



Australian Government

Australian Industrial Registry

Level 36, 80 Collins Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0401
Email: melbourne@air.gov.au

Mr Martin Pritchard
Branch Secretary
Western Australian Branch
National Union of Workers
PO Box Y3436
St Georges Terrace
EAST PERTH WA 6832

Dear Mr Pritchard,

**National Union of Workers – Western Australian Branch
Financial Report for the Year Ended 30th June 2005 - FR2005/523
Schedule 1B of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial report of the Western Australian Branch of the National Union of Workers for the year ended 30th June 2005. The documents were lodged in the Industrial Registry on 27th February 2006. Please excuse the delay in responding to you, our attention in recent months has been diverted to the new 'Workchoices' legislation.

The documents have been filed.

I make the following comments to assist you in preparing financial documents in the future. You do not need to take any further action in respect of the documents which have been lodged.

Timing of Financial Documents – Circulation and Presentation of Operating Report

The RAO Schedule sets out a particular chronological order in which financial documents must be prepared, made available to members and presented to a meeting. A Timeline is enclosed for your assistance.

In particular, the Secretary's Certificate states that 'the full report' was provided to members on 21st November 2005 and presented to meetings on 22nd September and 15th December 2005. I presume the reference to 'September' is a typographical error and is intended to be 22nd November 2005, but the problem still arises that the Operating Report is dated 31st January 2006, that is, after the date upon which the report was circulated and presented.

Section 265(1)(a) of the RAO Schedule requires the Branch to provide free of charge to its members a copy of the full report consisting of the Auditor's Report, the General Purpose Financial Report and the *Operating Report*. Further, section 266 of the RAO Schedule requires the Branch to present the full report to either a general meeting of members or the Committee of Management.

Would you please ensure in future years that all of the reports referred to in section 265(1)(a) of the RAO Schedule (that is, Auditor's Report, General Purpose Financial Report and Operating Report) are signed and dated *prior to* the date of circulation and are subsequently circulated to members and presented to a meeting.

Timing of Financial Documents – Lodgment in Industrial Registry

The documents were presented to a meeting on 15th December 2005 but were not lodged in the Registry until 27th February 2006. Section 268 of the RAO Schedule requires the Branch to lodge financial documents in the Registry within 14 days of their presentation to a meeting. The documents were therefore some two months late.

In future financial years the documents should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented.

Operating Report – Period Positions Held on Committee of Management

Regulation 159(c) of the RAO Regulations requires the Operating Report to state both:

- the name of each person who has been a member of the Branch's Committee of Management at any time during the financial year; and
- the period for which he or she held such a position.

This information does, in fact, appear on page 11 of the Notes where it states that the Committee Members held office 'through the entire period 1st July 2004 to 30th June 2005' but this information also needs to appear in the Operating Report.

Auditor's Report – Qualification Regarding Membership Contributions

The Auditor's Report contains a qualification that:

Membership contributions are a significant source of receipts for the Branch. The Branch has determined that it is impracticable to establish control over the collection of membership contributions prior to entry in the financial records. Accordingly, as the evidence available to us regarding receipts from this source was limited, our audit procedures with respect to membership contributions have to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether membership contributions the Branch received are complete.

This is not consistent with the requirements of the RAO Schedule. Item 10(a) of the Registrar's Reporting Guidelines requires membership subscriptions to be disclosed by the Branch in accordance with Australian Accounting Standards (and subsection 253(2)(b)(ii) of the RAO Schedule states that the General Purpose Financial Report must include the information required by the Reporting Guidelines). Further, subsection 257(5) of the RAO Schedule requires the Auditor to report regarding whether the General Purpose Financial Report is presented fairly in accordance with Australian Accounting Standards and the RAO Schedule.

The Branch must ensure in future financial years that all information which is required by the Auditor in order to fully audit the Branch's collection of membership contributions is provided to the Auditor.

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.

A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/080vwa>.

Yours sincerely,



Robert Pfeiffer
Statutory Services Branch

17 July 2006

TIMELINE/ PLANNER

Attachment A

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 to do so) - 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.



National Union of Workers

[WESTERN AUSTRALIAN BRANCH]

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Postal Address: P.O. Box Y3436 St Georges Terrace East Perth WA 6832
Telephone: (08) 9221 4321
Fax: (08) 9221 2774

BRANCH SECRETARY
MARTIN PRITCHARD
ABN 30 263 493 651

31st January 2006

The Registrar
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001

Dear Sir

RE: Financial Documents – 30 June 2005
National Union of Workers (Western Australian Branch)

Please find attached a copy of the Operating Report, General Purpose Financial Report and Auditor's Report in relation to the National Union of Workers (Western Australian Branch) for the year ended 30 June 2005.

The above mentioned documents contain the appropriate information and certificates as required by legislation and are submitted for filing.

Yours faithfully,

MARTIN PRITCHARD
BRANCH SECRETARY

Enc

Designated Officer's Certificate
S268 of Schedule 1B Workplace Relations Act 1996

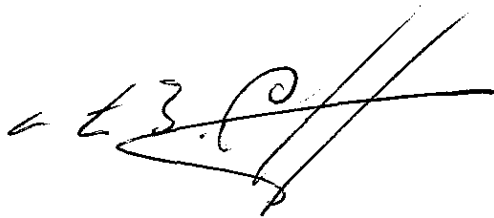
I, Martin Pritchard being the Branch Secretary of the National Union of Workers (Western Australian Branch) certify:

That the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and

That the full report, was provided to members on 21st November 2005; and

That the full report was presented to a meeting of the committee of management of the reporting unit on 22nd September 2005 and again on 15 December 2005

Signature:



Date:

31 January 2006.

Operating Report of THE NATIONAL UNION OF WORKERS (WESTERN AUSTRALIAN BRANCH)
(2004/2005 Financial Year)

1. Review of units principal:

- Activities during the financial year
 - Results of those activities
 - Significant changes in the nature of the activities
- a) During 2004/2005 the branch has watched over and protected the interests of members, maintained reasonable hours of labour and fair wage rates and settled industrial disputes by negotiation, conciliation and arbitration.

There are approximately 38 Certified Agreements which involved the NUW. During the 2004/2005 financial year 13 were negotiated or renegotiated and certified by AIRC or were in the process of being certified. Certified Agreements provide an opportunity to improve the wages and industrial interests of members and provide additional flexibility for employers.

In addition to using certified agreements as a vehicle for furthering the interests for members the safety nets of awards underpinning certified agreements has also been updated in accordance with national wage decisions and for the process of modernization.

- b) Where industrial matters cannot be resolved through negotiation it may be necessary for them to be referred to the AIRC for conciliation and/or arbitration. In this respect approximately one matter per week was referred to the AIRC to be dealt with by conciliation and/or arbitration. The bulk of the referrals referred to claims of unfair dismissals and also involved interpretations of certified agreements and awards.
- c) The result of these activities have been general increases in certified agreement wages, allowances and conditions of about 3-5% per annum depending on the industry and employer. There have also been considerable improvements in the flexibility of working arrangements that has benefited many members particularly female members who may have to combine work with family responsibilities.

Matters referred to the AIRC have been largely resolved to members satisfaction.

- d) The NUW also handles matters involving work related injuries and has an average of 4 ongoing files being processed during the 2004/2005 financial year.
- e) During the 2004/2005 financial year 3 training courses were conducted.
- f) There have been no significant changes in the activities of the NUW during the 2004/2005 financial year.

2. Details of significant changes in units financial affairs

There have been no significant changes in the Branch's financial affairs.

3. Detail of the right of members to resign under S174

Members of the NUW are entitled to resign pursuant to schedule 1B clause 174 Registration and Accountability of Organizations. The NUW strictly adheres to the resignation from membership provisions, contained therein. Those rights include:

- Resignation by notice in writing.

- Resignation takes effect on the day it is received or the day specified in the notice or at the end of a two week period, whichever is applicable.

4. Details 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: and

Where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organization.

The Assistant Secretary of the Branch is an alternate director of the Retail Employees Superannuation Trust but this is not a requirement of the fund.

5. Details of membership of the Committee of Management

Alexander Miskiewicz	Branch President
Graham Gilchrist	Branch Senior Vice President
Peter Toy	Branch Junior Vice President
Martin Pritchard	Branch Secretary
Joseph Bullock	Branch Assistant Secretary
Edward Benjamin	Branch Member
Christine McIvor (nee Benton)	Branch Member
Garry Farmer	Branch Member
Alison Rushack	Branch Member
Sebastiano Scata	Branch Member

6. Other

- The report is signed and dated
- The number of members of the NUW WA Branch at 30/06/2005 is 894
- The Branch employs 3 employees
- At point (1) the report contains a review of principal activities
- At point (2) are details of significant change of activities that being nil
- At point (3) are details of superannuation trustees
- At point (5) are details of membership of the Committee of Management

SIGNED



DATED

31st January 2006

MARTIN PRITCHARD
BRANCH SECRETARY

**National Union of Workers
(Western Australian Branch)**

Financial Report
for the financial year ended 30 June 2005

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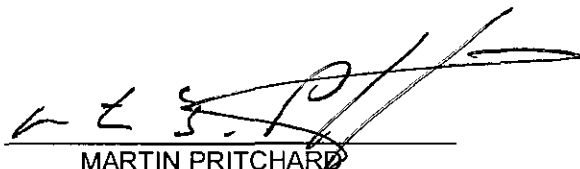
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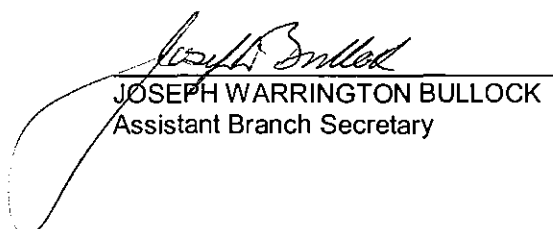
**National Union of Workers
(Western Australian Branch)**

Committee of Management Statement

We, Martin Pritchard and Joseph Warrington Bullock, being two members of the Committee of Management of the National Union of Workers (Western Australian Branch), do declare on behalf of the Committee and in accordance with a resolution passed by the Committee on 22 September 2005, that in the opinion of the Committee:

1. The financial statement and notes comply with the Australian Accounting Standards;
2. The financial statement and notes comply with the reporting guidelines of the Industrial Registrar;
3. The financial statement and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year to which they relate;
4. There are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
5. During the year ended 30 June 2005 and since the end of that year;
 - (i) Meetings of the Committee of Management were held in accordance with the rules of the National Union of Workers including the rules of the Branch; and
 - (ii) The financial affairs of the Branch have been managed in accordance with the rules of the National Union of Workers including the rules of the Branch; and
 - (iii) The financial records of the Branch have been kept and maintained in accordance with the Workplace Relations (Registration and Accountability of Organisations) Regulations ("RAO Regulations") and the Registration and Accountability of Organisations Schedule ("RAO Schedule"); and
 - (iv) The financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the National Union of Workers; and
 - (v) The information sought in any request of a member of the Branch 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.


MARTIN PRITCHARD
Branch Secretary


JOSEPH WARRINGTON BULLOCK
Assistant Branch Secretary

Date: 22/9/05
Perth, WA

Independent audit report to members of National Union of Workers (Western Australian Branch)

Scope

The financial report and committee of managements' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and the committee of managements' statement for the National Union of Workers (Western Australian Branch) (the Branch), for the year ended 30 June 2005.

The Branch's committee of management is responsible for preparing a financial report that presents fairly the financial position and performance of the Branch, and that complies with Accounting Standards in Australia, in accordance with the Workplace Relations Act 1996 and the Branch's rules. 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.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance the Workplace Relations Act 1996, including compliance with Accounting Standards, other mandatory financial reporting requirements in Australia, and the Branch's rules, a view which is consistent with our understanding of the Branch's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee of management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the committee of management of the Branch.

Independence

We are independent of the Branch, and have met the independence requirements of Australian professional ethical pronouncements.

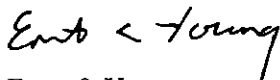
Qualification

Membership contributions are a significant source of receipts for the Branch. The Branch has determined that it is impracticable to establish control over the collection of membership contributions prior to entry in the financial records. Accordingly, as the evidence available to us regarding receipts from this source was limited, our audit procedures with respect to membership contributions have to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether membership contributions the Branch received are complete.

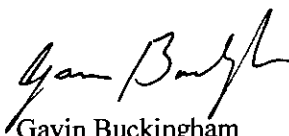
Qualified Audit opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation referred to in the qualification paragraph above not existed the financial report of National Union of Workers (Western Australian Branch) presents fairly, in accordance with the Workplace Relations Act, 1996, including compliance with Accounting Standards, other mandatory financial reporting requirements in Australia, and the Branch's rules, a view that is consistent with our understanding of the Branch's financial position as at 30 June 2005, and of its performance as represented by the results of its operations and cash flows for the year then ended.

We have obtained all of the information and explanation required from the National Union of Workers (Western Australian Branch).



Ernst & Young



Gavin Buckingham
Perth
22 September 2005

A member of The Institute of Chartered Accountants in Australia and current Public Practice Certificate holder

**National Union of Workers
(Western Australian Branch)**

**Statement of Financial Position
as at 30 June 2005**

	2005 \$	2004 \$
CURRENT ASSETS		
Cash assets	182,644	175,008
Receivables- contributions	18,101	17,274
Other assets – prepayments	475	119
GST receivable	2,751	1,462
Loan – FPU (Note 3)	-	30,000
TOTAL CURRENT ASSETS	203,971	223,863
NON CURRENT ASSETS		
Property, plant and equipment (Note 4)	18,688	-
TOTAL NON CURRENT ASSETS	18,688	-
TOTAL ASSETS	222,659	223,863
CURRENT LIABILITIES		
Payables (Note 3)	38,485	32,623
Provision for audit fees	5,000	3,000
TOTAL CURRENT LIABILITIES	43,485	35,623
TOTAL LIABILITIES	43,485	35,623
NET ASSETS	179,174	188,240
Represented by:		
ACCUMULATED FUNDS		
General fund – opening	188,240	156,821
Surplus/(Deficit) for the year	(9,066)	31,419
TOTAL ACCUMULATED FUNDS	179,174	188,240

The accompanying notes form an integral part of these financial statements.

**National Union of Workers
(Western Australian Branch)**

**Statement of Financial Performance
for the Year Ended 30 June 2005**

	2005 \$	2004 \$
REVENUE		
Membership contributions	209,879	221,294
Interest	4,778	1,300
Other income	600	600
TOTAL REVENUE	215,257	223,194
EXPENDITURE		
Affiliation – Australian Labor Party	4,289	2,753
Affiliation – Unions WA (Trades and Labour Council)	4,405	4,310
Amenities & Functions	4,435	3,888
Audit fees	5,630	5,485
Bank charges and taxes	626	513
Commissions on contributions collected	4,127	3,451
Depreciation	3,589	-
Donations	-	273
Insurance	10,674	17,644
Levies	11,500	-
Meeting expenses – local	-	-
Meeting expenses – interstate	12,623	8,807
National executive dues – NUW National Office	34,276	37,047
Printing and stationery	7,819	11,984
Service fee – SDA of WA	20,819	22,116
Shopper cards	163	233
Shop stewards function & meetings	-	2,374
Subscriptions	-	-
Sundry expenses/Organiser refunds	17,452	6,039
Union Journal	-	-
Superannuation		
- Members of Committee of Management	8,325	2,151
- Other employees	1,713	4,016
Salaries		
- Members of Committee of Management	48,969	12,143
- Other employees	20,403	40,178
Employee Expenses	2,486	6,370
TOTAL EXPENDITURE	224,323	191,775
SURPLUS/(DEFICIT) FOR THE YEAR	(9,066)	31,419

The accompanying notes form an integral part of these financial statements.

**National Union of Workers
(Western Australian Branch)**

**Statement of Cash Flows
for the Year Ended 30 June 2005**

	Note	2005 \$ Inflows (Outflows)	2004 \$ Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Contributions and other revenue received		205,527	216,123
Payments for operations and to employees	3	(210,392)	(175,697)
Interest received		4,778	1,300
		<hr/>	
NET CASH (UTILISED) / PROVIDED BY OPERATING ACTIVITIES		(87)	41,726
		<hr/>	
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(22,277)	-
Repayment of loan by FPU		30,000	-
		<hr/>	
NET CASH PROVIDED BY INVESTING ACTIVITIES		7,723	-
		<hr/>	
NET INCREASE IN CASH HELD		7,636	41,726
		<hr/>	
CASH AT THE BEGINNING OF THE FINANCIAL YEAR		175,008	133,282
		<hr/>	
CASH AT THE END OF THE FINANCIAL YEAR		182,644	175,008
		<hr/> <hr/>	

The accompanying notes form an integral part of these financial statements.

**National Union of Workers
(Western Australian Branch)**

**Notes To and Forming Part of the Accounts
for the Year Ended 30 June 2005**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

This general purpose financial report has been prepared for distribution to members of the Branch to satisfy the Committee of Managements reporting responsibilities imposed by the Workplace Relations Act 1996. The accounts have been prepared on an accrual basis of accounting.

(b) Income Tax

Under Section 50-15 of the Income Tax Assessment Act 1997, the Branch is exempt from income tax.

(c) Property, plant and equipment

Property, plant and equipment are measured at cost.

Depreciation

Depreciation is provided for on a straight line basis over the estimated useful lives of 5 years.

(d) Contributions by Members

Gross contributions by members are shown. Commissions deducted by employers as payment for collection services are shown separately as an expense. Contributions by members have been brought to account on an accruals basis. The amount of contributions receivable at 30 June 2005 has been accrued for via a review of subsequent cash receipts to 17 August 2005. Due to the nature of this revenue, it is not practicable to establish controls over it prior to the initial entry in the accounting records.

(e) Cash Flows Statement

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks (excluding bank accounts specifically designated for particular purposes and disclosed as investments), net of outstanding bank overdrafts.

(f) Payables

Liabilities for creditors and other amounts are carried at cost which is the fair value of consideration to be paid in the future for goods and services received, whether or not billed to the Branch.

**National Union of Workers
(Western Australian Branch)**

**Notes To and Forming Part of the Accounts
for the Year Ended 30 June 2005**

g) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the expense item; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows in a gross basis.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR A REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272, which reads as follows:

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

3. RELATED PARTY TRANSACTIONS

i. Loan to Food Preservers Union

This amount was a loan made to the Food Preservers Union of Western Australia. The amount is unsecured and interest free and was repaid on 30 September 2004.

ii. Affiliation Dues and National Executive Dues

Affiliation dues are payable to the ALP to enable members to have voting rights in the ALP. The affiliation dues are based on membership and determined by the ALP. National Executive dues are payable to the National Union of Workers National Office and are payable based on membership income. An amount of \$10,000 is included in payables in relation to National Executive dues yet to be paid at 30 June 2005.

iii. Levies

Levies are paid to the National Office of the National Union of Workers at rates determined by the National Office. Levies are paid for the purpose of the Tsunami Appeal and ACTU Fighting Fund.

**National Union of Workers
(Western Australian Branch)**

**Notes To and Forming Part of the Accounts
for the Year Ended 30 June 2005**

4. PROPERTY, PLANT AND EQUIPMENT

	2005	2004
	\$	\$
Motor Vehicles, at cost	22,277	-
Accumulated Depreciation Motor Vehicles	(3,589)	-
Motor Vehicles, at written down value	18,688	-

Reconciliations

	2005	2004
	\$	\$
Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year		
<i>Motor Vehicles</i>		
Carrying amount at beginning	-	-
Additions	22,277	-
Disposals/write offs	-	-
Depreciation expense	(3,589)	-
	18,688	-

5. SEGMENT REPORTING

The Branch operated in the trade union business in Western Australia.

**National Union of Workers
(Western Australian Branch)**

**Notes To and Forming Part of the Accounts
for the Year Ended 30 June 2005**

6. FINANCIAL INSTRUMENTS

i. Interest Rate Risk

Cash is held in a floating interest rate bank account or term deposit. The weighted average interest rate on cash balances was 5.3% (2004: 1%). All other financial assets and liabilities are non-interest bearing.

7. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES

	2005	2004
	\$	\$
(Deficit) / Surplus for the period	(9,066)	31,419
Adjustment for non-cash income and expense items:		
Provisions	2,000	(5,914)
Depreciation	3,589	-
Changes in assets and liabilities:		
(Increase)/Decrease in prepayments	(356)	4,039
(Increase)/Decrease in receivables	(2,116)	(2,261)
Increase in creditors	5,862	14,443
Net cash provided by operating activities	(87)	41,726

National Union of Workers (Western Australian Branch)

8. REMUNERATION OF COMMITTEE OF MANAGEMENT

The following persons held office through the entire period 1st July 2004 to 30th June 2005 unless otherwise indicated.

Alexander Miskiewicz
Graham Gilchrist
Peter Toy
Martin Pritchard
Joseph Bullock
Edward Benjamin
Christine McIvor
Garry Farmer
Alison Rushack
Sebastiano Scata

The total remuneration paid or payable, directly or indirectly, from the Branch or any related party to all the members of the Committee of Management was \$57,293. (2004 : \$14,294)

9. IMPACT OF ADOPTING AASB EQUIVALENT TO IASB STANDARDS

The Branch has commenced transitioning its accounting policies and financial reporting from current Australian Standards to Australian equivalents of International Financial Reporting Standards (AIFRS) which will be applicable for the financial year ended 30 June 2006. The Branch has allocated internal resources and engaged experts to perform diagnostics and conduct impact assessments to isolate key areas that will be impacted by the transition to AIFRS. Set out below are the key areas where accounting policies will change and may have an impact on the financial report of the Branch.

The actual effects of the transition to AIFRS may differ from that disclosed due to:

- a) ongoing work being undertaken by the Branch,
- b) potential amendments to AIFRS's and integrations thereof being issued by the standards-setters and IFRIC, and
- c) emerging and accepted practice in the integration and application of AIFRS and UIG interpretations.

Financial Instruments

Under AASB 139 *Financial Instruments: Recognition and Measurement*, financial instruments will be required to be classified into one of five categories which will, in turn, determine the accounting treatment of the item. The classifications are loans and receivables- measured at amortised cost, held to maturity - measured at amortised cost, held for trading – measured at fair value with fair value changes charged to net profit or loss, available for sale – measured at fair value with fair value changes taken to equity and non-trading liabilities - measured at amortised cost. This will result in a change in the current accounting policy that does not classify financial instruments. The Branch elected to apply the exemption under AASB 1 First Time Adoption of Australian Equivalents to International Financial Reporting Standards to apply AASB 132 Financial Instrument: Disclosure and Presentation and AASB 139 Financial instrument: Recognition and Measurement only from 1 July 2005. Therefore there will be no adjustment to classification or measurement of financial assets and liabilities from the application of AIFRS at the date of transition and during the year ended 30 June 2005.

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Accordingly based on the diagnostic performed, there would be no material adjustment arising from differences between AGAAP and AIFRS that would be required to be made to equity at the date of transition, being 1 July 2004 or equity and net profit as at and for the year ended 30 June 2005.