and no defined term.

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**NOTES TO THE FINANCIAL STATEMENTS
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NOTE 14 – FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The Union's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and leases.

The main purpose of non-derivative financial instruments is to raise finance for the Union's operations.

The Union does not have any derivative instruments at 30 June 2007.

(i) Treasury risk management

Senior committee members meet on a regular basis to analysis interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

(ii) Financial risk

The main risks the Union is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating interest bearing investments.

Foreign currency risk

The Union is not exposed to fluctuations in foreign currencies.

Liquidity risk

The Union manages liquidity risk by monitoring forecast cash flows and ensuring that adequate borrowing facilities are maintained and available.

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, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Union does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Union.

Price Risk

The Union is not exposed to any material commodity price risk.

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THE NATIONAL UNION OF WORKERS INDUSTRIAL UNION OF EMPLOYEES QUEENSLAND**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007****NOTE 14 – FINANCIAL INSTRUMENTS (cont.)****(b) Interest Rate Risk**

The Union'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 those financial assets and financial liabilities, is as follows:

| | Weighted Average | | Floating Interest Rate | | Non Interest Bearing | | TOTAL | |
|------------------------------------|-------------------------|-----------|------------------------|----------------|----------------------|----------------|------------------|----------------|
| | Effective Interest Rate | | 2007 2006 | 2007 2006 | 2007 2006 | 2007 2006 | 2007 2006 | 2007 2006 |
| | 2007 % | 2006 % | | | | | | |
| Financial Assets | | | | | | | | |
| Cash on hand | | | | | 2,026 | 909 | 2,026 | 909 |
| Cash at bank | 4.4 | 4.10 | 586,242 | 423,092 | 20,616 | 8,075 | 606,858 | 431,167 |
| Term Deposits | 5.7 | 5.70 | 61,000 | 57,719 | | | 61,000 | 57,719 |
| Investments | | | | | 520,501 | 361,904 | 520,501 | 361,904 |
| Cash Management Trust | 5.5 | 4.65 | 888 | 1,055 | | | 888 | 1,055 |
| Trade and other Receivables | | | | | 98,399 | 102,475 | 98,399 | 102,475 |
| Other | | | | | 18,468 | 21,340 | 18,468 | 21,340 |
| Total Financial Assets | | | 648,130 | 481,866 | 660,010 | 494,703 | 1,308,140 | 976,569 |
| Financial Liabilities | | | | | | | | |
| Trade and other Payables | | | | | 317,683 | 303,981 | 317,683 | 303,981 |
| Total Financial Liabilities | | | | | 317,683 | 303,981 | 317,683 | 303,981 |

(c) Financial Risks

The main risks the Union is exposed to through financial instruments are credit risk and liquidity risk.

(d) 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 the financial statements.

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

(e) Liquidity Risk

The Union manages liquidity risk by monitoring forecast cash flows.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date.

(f) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted in transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the Union intends to hold these assets to maturity. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
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NOTE 15 – KEY MANAGEMENT PERSONNEL

Key management personnel comprise of those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Union.

During the year, the key management personnel of the Union were remunerated as follows:

| | Short-Term Benefits | Post-Employment Benefits | Total |
|--------------------|------------------------|-----------------------------|------------|
| 2007 | | | |
| Total compensation | 133,256 | 17,231 | 150,577 |
| 2006 | | | |
| Total compensation | 119,409 | 15,373 | 134,782 |
| | Note | 2007 \$ | 2006 \$ |

NOTE 16 – AUDITORS REMUNERATION

Amounts received or due and receivable by the auditor of the Union for:

| | | |
|--|---------------|---------------|
| (a) audit of the financial report of the Union | 11,000 | 9,500 |
| (b) other services | 4,211 | 4,073 |
| | <u>15,211</u> | <u>13,573</u> |

NOTE 17 – SEGMENT INFORMATION

The Union operates solely in one reporting business segment being the provision of trade union services.

The Union operates from one reportable geographical segment being Australia.

NOTE 18 – UNION DETAILS

The principal place of business is:

17 Cribb Street
Milton, Brisbane
Queensland

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**NOTES TO THE FINANCIAL STATEMENTS
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**NOTE 19 - INFORMATION TO BE PROVIDED TO
MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996 as amended the attention of members is drawn to the following provisions:

**Workplace Relations Act 1996 - Sections 272 (1),
(2) and (3):**

Sub Section (1)

A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation to be made available to the person making the application.

Sub-Section (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 organisation.

Sub-Section (3)

The organisation must comply with an application made under sub section (1) above.

NOTE 20 – RELATED PARTY TRANSACTIONS

During the year the following normal commercial payments were made:

| | | |
|------------------|--------|--------|
| Rent of premises | 54,594 | 20,981 |
|------------------|--------|--------|

NOTE 21: ACCOUNTING STANDARDS

The following Australian Accounting Standards have been issued or amended and are applicable to the Union but are not yet effective and have not been adopted in preparation of the financial statements at reporting date.

| AASB Amendment | Standards Affected | Outline of Amendment | Application date of standard | Application date for Union |
|---|---|--|---|---------------------------------------|
| AASB 2005-10: Amendments to Australian Accounting Standards | AASB 1: First time adoption of AIFRS | The disclosure requirements of AASB 132: Financial Instruments: Disclosure and Presentation have | 01.01.2007 | 01.01.2007 |

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FOR THE YEAR ENDED 30 JUNE 2007****NOTE 21: ACCOUNTING STANDARDS (cont.)**

| AASB Amendment | Standards Affected | Outline of Amendment | Application date of standard | Application date for Union |
|--|---|--|---|---------------------------------------|
| AASB 2005-10: (continued) | AASB 4: Insurance contracts | been replaced due to the issuing of AASB 7: Financial Instruments: Disclosures in August 2005. These amendments will involve changes to financial instrument disclosures within the financial report. However, there will be no direct impact on amounts included in the financial report as it is a disclosure standard. | | |
| | AASB 101: Presentation of financial statements | | | |
| | AASB 114: Segment Reporting | | | |
| | AASB 117: Leases | | | |
| | AASB 113: Earnings per share | | | |
| | AASB 1023: General insurance contracts | | | |
| | AASB 1038: Life insurance contracts | | | |
| | AASB 139: Financial Instruments: Recognition and measurement | | | |
| AASB 7: Financial Instruments: Disclosures | AASB132: Financial Instruments: Disclosure and presentation | As above. | 01.01.2007 | 01.01.2007 |