



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Ref: FR2007/261-[108V]

Mr Jeffrey Lawrence
National Secretary
Liquor, Hospitality and Miscellaneous Union
Locked Bag 9
HAYMARKET NSW 1240

Dear Mr Lawrence

Financial Return - year ending 30 June, 2007

Our records show the organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

This letter is intended as guide to the law applicable on the date of this letter, and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

Information on AIRC Website

We recommend you and your accountant/auditor also refer to the following documents on the Commission's website at www.airc.gov.au:

- RAO Schedule
- RAO Regulations
- Registrar's Reporting Guidelines - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- RAO Fact Sheets - These Fact Sheets explain the requirements of the RAO Schedule - many of them deal with financial reporting matters.

Reporting Unit

Under the provisions of the Registration and Accountability of Organisations Schedule (RAO), Schedule 1 of the *Workplace Relations Act 1996*, reporting entities are known as "*reporting units*". Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will use the term "reporting unit" in this letter.

Industrial Registrar's Guidelines

The Industrial Registrar's reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit's economic support of, or economic dependency on, other reporting units of the organisation.

Timeline Planner and Checklist

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar's Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor's Report, comprise the reporting unit's financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar's Reporting Guidelines. The GPFR consists of:

(a) Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

(b) Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255 including disclosures related to any recovery of wages activity ; and

(c) Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C) including declarations related to the recovery of wages activity.

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

First Meeting (Committee of Management)

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

The Auditor

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

Informing Your Members

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

The Second Meeting - if it is a General Meeting of Members

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

The Second Meeting - if it is a Committee of Management Meeting

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au).

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

Complying with time limits

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

Extensions of Time

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

Contact the Registry

We encourage you to contact the Registry on (02) 8374 6618 or by e-mail at belinda.penna@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedures but we cannot give you legal or accounting advice.

Yours sincerely



For Deputy Industrial Registrar...
18 July, 2007

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
FIRST MEETING: Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1)	/ /	as soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	within a reasonable time of having received the GPFR
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)	/ /	within 6 months of end of financial year
	/ /	within 6 months of end of financial year
Lodge full report (including any concise report) in the Industrial Registry together with secretary's certificate (or other officer authorised by the rules of the organisation) - s268	/ /	within 14 days of meeting

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.

Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
1	General Purpose Financial Report	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
2	Committee of Management Statement	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
	Does the statement contain declarations relating to any recovery of wages activity?	
3	Auditor's Report	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
4	Operating Report	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
5	Concise report*	
6	Certificate of Secretary or other Authorised Officer	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

Committee Of Management Statement

On ____/____/____ [date of meeting] the Committee of Management of _____ [name of reporting unit] passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended ____/____/____ [date]:

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

- (a) the financial statements and notes comply* with the Australian Accounting Standards;
- (b) the financial statements and notes comply* with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view* of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds* to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held* in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been* managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been* kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been* furnished to the member or Registrar; and
 - #(vi) there has been* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

[Add the following if any recovery of wages activity has been undertaken during the financial year]

- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organization has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and

- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

For Committee of Management: _____ *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

* *Where compliance or full compliance has not been attained - set out details of non compliance instead.*

Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]²*, referred to in s268 of the RAO Schedule; and
- that the *[full report **OR** concise report]³*, was provided to members on *[insert date]*; and
- that the full report was presented to *[a general meeting of members **OR** the last of a series of general meetings of members **OR** a meeting of the committee of management]³* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

¹*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

²*Only applicable where a concise report is provided to members*

³*Insert whichever is applicable*

National Office
Level 9
187 Thomas Street
Haymarket NSW 2000

Locked Bag 9
Haymarket NSW 1240
Telephone: (02) 8204 3000
Facsimile: (02) 9281 4480
E-mail: lhmu@lhmu.org.au
Web address: www.lhmu.org.au

ABN: 5272 8088 684

7 December, 2007

Mr Barry Jenkins
Deputy Industrial Registrar
Australian Industrial Registry
80 William Street
EAST SYDNEY NSW 2010

Dear Mr Jenkins

Louise Tarrant **Brian Daley**
National Secretary National President

Tim Ferrari **Sue Lines** **Troy Burton**
Assistant National Secretaries



Organising for the future

Please address all correspondence to the National Secretary

Re: NATIONAL COUNCIL FINANCIAL REPORTS

I am writing to lodge the financial reports for the LHMU National Council for the year ended 30 June 2007. Enclosed is the Full Financial Report including:

- The National Executive Statement signed by the National Secretary.
- The Operating Report signed by the National Secretary.
- The Independent Audit Report signed by the Auditors.
- The accounts including the notes to and forming part of the accounts.

The financial reports were sent to the National Executive on 22nd October 2007. The Executive resolved:

- That the operating report be approved and signed.
- To endorse the National Executive Statement.
- That the National Secretary be authorised to sign the National Executive Statement.
- That the financial reports be distributed to members by publication on the LHMU website and advertising that link in the November edition of Union News.

Subsequently the financial reports including the General Purpose Financial Report, the Auditors' statements and the operating report were supplied to members through publication on the LHMU website. Members also received a copy of Union News which contained an advertisement advising members how to view the reports on the website.

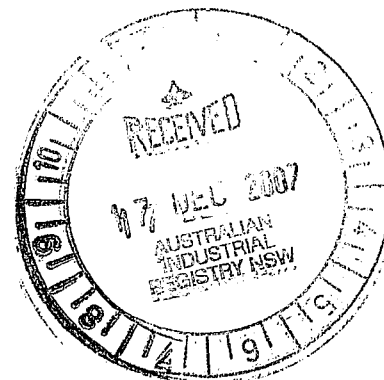
A full report was provided to the Committee of Management on 3 December 2007 and was adopted. Also enclosed is a copy of the National Secretary's certificate dated 6th December 2007.

On the basis of the above and the enclosed documentation it would seem that the National Council has complied with the audit and reporting requirements of the Act.

If you have any questions please contact me.

Yours faithfully

LOUISE TARRANT
NATIONAL SECRETARY



**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
NATIONAL COUNCIL**

FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2007

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Louise Tarrant being the National Secretary of the Liquor, Hospitality and Miscellaneous Union, 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 15 November 2007 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 3 December 2007 in accordance with section 266 of the RAO Schedule.



**LOUISE TARRANT
NATIONAL SECRETARY**

Date: 6 December 2007

LIQUOR, HOSPITALITY AND
MISCELLANEOUS UNION

NATIONAL COUNCIL

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2007

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

OPERATING REPORT

This Operating Report covers the activities of the Liquor Hospitality and Miscellaneous Union, National Council, for the financial year ended 30 June 2007, the results of those activities and any significant changes in the nature of those activities during the year.

1. Principal Activities of the National Council

The principal activities of the National Council of the Union, as conducted through the National Office, during the past year fell into the following categories:

- Implementation of the decisions of the National Executive and National Council.
- Implementation of the National Plan as endorsed by the National Council.
- Implementation of the union's organising agenda, including direct assistance and strategic advice on a particular industry or site organising projects, the training and development of officials and assistance to branches on planning and resourcing campaigns.
- Coordination of campaigns undertaken by the union. This particularly focused on the child care and cleaning industries.
- Industrial support including representation of individual member grievances, advice on legal and legislative matters and responding to other unions' rules applications where they impact on membership of the LHMU.
- Consideration of the implication of the new WorkChoices legislation and consequent advice to officials and members.
- The administration of federal awards.
- Management of information technology and strategic membership system designs to support organising.
- National media and communications to members and to the broader community via media releases in support of campaigns, video and film development, and targeted publications, including the national magazine Union News.
- National bargaining in key national industries and assistance to branches on bargaining by request.
- Assisting branches in their implementation of the union's policies and the priorities established by the National Council and National Executive.
- Lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to LHMU members, eg smoke free workplaces in hospitality and child care skill shortages issues.

The National Office has consulted with the ACTU on a range of issues. The National Office has assisted branches in the implementation of the union's policies and the priorities established by the National Council and National Executive.

2. The National Council's Financial Affairs

The level of sustentation income to National Council only increased by 0.1% this financial year even though membership dues were increased by the branches. This was due to the fall in membership in 2006-07. In the same period the total level of expenditure increased by 12.5% leading to a net deficit of \$82,766.

During the 2006-07 financial year, the National Office provided the National Organising Fund to the large branches to support their campaign activities and operational support to the small branches. Funds were also allocated to ACTU campaigns against the Federal Government's WorkChoices legislation.

3. Right of Members to Resign

All Members of the Union have the right to resign from the Union in accordance with Rule 10 of the Union Rules, and Section 174 of Schedule 1 of the Workplace Relations Act 1996.

In accordance with Section 174(1) of the Workplace Relations Act a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a Branch of the organisation.

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

OPERATING REPORT (cont'd)

4. Superannuation Trustees

Tim Ferrari is an officer of the National Office and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund.

5. Membership of the Union

There were 126,916 members of the union as at 30 June 2007.

6. Employees of the National Council

As at 30 June 2007 the National Council employed 22 full time employees and 7 part time employees with a total number of 26.4 employees on a fulltime equivalent basis.

7. National Executive

The following persons were members of the National Executive, during the year ending 30 June 2007:

<i>Name</i>	<i>Period of appointment</i>
Jeff Lawrence	1.7.06 to 30.06.07
Louise Tarrant	1.7.06 to 30.06.07
Tim Ferrari	1.7.06 to 30.06.07
Annie Owens	1.7.06 to 30.06.07
Brian Daley	1.7.06 to 30.06.07
Ron Monaghan	1.7.06 to 30.06.07
Mark Boyd	1.7.06 to 30.06.07
Jane Farrell	1.7.06 to 30.06.07
Mark Butler	1.7.06 to 30.06.07
Sharon Holmes	1.7.06 to 30.06.07
Shirley Mellor	1.7.06 to 30.06.07
Dave Kelly	1.7.06 to 30.06.07
Sue Lines	1.7.06 to 30.06.07
Gil Anderson	1.7.06 to 30.06.07
Irene Munro	1.7.06 to 30.06.07
David O'Byrne	1.7.06 to 30.06.07
Valda Graham	1.7.06 to 30.06.07
Sonia Minutillo	1.7.06 to 30.06.07

For the National Executive:



LOUISE TARRANT

25 October, 2007

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

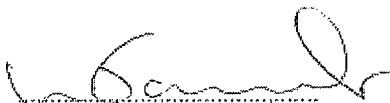
NATIONAL EXECUTIVE'S STATEMENT

On 25 October 2007 the National Executive of the Liquor, Hospitality and Miscellaneous Union – National Council passed the following resolution in relation to the general purpose financial report (GPFR) of the National Council for the year ended 30 June 2007.

The National Executive declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the National Council for the financial year ended 30 June 2007;
- (d) there are reasonable grounds to believe that the National Council will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 June 2007 and since the end of the financial year:
 - (i) meetings of the National Executive were held in accordance with the rules of the organisation and the rules of the National Council; and
 - (ii) the financial affairs of the National Council have been managed in accordance with the rules of the organisation and the rules of the National Council; and
 - (iii) the financial records of the National Council have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the financial records of the National Council have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) no information has been sought in any request of a member of the National Council or a Registrar under section 272 of the RAO Schedule; and
 - (vi) no order for inspection of the financial records has been made by the Commission under section 273 of the RAO Schedule.
- f) during the financial year ended 30 June 2007 the National Council did not participate in any recovery of wages activity.

For the National Executive:



LOUISE TARRANT

25 October 2007

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
INCOME			
Sustentation Fees		5,446,943	5,438,124
Amortisation of discount on Non Interest Bearing Loan	10	4,330	5,470
Interest Received		191,755	173,608
Merchandising Income		19,341	22,864
Property Income		5,997	6,640
Sundry Income		<u>338,034</u>	<u>71,186</u>
TOTAL INCOME		<u>6,005,399</u>	<u>5,717,892</u>
EXPENDITURE			
Depreciation		<u>180,442</u>	<u>234,989</u>
Employee Expenses			
Salaries - Officers		157,506	249,717
Salaries - Other		1,260,517	988,570
Accrued Annual Leave		194,822	178,056
Long Service Leave		30,542	33,908
Motor Vehicle Allowance		188,128	148,137
Superannuation		296,696	237,410
Payroll Tax		90,133	82,352
Fringe Benefits Tax		<u>17,304</u>	<u>20,721</u>
		<u>2,235,648</u>	<u>1,938,871</u>

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007(Continued)

	Note	2007 \$	2006 \$
Other Expenses			
Advertising		1,462	2,337
Affiliation Fees		467,047	468,898
Assistance to Branches		496,364	152,373
Bad Debts		(1,067)	24,350
Bank Charges		8,563	19,872
Campaign Expenses			
- National Organising Fund		400,000	1,150,000
- Other	12	517,026	63,038
Donations		99,977	33,056
Electricity		7,709	8,845
General Expenses		27,900	24,241
Insurance		53,524	41,268
IT Project - Leasing		6,695	6,695
- Maintenance and Support		328,651	286,880
- Internet and Website		114,064	-
Market Research		48,975	24,959
Media Costs		38,121	-
Meeting and Conference			
Accommodation and Travel		237,496	216,818
Air Fares		317,558	251,238
Other		99,464	46,093
Motor Vehicle Expenses		10,922	9,864
Union News National		294,767	213,563
Publications		26,093	9,963
Union Services		-	6,818
Postage and Freight		27,043	15,703
Printing and Stationery		73,033	69,317
Professional Services	13	145,580	156,773
Promotions – Merchandising		42,010	14,084
Property Expenses		4,272	1,269
Removal Expenses		-	11,495
Rent		-	52,589
Repairs and Maintenance		33,976	4,578
Staff Training		26,486	27,037
Subscriptions and Journals		27,180	75,354
Telephone		32,724	52,429
Video Conferencing		3,131	1,999
		<u>4,016,745</u>	<u>3,543,776</u>
TOTAL EXPENDITURE		6,432,835	5,717,636
OPERATING SURPLUS (DEFICIT) FOR YEAR		(427,436)	256
Surplus -Thomas Street Property Account		344,670	330,354
Surplus on Disposal of Assets		-	2,669
NET SURPLUS (DEFICIT) FOR THE YEAR		<u>(82,766)</u>	<u>333,279</u>

(The attached Notes form part of these Accounts)

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

BALANCE SHEET AS AT 30 JUNE 2007

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	780,108	931,363
Receivables	5	1,804,982	1,927,605
Stock on Hand - Badges and Other Merchandise		67,578	41,550
Investments			
Term Deposits - Employee Leave Fund	7	506,633	481,988
Term Deposits - Other	8	<u>2,867,598</u>	<u>2,733,762</u>
		<u>3,374,231</u>	<u>3,215,750</u>
TOTAL CURRENT ASSETS		<u>6,026,899</u>	<u>6,116,268</u>
NON CURRENT ASSETS			
Receivables			
Loans to Branches	10	28,370	43,240
Shares		556	556
Thomas Street Property Account	14	14,574,418	14,560,105
Property, Plant and Equipment	8	<u>711,019</u>	<u>817,013</u>
TOTAL NON CURRENT ASSETS		<u>15,314,363</u>	<u>15,420,914</u>
TOTAL ASSETS		<u>21,341,262</u>	<u>21,537,182</u>
LESS CURRENT LIABILITIES			
Payables			
Sundry Creditors		<u>885,171</u>	<u>984,375</u>
Provisions			
Provision for Annual Leave		218,602	240,718
Provision for Long Service Leave		<u>246,253</u>	<u>238,087</u>
		<u>464,855</u>	<u>478,805</u>
TOTAL CURRENT LIABILITIES		<u>1,350,026</u>	<u>1,463,180</u>
NET ASSETS		<u>19,991,236</u>	<u>20,074,002</u>
ACCUMULATED FUNDS		<u>19,991,236</u>	<u>20,074,002</u>

The attached Notes form part of these Accounts)

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 30 JUNE 2007

	Accumulated Funds
	\$
Balance at 1 July 2005	19,756,052
Adjustment on adoption of AASB 132 and AASB 139 at July 2005	(15,329)
Net Surplus for Year ended 30 June 2006	333,279
Balance at 30 June 2006	<u>20,074,002</u>
Net Deficit for Year ended 30 June 2007	<u>(82,766)</u>
Balance at 30 June 2007	<u>19,991,236</u>

(The attached Notes form part of these Accounts)

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Sustentation Fees		5,418,622	5,345,051
Payments to Suppliers and Employees		(6,224,085)	(5,313,631)
Interest Received		164,211	181,565
Other Income		<u>363,372</u>	<u>100,691</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	17	<u>(277,880)</u>	<u>313,676</u>
CASH FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant and Equipment		-	17,500
Payments for Property, Plant and Equipment		(74,448)	(296,005)
Payments for Investments		(158,481)	(115,171)
Distribution from Thomas Street Property Account		330,354	400,000
Loans to Branches Repaid		<u>29,200</u>	<u>19,689</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES		<u>126,625</u>	<u>26,013</u>
NET INCREASE (DECREASE) IN CASH HELD		<u>(151,255)</u>	<u>339,689</u>
Cash at Beginning of Year		<u>931,363</u>	<u>591,674</u>
CASH AT END OF YEAR	16	<u>780,108</u>	<u>931,363</u>

(The attached Notes form part of these Accounts)

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Work Place Relations Act, 1996.

Compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS) except for:

- Segment reporting because AASB 114 "Segment Reporting" does not apply to not-for-profit organisations.
- Impairment of assets under AASB 136 "Impairment of assets"

BASIS OF PREPARATION

The financial report is for the entity Liquor Hospitality and Miscellaneous Union National Council, as an individual entity. The Liquor Hospitality and Miscellaneous Union is an organisation registered under the Workplace Relations Act, 1996. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the National Council are not subject to the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs modified by the revaluation of selected financial assets and liabilities for which the fair value basis of accounting has been applied. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the economic entity in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Revenue

The concept of accruals accounting has been adopted in the preparation of the financial statements. Sustentation Fees and Interest are accounted for on an accruals basis.

(b) Income Tax

No provision for Income Tax is necessary as the Union is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997.

(c) Property, Plant and Equipment

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

Depreciation

The depreciable amount of property, plant and equipment is depreciated on a straight line method over their useful lives to the union commencing from the time the asset is ready for use.

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Property, Plant and Equipment Policies (cont'd)

The depreciation rates used for each class of asset are:

Property	2%
Office Furniture and Equipment	20%
Motor Vehicles	15%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the income statement in the year that the item is derecognised.

(d) Impairment

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. For the purpose of assessing value in use, this represents depreciated current replacement cost, as the Union is a not-for profit organisation.

(e) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on costs.

Other employee benefits payable later than one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. In the case of Long Service Leave this results in an amount not materially different to that achieved by discounting future cash flows.

Contributions are made by the Branch to employee superannuation funds and are charged as expenses when incurred.

(f) Investments

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date, which is the date on which the entity commits to purchase, or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

Available-for-sale financial assets

Investments, which are classified as available for sale, are measured at fair value.

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) Goods and Services Tax

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 on the balance sheet are shown inclusive of GST.

(h) Accounting Standards Issued But Not Yet Effective

There have been no accounting standards issued which will have a financial impact on the financial report in future periods and which are not yet effective.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Union makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

(b) Critical judgments in applying the Union's accounting principles

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities.

3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

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

- (1) A member of an organisation, 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).

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)

	Note	2007 \$	2006 \$
4. CASH AND CASH EQUIVALENTS			
Cash at Bank		779,358	930,813
Cash on Hand		<u>750</u>	<u>750</u>
		<u>780,108</u>	<u>931,363</u>
5. RECEIVABLES			
Loans to Branches	10	19,200	29,200
Amounts due from Branches	11	1,549,151	1,716,632
Prepayments		121,383	137,465
Accrued Interest		31,506	3,962
Other Receivables		<u>83,741</u>	<u>40,346</u>
		<u>1,804,982</u>	<u>1,927,605</u>
6. INVESTMENTS			
Money Market Short Term Deposits		2,001,841	1,904,285
Short Term Bank Deposits		<u>865,757</u>	<u>829,477</u>
		<u>2,867,598</u>	<u>2,733,762</u>
7. LONG SERVICE LEAVE FUND			
INVESTMENTS			
Short Term Bank Deposits		<u>506,633</u>	<u>481,988</u>
8. PROPERTY, PLANT AND EQUIPMENT			
(a) FURNITURE AND FITTINGS			
At Cost		199,397	539,070
Less Accumulated Depreciation		<u>(87,367)</u>	<u>(402,902)</u>
		<u>112,030</u>	<u>136,168</u>
(b) IT SYSTEMS			
At Cost		604,123	2,950,812
Less Accumulated Depreciation		<u>(481,429)</u>	<u>(2,765,457)</u>
		<u>122,694</u>	<u>185,355</u>
(c) PROPERTIES			
Land at Cost		165,000	165,000
Buildings at Cost		<u>285,854</u>	<u>285,854</u>
		<u>450,854</u>	<u>450,854</u>
Less Accumulated Depreciation on Buildings		<u>(29,933)</u>	<u>(24,536)</u>
		<u>420,921</u>	<u>426,318</u>

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)

	2007 \$	2006 \$
8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)		
(d) MOTOR VEHICLES		
At Cost	91,990	91,990
Less Accumulated Depreciation	<u>(36,616)</u>	<u>(22,818)</u>
	<u>55,374</u>	<u>69,172</u>
Total Property, Plant and Equipment	<u>711,019</u>	<u>817,013</u>

9. MOVEMENTS IN CARRYING AMOUNTS OF
PROPERTY, PLANT AND EQUIPMENT

	Properties	Furniture and Fittings	Motor Vehicles	IT Systems	TOTAL
	\$	\$	\$	\$	\$
Balance at 1 July 2006	426,318	136,168	69,172	185,355	817,013
Additions	-	13,156	-	61,292	74,448
Disposals	-	-	-	-	-
Depreciation	<u>(5,397)</u>	<u>(37,294)</u>	<u>(13,798)</u>	<u>(123,953)</u>	<u>(180,442)</u>
Balance at 30 June 2007	<u>420,921</u>	<u>112,030</u>	<u>55,374</u>	<u>122,694</u>	<u>711,019</u>

	Note	2007 \$	2006 \$
10. LOANS TO BRANCHES			
Current			
ACT Branch - Payroll Tax	(a)	19,200	19,200
Tas Branch - Building Works		<u>-</u>	<u>10,000</u>
		<u>19,200</u>	<u>29,200</u>
Non Current			
ACT Branch - Payroll Tax	(a)	<u>28,370</u>	<u>43,240</u>
		<u>28,370</u>	<u>43,240</u>

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)

	Note	2007 \$	2006 \$
10. LOANS TO BRANCHES (cont'd)			
(a) NON INTEREST BEARING LOAN			
ACT Branch – Payroll Tax			
Face Value of Loan		43,240	72,299
Face Value adjustment on transition to AIFRS at 1 July 2005		-	(15,329)
Amortisation of discount on Non Interest Bearing Loan		4,330	5,470
Carrying Amount of Loan		<u>47,570</u>	<u>62,440</u>
The amounts recognised in the balance sheet are as follows:			
Current Asset		19,200	19,200
Non Current Asset		<u>28,370</u>	<u>43,240</u>
		<u>47,570</u>	<u>62,440</u>
The face value adjustment has been calculated using a discount rate of 8% P.A.			
11. AMOUNTS DUE FROM BRANCHES			
NSW	Sustentation	370,272	391,206
	Other	12,153	13,002
Victoria	Sustentation	198,056	222,213
	Other	4,509	64,991
Queensland	Sustentation	318,931	322,385
	Other	13,202	56,508
South Australia	Sustentation	217,775	222,253
	Other	13,452	13,452
Western Australia	Sustentation	257,156	108,927
	Other	18,044	68,413
Tasmania	Sustentation	40,076	75,835
	Other	14,412	29,096
ACT	Sustentation	23,968	50,697
	Other	5,364	18,284
Northern Territory	Sustentation	30,482	34,145
	Other	10,301	25,225
Provision for Doubtful Debts		-	-
	5	<u>1,549,151</u>	<u>1,716,632</u>

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)

	2007 \$	2006 \$
12. CAMPAIGN EXPENSES - OTHER		
ACTU TV Advertising Campaign for Industrial Rights	621,965	310,982
Less: Amount recouped from Branches in respect of the full year	<u>(155,491)</u>	<u>(310,982)</u>
	466,474	-
Other Expenses	<u>50,552</u>	<u>63,038</u>
	<u>517,026</u>	<u>63,038</u>
13. PROFESSIONAL SERVICES		
Audit Fees	30,980	41,800
Accounting Services	7,360	-
Legal Fees	<u>107,240</u>	<u>114,973</u>
	<u>145,580</u>	<u>156,773</u>
14. THOMAS STREET PROPERTY ACCOUNT		
ASSETS		
Land	3,664,500	3,664,500
Building less Accumulated Depreciation	<u>8,437,959</u>	<u>8,730,847</u>
	12,102,459	12,395,347
Deposit	30,611	30,611
Accrued Interest	19,476	5,878
Prepayments	65,027	42,585
Cash at Bank	110,408	315,192
Investments	2,204,609	1,789,745
Sundry Debtors	<u>105,484</u>	<u>95,852</u>
TOTAL ASSETS	14,638,074	14,675,210
LIABILITIES		
Rent in advance	-	43,110
Sundry Creditors	<u>63,656</u>	<u>71,995</u>
TOTAL LIABILITIES	<u>63,656</u>	<u>115,105</u>
NET ASSETS	<u>14,574,418</u>	<u>14,560,105</u>

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)

15. RELATED PARTIES

(a) The following persons have held office in the Union during the financial period.

National President	Brian Daley	1.7.06 to 30.6.07
National Vice Presidents	Ron Monaghan	1.7.06 to 30.6.07
	Annie Owens	1.7.06 to 30.6.07
National Secretary	Jeff Lawrence	1.7.06 to 30.6.07
Assistant National Secretaries	Tim Ferrari	1.7.06 to 30.6.07
	Louise Tarrant	1.7.06 to 30.6.07
Executive Members	Mark Boyd	1.7.06 to 30.6.07
	Shirley Mellow	1.7.06 to 30.6.07
	Mark Butler	1.7.06 to 30.6.07
	Sharon Holmes	1.7.06 to 30.6.07
	Jane Farrell	1.7.06 to 30.6.07
	Dave Kelly	1.7.06 to 30.6.07
	Sue Lines	1.7.06 to 30.6.07
	Gil Anderson	1.7.06 to 30.6.07
	Irene Munro	1.7.06 to 30.6.07
	David O'Byrne	1.7.06 to 30.6.07
	Sonia Minutillo	1.7.06 to 30.6.07
	Valda Graham	1.7.06 to 30.6.07

- (b) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Income Statement under Salaries – Officers.
- (c) The aggregate amount paid during the financial period to a superannuation plan in respect of the retirement of officers was \$69,474 (2006: \$25,996).
- (d) There have been no other transactions between the officers and the Union other than those relating to their membership of the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.
- (e) The National Council is the ultimate controlling entity of the Liquor, Hospitality and Miscellaneous Union.

Transactions with Branches:

- (i) Sustentation Fees charged to Branches are disclosed as income in the Income Statement.
- (ii) National Council Organising funding to Branches and assistance to Branches are disclosed as expenses in the Income Statement.
- (iii) Amounts receivable from Branches are disclosed in the Balance Sheet.
- (iv) Loans to branches are disclosed in the Balance Sheet.

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)

	2007 \$	2006 \$
16. RECONCILIATION OF CASH		
For the purpose of the Cash Flow Statement, Cash includes Cash on Hand and in at call deposits with banks or financial institutions, net of bank overdrafts		
Cash at Bank	779,358	930,613
Cash on Hand	<u>750</u>	<u>750</u>
	<u>780,108</u>	<u>931,363</u>
17. RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH NET SURPLUS (DEFICIT)		
Net Surplus (Deficit)	(82,766)	333,279
Non Cash Flows in Net Surplus (Deficit)		
Amortisation of discount on non interest bearing loan	(4,330)	(5,470)
Depreciation	180,442	234,989
Surplus on Disposal of Assets	-	(2,669)
Thomas Street Surplus	(344,670)	(330,354)
Changes in Assets and Liabilities		
(Increase)/Decrease in Other Receivables	(43,395)	191
Increase in Stock on Hand	(26,028)	(9,523)
(Increase)/Decrease in Prepayments	16,082	(12,266)
Increase/(Decrease) in Sundry Creditors	(99,201)	463,366
(Increase)/Decrease in Amounts Due From Branches	167,480	(390,209)
Increase/(Decrease) in Employees Provisions	(13,950)	24,386
(Increase)/Decrease in Accrued Interest	<u>(27,544)</u>	<u>7,957</u>
CASH FLOWS FROM OPERATIONS	<u>(277,880)</u>	<u>313,676</u>

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)

18. FINANCIAL INSTRUMENTS

Interest Rate Risk

The Council's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:

30 June 2007	Floating interest rate	Fixed interest rate		Non interest bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	779,358	-	-	750	780,108
Receivables	-	-	-	1,711,969	1,711,969
Term deposits employee leave fund	506,633	-	-	-	506,633
Term deposits other	<u>2,867,598</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,867,598</u>
	<u>4,153,589</u>	<u>-</u>	<u>-</u>	<u>1,712,719</u>	<u>5,866,308</u>
Weighted average Interest rate	5.4%				
Financial Liabilities					
Payables	<u>-</u>	<u>-</u>	<u>-</u>	<u>885,171</u>	<u>885,171</u>
Net financial assets	<u>4,153,589</u>	<u>-</u>	<u>-</u>	<u>827,548</u>	<u>4,801,137</u>
30 June 2006	Floating interest rate	Fixed interest rate		Non interest bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	930,613	-	-	750	931,363
Receivables	-	-	-	1,833,360	1,833,360
Term deposits employee leave fund	481,988	-	-	-	481,988
Term deposits other	<u>2,733,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,733,762</u>
	<u>4,146,363</u>	<u>-</u>	<u>-</u>	<u>1,834,130</u>	<u>5,980,493</u>
Weighted average Interest rate	5%				
Financial Liabilities					
Payables	<u>-</u>	<u>-</u>	<u>-</u>	<u>984,375</u>	<u>984,375</u>
Net financial assets	<u>4,146,363</u>	<u>-</u>	<u>-</u>	<u>849,755</u>	<u>4,996,118</u>

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)

18. FINANCIAL INSTRUMENTS (cont'd)

Credit Risk Exposure

Credit risk is the risk that counterparties to a financial asset will fail to discharge their obligations, causing the national Council to incur a financial loss.

The credit risk exposure of the national Council to financial assets which have been recognised in the Balance sheet is generally the carrying amounts, net of any provisions for doubtful debts.

The carrying amounts of cash and non-interest bearing monetary financial assets and liabilities (eg receivables and payables) approximate net fair values.

19. REGISTERED OFFICE

The registered office and principal place of business of the National Council is;

Level 9
187 Thomas Street,
Haymarket,
NSW 2000

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

INDEPENDENT AUDIT REPORT

To the members of the Liquor, Hospitality and Miscellaneous Union, National Council

Report on the Financial Report

We have audited the general purpose financial report of Liquor, Hospitality and Miscellaneous Union, National Council, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in accumulated funds and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and the National Executive's statement for the year then ended.

National Executive and the National Secretary's Responsibility for the Financial Report

The National Executive and the National Secretary are 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. This responsibility also 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.

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 judgement, 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 National Executive and National Secretary, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Workplace Relations Act 1996.

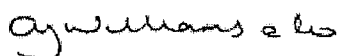
LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NATIONAL COUNCIL

INDEPENDENT AUDIT REPORT (cont'd)

Auditor's Opinion

- (a) In our opinion the general purpose financial report of Liquor, Hospitality and Miscellaneous Union, National Council is in accordance with the Workplace Relations Act 1996, including:
- (i) giving a true and fair view of the National Council's financial position as at 30 June 2007 and its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations); and
 - (iii) complying with any other requirements of the RAO.



A J Williams & Co
Chartered Accountants



David McLean
Registered Company Auditor
SYDNEY NSW 2000

25 October 2007

PENNA, Belinda

From: AIRCefiling
Sent: Monday, 17 December 2007 12:59 PM
To: sydney@air.gov.au
Subject: Dispatch advice of electronic filing - Registered Organisations - Matter Number FR2007/23

Attachments: 20071207_NAT_lt AIRC Reg.pdf; Certificate by Secretary.pdf; Donations lodgement letter.pdf; NATIONAL COUNCIL Accounts 06-07.pdf



20071207_NAT_lt
AIRC Reg.pdf (...)



Certificate by
Secretary.pdf (...)



Donations
lodgement letter.pdf



NATIONAL
COUNCIL Accounts 06-

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Please review the details below and inform the registry by email at the address specified below if they are incorrect and/or incomplete.

The documents will be manually checked against the Rules of the Commission by Registry staff as soon as possible and you will be advised by email of any anomaly.

Please note that each registry of the Industrial Registry is open on ordinary working days between the hours of 9.00 am and 5.00 pm, local time.

NSW Registry
Email: sydney@air.gov.au
17/12/2007 12:59

Type of Application: financial returns
Matter Number (IF your eFiling is accepted): FR2007/23
Registry in which to be filed: NSW

Contact Details

Title: Ms
Given name(s): Elaine
Surname: Hudson
Position: Finance Manager
Organisation: LHMU
Address: Level 9, 187 Thomas Street
Haymarket
Postcode: 2000
Phone No: 0282043025
Mobile Phone No: 0402404808
Fax No: 0292814480

Email Address: ElaineH@lhmu.org.au

Comments:

Attachments:

Lodgement of full financial report: 20071207_NAT_lt AIRC Reg.pdf
Lodgement of full financial report: Certificate by Secretary.pdf
Lodgement of full financial report: Donations lodgement letter.pdf
Lodge

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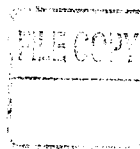
○ This footnote also confirms that this email message has been swept for the presence of computer viruses.



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990
Email: sydney@air.gov.au

Ms Louise Tarrant
National Secretary,
Liquor, Hospitality and Miscellaneous Union
Locked Bag 9
HAYMARKET NSW 1240



Dear Ms Tarrant

**Re: Lodgement of Financial Statements and Accounts – Liquor, Hospitality and
Miscellaneous Union, National Office – for year ending 30 June 2007 (FR2007/261)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 17 December 2007.

The legislative requirements appear to have been met and accordingly the documents have been filed.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'S Kellett'.

Stephen Kellett
Statutory Services Branch

2 January 2008