



**Australian Government**  
**Australian Industrial Registry**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 8380 6990

Ref: FR2005/499-[108V-NSW]

Ms Annie Owens  
Branch Secretary  
Liquor, Hospitality and Miscellaneous Union-New  
South Wales Branch  
Locked Bag 12  
HAYMARKET NSW 1240

Dear Ms Owens

**Financial Return - year ending 30 June, 2005**

Our records show your 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*.

Attached to this letter are sample forms and checklists to help you prepare and lodge your documents in time. We recommend you give a copy of this letter to the accountant or auditor preparing your accounts and the audit report.

We are happy to comment on any draft documents you or your accountant/auditor prepare before they are finalised.

**Review of last year's financial return**

We suggest you review any correspondence you received from us about last year's return. If we referred to any deficiencies or omissions, please take them into account in preparing this year's documents. Last year we identified the following issue:

- Auditor's opinion – this should be expressed on the matters in s257(5) of the RAA Schedule

**Legislation**

This letter can only summarise the legislation. We strongly recommend your organisation and your accountant/auditor get a copy and refer to it when preparing your return. This is what you will need and where to find it:

- The *Registration and Accountability of Organisations Schedule* (Schedule 1B to the *Workplace Relations Act 1996*). We will call this the "RAO Schedule"<sup>1</sup>. It is a part (or "schedule") of the Act but is numbered separately from rest of the Act. *Part 3 – Accounts and audit* of the RAO Schedule contains legislation on financial returns.

<sup>1</sup> References in this letter are to the RAO Schedule unless otherwise stated

- The *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003* – “the RAO Regulations”.
- the *Reporting Guidelines* issued by the Industrial Registrar – “the Guidelines”.

You can find the RAO Schedule and RAO Regulations under “Procedures and Legislation”, and the Guidelines under “Organisations”, on our website at [www.airc.gov.au](http://www.airc.gov.au). You can also view and download full versions of the Act including the RAO Schedule and RAO Regulations from Comlaw at [www.comlaw.gov.au](http://www.comlaw.gov.au).

### Timeline Planner and Checklist

The RAO Schedule includes strict timelines for various steps in the reporting process. It is in the interest of your organisation and its officers to know these time limits. Failure to comply with statutory time limits may attract a civil penalty.

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 Guidelines.

In the following section we describe some of the documents your reporting unit<sup>2</sup> 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:

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

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; and

Committee of Management Statement as required by the Guidelines (a sample Statement is at *Attachment C*)

2. **Operating Report** - this report includes a review of your reporting unit’s principal activities for the year and other specified information. The contents of the operating report are set out in s254 of the RAO Schedule and regulation 159 of the RAO Regulations.

<sup>2</sup> “Reporting Unit” is the term RAO uses to describe a body which has to prepare a financial return. If an organisation is divided into branches, each branch is a “reporting unit”.

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

#### *The Full Report*

Your reporting unit must provide free of charge to its members a copy of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report".

#### *A Concise Report*

Under certain circumstances, your reporting unit can provide members a more limited *concise report*. If your committee of management resolves to prepare a concise report, you must ensure the contents and format of the report are consistent with the RAO Schedule and RAO Regulations.

#### *Providing the reports to members*

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 on a website on the Internet dependent on:

- the extent of the accessibility of the members of the reporting unit to the Internet; and
- 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.
- both financial and unfinancial members should be able to access the report if published on the website

*When does the report have to be provided to members?*

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 or any concise report to members, the full report 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 and the second meeting 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 to consider the report (see s266(3)), you may 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](http://www.airc.gov.au)). When lodging the financial return please quote the **Ref: FR number** at top left of the front page of this letter.

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 certificate 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.

### **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.

### **Reduced Reporting Requirements**

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. If the annual income of a reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial

affairs of its counterpart State industrial association, the Industrial Registrar may grant a certificate reducing the reporting requirements.

If you think you might qualify for "reduced reporting", please contact us for more information and how to make an application for a certificate.

### **Contact the Registry**

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at [riasydney@air.gov.au](mailto:riasydney@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.

Yours sincerely



Peter McKerrow  
for Deputy Industrial Registrar

25 August 2005



### 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	✓
<b>1</b>	<b>General Purpose Financial Report</b>	
	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?	
<b>2</b>	<b>Committee of Management Statement</b>	
	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?	
<b>3</b>	<b>Auditor's Report</b>	
	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?	
<b>4</b>	<b>Operating Report</b>	
	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?	
<b>5</b>	<b>Concise report*</b>	
<b>6</b>	<b>Certificate of Secretary or other Authorised Officer</b>	
	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.

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 Officer<sup>1</sup>**

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]<sup>2</sup>*, referred to in s268 of the RAO Schedule; and
- that the *[full report OR concise report]<sup>3</sup>*, 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]<sup>3</sup>* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

<sup>1</sup>*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.

<sup>2</sup>*Only applicable where a concise report is provided to members*

<sup>3</sup>*Insert whichever is applicable*

**NOTICE REQUIRED BY s272(5) of the RAO Schedule**

*Your reporting unit must include the text of the Notice below in the Notes to the General Purpose Financial Report and in any Concise Report it prepares.*

**Information to be provided to members or Registrar**

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



**Australian Government**  
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80 William Street, East Sydney, NSW 2011  
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Fax: (02) 9380 6990

**Ref: FR2005/499 -[108V-NSW]**

Ms Annie Owens  
Branch Secretary  
Liquor, Hospitality and Miscellaneous Union  
New South Wales Branch  
Locked Bag 12  
HAYMARKET NSW 1240

Dear Ms Owens

**Re: Liquor, Hospitality and Miscellaneous Union-New South Wales Branch - Outstanding Financial Documents - *Workplace Relations Act 1996***

The Accounts and Audit Part of Schedule 1B of the *Workplace Relations Act 1996* requires, as a general rule, that the audited financial statements of a reporting unit of a registered organisation, be lodged in the Industrial Registry within 6 months and 14 days from the end of its financial year.

To date, the Registry has no record of lodgement of the financial reports of the above named reporting unit for the year ended 30 June, 2005. For details of these provisions and organisations' financial reporting obligations please refer to the Registry's earlier correspondence.

In particular there is no record of lodgement of copies of:

- the general purpose financial report;
- the auditor's report; or
- the operating report.

These three reports are referred to as the "full report".

Section 268 of the RAO Schedule<sup>1</sup> requires that a copy of the full report be lodged in the Registry within 14 days (or such longer period a Registrar allows) after the full report is presented to a general meeting of members (or to a committee of management meeting if the rules make provision consistent with s266(3)).

Section 266 (1) requires that the full report be presented to the meeting within 6 months of the end of the financial year. Therefore, lodgement of the documents in the Registry was required by **14 January, 2006.**

Section 305(2)(ze) of the RAO Schedule is a civil penalty provision. It provides that a failure to meet the requirements of s268 is a contravention of that civil penalty provision. The Federal Court may on application of the Industrial Registrar impose a pecuniary penalty on the person or organisation whose conduct contravened the civil penalty provision.

I also draw your attention to the provisions of Part 1 of Chapter 9 of the RAO Schedule which set out the general duties of officers and employees of organisations and their branches in relation to financial management.

In the absence of lodgement of a copy of the full report, I request you state in writing by **20 February, 2006:**

- whether the auditor has audited the general purpose financial report and if so, the date on which the auditor signed the audit report


<sup>1</sup> Schedule 1B of the Workplace Relations Act 1996

- whether the committee of management has prepared the operating report
- whether the full report has been provided to members, and if so, when
- whether the full report provided to the members has been presented to a general or committee of management meeting, and if so, when
- when a copy of the full report will be lodged in the Industrial Registry.

The full report when lodged must be accompanied by a certificate of the secretary or other authorised officer that the documents lodged are copies of the documents provided to members and presented to the general or committee of management meeting in accordance with s266.

If you wish to discuss this letter, please contact me on (02) 8374 6618. In reply please quote: **FR2005/499**.

Yours sincerely



Belinda Penna

E-mail: [belinda.penna@air.gov.au](mailto:belinda.penna@air.gov.au)

27 January, 2006

*National Office*  
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187 Thomas Street  
Haymarket NSW 2000

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Web address: [www.lhmu.org.au](http://www.lhmu.org.au)

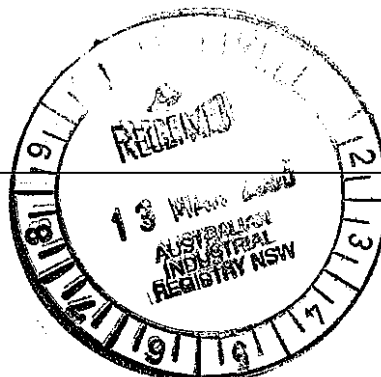
ABN: 5272 8088 684

*Helen Creed*  
National President

*Jeff Lawrence*  
National Secretary

*Tim Ferrari*  
*Louise Tarrant*  
Assistant National Secretaries

**Liquor, Hospitality  
and Miscellaneous Union**



9 March, 2006

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

Dear Mr Jenkins

**re: NEW SOUTH WALES BRANCH FINANCIAL REPORTS**

I am writing to lodge the financial reports for the LHMU New South Wales Branch for the year ended 30 June 2005. Enclosed is the Branch Full Financial Report including:

- The Committee of Management Statement signed by the Branch Secretary.
- The Operating Report signed by the two members of the Branch Executive.
- The Independent Audit Report signed by the Branch Auditors.
- The accounts including the notes to and forming part of the accounts.

The financial reports were presented to the Branch Executive meeting on 11 October 2005. The Executive resolved:

- That the operating report be approved and signed.
- To endorse the Committee of Management Statement.
- That the Branch Secretary be authorised to sign the Committee of Management 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 meeting of the New South Wales Branch Executive on 14<sup>th</sup> February 2006 and was adopted by that meeting. Also enclosed is a copy of the Branch Secretary's certificate dated 14<sup>th</sup> February 2006.

On the basis of the above and the enclosed documentation it would seem that the New South Wales Branch has complied with the audit and reporting requirements of the Act.

If you have any questions please contact me.

Yours faithfully,

**JEFF LAWRENCE**  
**NATIONAL SECRETARY**

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
BRANCH**

**FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2005**

**CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER**

I, ANNIE OWENS, being the Branch Secretary of the Liquor, Hospitality and Miscellaneous Union, New South Wales 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 30 November 2005 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 11th October 2005 in accordance with section 266 of the RAO Schedule.

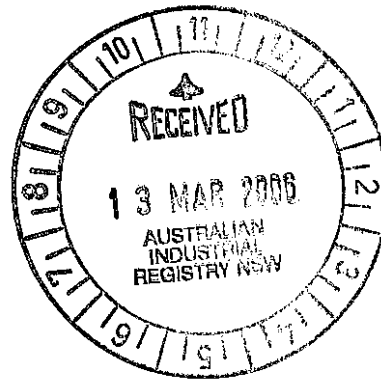
Signed:

  
ANNIE OWENS - BRANCH SECRETARY

Date:

8 March 2006





**LIQUOR, HOSPITALITY AND  
MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2005**

## **LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

### **NEW SOUTH WALES BRANCH**

#### **OPERATING REPORT**

Committee of Management Report in accordance with section 254 of the Workplace Relations Act 1996 for the year ended 30 June 2005.

#### **Principal Activities**

The principal activity of the NSW Branch of LHMU was that of a registered Trade Union.

There have been no significant changes to the way the Union has carried out these activities during the last financial year.

#### **Operating Result**

The operating surplus for LHMU NSW Branch for the year ending 30 June 2005 is \$375,236.

#### **Significant Changes**

There have been no significant changes to the operating costs of the Branch in the last financial year.

#### **Rights of Members**

Members have the right to resign their membership of the union by giving written notice of resignation to the Branch Secretary. This written notification is accepted subject to the rules of LHMU and in accordance with section 174 of the Workplace Relations Act.

#### **Superannuation Office Holders**

LHMU NSW Branch has the following officials and/or members acting as members representatives on the board of Club Plus and Australian Retirement Fund

John Morris  
Peter James  
John Barry  
John Hawker  
Kevan Lloyd  
Karen Rogers-Snell  
Joan Gunning  
Mark Boyd

Information required under Regulation 159 of the Workplace Relations Regulations

#### **Membership Numbers**

- (1) Under section 230 of the RAO Schedule the number of persons recorded in the register of members and who under section 244 of the RAO Schedule are taken to be members of the NSW Branch of the Union as at the 30 June 2005 was 34,125.
- (2) The number of persons, both full-time and part time employees measured on a full-time basis, employed by the NSW Branch of the Union as at 30 June 2005 was 72.
- (3) The names of persons who have at any time during the financial year ending 30 June 2005 been members of the LHMU NSW Branch Committee of Management and periods they served on the committee are as follows:



**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

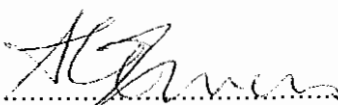
**NEW SOUTH WALES BRANCH**

<b>Name</b>	<b>Period of Service</b>
Jim Lloyd	01/07/04 to 30/06/05
Annie Owens	01/07/04 to 30/06/05
Sonia Minutillo	01/07/04 to 30/06/05
Mark Boyd	01/07/04 to 30/06/05
Kathleen Hadden	01/07/04 to 30/06/05
Margaret Brady	01/07/04 to 12/10/04
Sylvia Cullen	01/07/04 to 30/06/05
Margaret Scott	01/07/04 to 30/06/05
Lidia Areoso	01/07/04 to 30/06/05
Sue McSullea	01/07/04 to 30/06/05
Shirley Bennett	01/07/04 to 30/06/05
Ken Caines	01/07/04 to 30/06/05
George Fong	01/07/04 to 30/06/05
Bryce Grainger	01/07/04 to 12/10/04
John Barry	01/07/04 to 30/06/05
John Morris	01/07/04 to 30/06/05
John Hawker	01/07/04 to 30/06/05
Peter James	01/07/04 to 30/06/05
Sharyn Kabelka	01/07/04 to 30/06/05
Anthony Shedden	01/07/04 to 30/06/05
Pauline Foot	01/07/04 to 12/10/04
Kevan Lloyd	01/07/04 to 30/06/05
Gayle Ross	12/10/04 to 30/06/05
Brook Shanahan	12/10/04 to 30/06/05
Janet Southcott	12/10/04 to 30/06/05

Signed this 11<sup>th</sup> day of October, 2005

For and on behalf of the Committee of Management

  
.....  
**SONIA MINUTILLO**

  
.....  
**ANNIE OWENS**

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**COMMITTEE OF MANAGEMENT'S STATEMENT**

On the 11 October 2005 the Committee of Management of the Liquor, Hospitality and Miscellaneous Union – New South Wales Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 30 June 2005.

The Committee of Management 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 branch for the financial year ended 30 June 2005;
- (d) 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
- (e) during the financial year ended 30 June 2005 and since the end of the financial year:
  - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
  - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
  - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - (iv) the financial records of the Branch 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 Branch or a Registrar under section 272 of Schedule 1B to the Workplace Relations Act 1996; and
  - (vi) no orders have been made by the Industrial Registrar under section 273 of Schedule 1B to the Workplace Relations Act 1996

For the Committee of Management:

  
ANNIE OWENS

11 October 2005

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

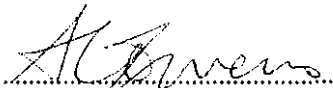
**COMMITTEE OF MANAGEMENT'S CERTIFICATE**

We, **SONIA MINUTILLO** and **ANNIE OWENS**, being two members of the Committee of Management of the Liquor, Hospitality and Miscellaneous Union, New South Wales Branch, do state on behalf of the Committee, and in accordance with a resolution passed by the Committee that:-

- [i] In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2005.
- [ii] In the opinion of the Committee of Management, meetings of the Committee were held in the year ended 30 June 2005, in accordance with the rules of the Union.
- [iii] To the knowledge of any member of the Committee, there have been no instances where records of the Union or other documents [not being documents containing information made available to a member of the Union under Sub-Section 512 [2] of the Industrial Relations Act, 1991 as applied by Sub-Section 282(3) of the Industrial Relations Act, 1996] or copies of these records or documents, or copies of the rules of the Union, have not been furnished, or made available to members in accordance with the requirements of the Industrial Relations Act, 1996, the Regulations thereto, or the rules of the Union.
- [iv] The Union has complied with Sub-Section 517(1) and (5) of the Industrial Relations Act, 1991 in relation to the financial accounts in respect of the period ended 30 June 2004 and the Auditors' Report thereon.



**SONIA MINUTILLO**



**ANNIE OWENS**

11 October 2005

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**ACCOUNTING OFFICER'S CERTIFICATE**

I, **ANNIE OWENS**, being the Officer responsible for keeping the accounting records of the Liquor, Hospitality and Miscellaneous Union, New South Wales Branch, certify that as at 30 June 2005, the number of members of the Union was 34,125.

In my opinion:

- [i] The attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2005.
- [ii] A record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Union.
- [iii] Before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union.
- [iv] With regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- [v] No loans or other financial benefits, other than remuneration in respect of their full time employment with the Union, were made to persons holding office in the Union.
- [vi] The register of members of the Union was maintained in accordance with the New South Wales Industrial Relations Act, 1996.

  
.....  
**ANNIE OWENS**

11 October 2005

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

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

	2005	2004
	\$	\$
<b>INCOME</b>		
Contributions	8,523,140	7,980,125
Hardship & Support	49,141	63,020
Interest	265,159	235,197
Salaries Recovered from - National Office	292,294	225,000
- Other	103,576	115,797
Sundry Income	15,300	60,922
Wage Claim Fees	-	3,734
<b>TOTAL INCOME</b>	<u>9,248,610</u>	<u>8,683,795</u>
 <b>EXPENDITURE</b>		
<b>Depreciation</b>		
Furniture, Fittings and Office Machines	47,473	47,565
Library	6,143	16,343
Motor Vehicles	190,928	177,726
Property	47,680	47,670
	<u>292,224</u>	<u>289,304</u>
 <b>Employee Benefits Expense</b>		
Salaries and Allowances - Officers	360,505	338,958
- Other Employees	3,000,993	2,900,636
Accrued Annual Leave	471,446	390,768
Long Service Leave	175,454	138,522
Fringe Benefits Tax	88,067	85,634
Payroll Tax	234,228	227,323
Superannuation	582,859	626,863
	<u>4,913,552</u>	<u>4,708,704</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE  
YEAR ENDED 30 JUNE 2005 [Cont'd]**

	NOTE	2005 \$	2004 \$
<b>EXPENDITURE (cont'd)</b>			
<b>Other Expenses</b>			
Advertising		4,992	2,825
Affiliation Fees		212,520	242,171
Air Fares		82,546	104,679
Attendance Fees and Allowances		17,764	18,975
Bank Charges		16,946	16,407
Campaigns		114,853	-
Commission		336,114	331,339
Computer Expenses		16,415	11,713
Donations		12,915	14,473
Education and Training		26,362	34,089
Electricity		26,049	21,689
Funeral Expenses		13,500	3,000
General Expenses		54,155	44,691
Insurance		164,587	104,175
Meeting and Conference Expenses		129,609	121,266
Motor Vehicle Expenses		246,006	194,715
National Office Sustentation Fees		1,397,839	1,352,303
Postage		74,239	53,195
Printing and Stationery		136,800	113,799
Printing and Distribution - Union News		165,003	139,692
Professional Services	9	278,187	434,765
Rates		13,182	11,728
Rent -- Room		11,123	12,348
Rent -- Regional Offices		81,520	77,055
Rent - Other		18,841	27,996
Repairs and Maintenance		59,207	59,915
Telephone		266,358	136,043
		<u>3,977,632</u>	<u>3,685,046</u>
<b>TOTAL EXPENDITURE</b>		<u>9,183,408</u>	<u>8,683,054</u>
<b>OPERATING SURPLUS FOR YEAR</b>			
Surplus - Thomas Street Property Account	14	65,202	741
Surplus/(Deficit)on disposal of assets		315,890	242,810
		<u>(5,856)</u>	<u>8,000</u>
<b>NET SURPLUS FOR YEAR</b>		375,236	251,551
Accumulated Funds at Beginning of Year		<u>20,465,816</u>	<u>20,214,265</u>
<b>ACCUMULATED FUNDS AT END OF YEAR</b>		<u>20,841,052</u>	<u>20,465,816</u>

(The attached Notes 1 to 17 form part of these Accounts)

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NEW SOUTH WALES BRANCH

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005

	NOTE	2005 \$	2004 \$
<b>ACCUMULATED FUNDS</b>		20,841,052	20,465,816
<b>ASSET REVALUATION RESERVE</b>		<u>1,312,051</u>	<u>1,312,051</u>
		<u>22,153,103</u>	<u>21,777,867</u>
Represented by Net Assets as follows:			
<b>CURRENT ASSETS</b>			
<b>Cash Assets</b>			
Cash at Bank		1,621,472	748,388
Cash on Hand		<u>11,559</u>	<u>11,859</u>
		<u>1,633,031</u>	<u>760,247</u>
<b>Receivables</b>			
Accrued Interest		13,482	12,242
Deposits		5,875	5,875
Prepayments		34,737	30,129
Sundry Debtors		<u>79,131</u>	<u>345,047</u>
		<u>133,225</u>	<u>393,293</u>
<b>Investments</b>	7	<u>3,989,581</u>	<u>4,065,910</u>
<b>Long Service Leave Fund</b>			
Cash at Bank		439,204	435,061
Investments		<u>710,616</u>	<u>617,674</u>
		<u>1,149,820</u>	<u>1,052,735</u>
<b>TOTAL CURRENT ASSETS</b>		<u>6,905,657</u>	<u>6,272,185</u>
<b>NON CURRENT ASSETS</b>			
<b>Other Financial Assets</b>			
Shares	8	<u>11,759</u>	<u>8,999</u>
		<u>11,759</u>	<u>8,999</u>
<b>Property, Plant and Equipment</b>			
Library	3	-	6,143
Motor Vehicles	4	723,828	773,634
Furniture, Fittings and Office Machines	5	132,731	127,588
Properties	6	<u>2,396,401</u>	<u>2,444,081</u>
		<u>3,252,960</u>	<u>3,351,446</u>
<b>Thomas St Property Account</b>	13	<u>14,629,750</u>	<u>14,313,860</u>
<b>TOTAL NON CURRENT ASSETS</b>		<u>17,894,469</u>	<u>17,674,305</u>
<b>TOTAL ASSETS</b>		<u>24,800,126</u>	<u>23,946,490</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005 [Cont'd]**

	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
<b>LESS LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
<b>Payables</b>		
National Office Sustentation Fees	342,872	319,880
Sundry Accounts Payable	<u>761,162</u>	<u>561,957</u>
	<u>1,104,034</u>	<u>881,837</u>
<b>Provisions</b>		
Provision for Accrued Annual Leave	867,186	699,717
Provision for Long Service Leave	<u>675,803</u>	<u>587,069</u>
	<u>1,542,989</u>	<u>1,286,786</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>2,647,023</u>	<u>2,168,623</u>
<b>NET ASSETS</b>	<u>22,153,103</u>	<u>21,777,867</u>

(The attached Notes 1 to 17 form part of these Accounts)



**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**CASH FLOW STATEMENT FOR THE  
YEAR ENDED 30 JUNE 2005**

	NOTE	2005 \$	2004 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from Members		8,789,056	7,914,399
Payments to National Council for Sustentation Fees		(1,397,839)	(1,352,303)
Payments to Suppliers and Employees		(7,019,553)	(7,008,663)
Interest Received		263,919	234,034
Other Receipts		460,311	468,473
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	12	<u>1,095,894</u>	<u>255,940</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for shares		(2,760)	-
Proceeds of deposit		-	150
Proceeds from Sale of Assets		-	280,434
Payment for Fixed Assets		(199,594)	(630,300)
Purchase of Investments		(16,613)	(200,533)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<u>(218,967)</u>	<u>(550,249)</u>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		876,927	(294,309)
Cash at Beginning of Year		<u>1,195,308</u>	<u>1,489,617</u>
<b>CASH AT END OF YEAR</b>	11	<u>2,072,235</u>	<u>1,195,308</u>

(The attached Notes 1 to 17 form part of these Accounts)

## LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

### NEW SOUTH WALES BRANCH

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

##### 1. STATEMENT OF ACCOUNTING POLICIES

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

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

- a] Depreciation of fixed assets is calculated on the straight line basis in order to write the assets off over their useful lives to the Union.
- b] Provision for employee benefits in the form of Long Service Leave and Accrued Annual Leave has been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.

In the case of Long Service Leave, the accrual has been measured by reference to periods of service and current salary rates as it is considered that this results in an amount not materially different to that achieved by discounting estimated future cash flows.

- c] Contributions are accounted for on a cash receipts basis.
- d] The Rules of the Union provide that all property and assets are held in the name of the Union. This particularly applies to property acquired from Branch funds but which is registered in the name of the Union. Branch funds themselves form part of the property of the Union.

The Union policy is for assets and property acquired from Branch funds to be accounted for in the financial statements of the Branch from whose funds the assets were acquired.

Similarly, all income received by a Branch [whether in the form of entrance fees, contributions, fines, fees, levies, dues or penalties or by way of investments and the like] is accounted for in the financial statements of that Branch even though such income is the property of the Union.

- e] 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.
- f] Australian Equivalents to International Financial Reporting Standards (AIFRSs)

The Committee of Management is preparing and managing transition to Australian equivalents to international financial reporting standards (AIFRS) effective for financial reporting periods commencing from 1 January 2005. The adoption of AIFRS will be reflected in the Branch's financial statements for the year ending 30 June 2006. On first time adoption of AIFRS, comparatives for the financial year ended 30 June 2005 are required to be restated. The majority of the AIFRS transitional adjustments will be made retrospectively against retained earnings at 1 July 2004. The Committee of Management is of the opinion that there are no material differences in the Branch's accounting policies on conversion to AIFRS except as follows:

The Branch has recognised revaluation increments of \$1,312,051 in respect of the freehold property at Parramatta as an increase in the asset revaluation reserve.

Under AIFRS revaluation increments and decrements will be recognised in the profit and loss account.

## LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

### NEW SOUTH WALES BRANCH

#### NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005[Cont'd]

##### 1. STATEMENT OF ACCOUNTING POLICIES (Cont'd)

Therefore, in the restated comparatives in the 2006 financial statements there will be no asset revaluation reserve. Correspondingly the balance of accumulated funds at 30 June 2005 will be recorded as being \$22,153,103 an increase of \$1,312,051 from the balance of \$20,841,052 shown in this year's financial report.

The Branch currently assesses the amount of impairment of assets by determining the recoverable amount on the basis of undiscounted cash flows. Under Australian equivalents to IFRSs, AASB 116 Impairment of Assets, the Branch will be required to determine the recoverable amount as the higher of fair value less costs to sell and value in use (which is depreciated replacement cost). The Branch has considered all assets for impairment and no assets were found to be impaired therefore there is no impact on financial statements for the year ended 30 June 2005.

Users of the financial statements should, however, note that the amounts disclosed could change if there are any amendments to the current AIFRS by standard- setters, or interpretation of the AIFRS requirements changes due to continuing transition work of the Committee of Management.

##### 2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the 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).

In accordance with the requirements of the Industrial Relations Act, 1991 the attention of members is drawn to the provisions of Sub-Sections (1) and (2) of Section 512 which read as follows:-

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

	2005 \$	2004 \$
<b>3. LIBRARY</b>		
Valuation 1/1/80	10,650	10,650
Additions at Cost	<u>207,854</u>	<u>207,854</u>
	218,504	218,504
Less Accumulated Depreciation	<u>218,504</u>	<u>212,361</u>
	-	<u>6,143</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 30 JUNE 2005 [Cont'd]**

	2005 \$	2004 \$
<b>4. MOTOR VEHICLES</b>		
Cost	1,072,699	1,031,826
Less Accumulated Depreciation	<u>348,871</u>	<u>258,192</u>
	<u>723,828</u>	<u>773,634</u>
<b>5. FURNITURE, FITTINGS AND OFFICE MACHINES</b>		
Cost	1,296,862	1,244,246
Less Accumulated Depreciation	<u>1,164,131</u>	<u>1,116,658</u>
	<u>132,731</u>	<u>127,588</u>
<b>6. PROPERTY</b>		
Land and Buildings - at Cost	434,545	434,545
- at valuation 2 July 2001	<u>2,320,000</u>	<u>2,320,000</u>
	2,754,545	2,754,545
Less Accumulated Depreciation on Buildings	<u>358,144</u>	<u>310,464</u>
	<u>2,396,401</u>	<u>2,444,081</u>
<p>The valuation of Land and Buildings at 2 July 2001 is an Officers' valuation based on market values.</p>		
<b>7. INVESTMENTS</b>		
Bank Bills and Short Term Deposits	<u>3,989,581</u>	<u>4,065,910</u>
<b>8. SHARES - AT COST</b>		
Newcastle Rehabilitation Centre	5,000	5,000
NRMA	4,559	1,799
Transnational	200	200
Trade Union Medical Centre	<u>2,000</u>	<u>2,000</u>
	<u>11,759</u>	<u>8,999</u>
<b>9. PROFESSIONAL SERVICES</b>		
Audit Fees	62,900	61,026
Accounting Fees	21,568	24,293
Legal Expenses	<u>193,719</u>	<u>349,446</u>
	<u>278,187</u>	<u>434,765</u>

## LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

### NEW SOUTH WALES BRANCH

#### NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 [Cont'd]

#### 10. RELATED PARTIES

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

Branch President	Jim Lloyd
Branch Executive Vice Presidents	John Morris Sonia Minutillo
Branch Secretary	Annie Owens
Branch Assistant Secretaries	John Hawker Mark Boyd John Barry
Branch Executive Members	Kathleen Hadden Lidia Areoso Shirley Bennett Pauline Foot Bryce Grainger Peter James Sharyn Kabelka Anthony Shedden Kevan Lloyd Sue McCullea Margaret Scott Sylvia Cullen Ken Caines Margaret Brady George Fong Gayle Ross Brook Shanahan Janet Southcott

- (b) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Statement of Financial Performance under Salaries and Allowances – Officers.
- (c) The aggregate amount paid during the financial year to a superannuation plan in respect of officers was \$55,878 (2004 : \$52,168).
- (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.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION****NEW SOUTH WALES BRANCH****NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 30 JUNE 2005 (Cont')**

	2005 \$	2004 \$
<b>11. RECONCILIATION OF CASH</b>		
For the purpose of this statement of cash flows, cash includes Cash on Hand and in at call deposits with banks or financial institutions net of bank overdrafts		
<b>Cash at Bank</b>		
General Fund	1,621,472	748,388
Long Service Leave Fund	439,204	435,061
<b>Cash on Hand</b>	<u>11,559</u>	<u>11,859</u>
	<u>2,072,235</u>	<u>1,195,308</u>
<b>12. RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH NET SURPLUS</b>		
<b>Net Surplus for the Year</b>	375,236	251,551
<b>Non-Cash Flows in Net Surplus</b>		
Thomas Street Property - (Surplus)	(315,890)	(242,810)
Depreciation	292,224	289,304
Charges to Employees Provision	646,900	529,290
Loss/(Gain) on Sale of Assets	5,856	(8,000)
<b>Changes in Assets and Liabilities</b>		
(Decrease) Increase in Sundry Creditors	199,205	(37,588)
Increase/(Decrease) in National Council Creditor	22,992	13,504
(Increase) Decrease in Sundry Debtors	265,916	(65,726)
(Increase) Decrease in Prepayments	(4,608)	2,592
Decrease/(Increase) in Stock	-	509
(Increase) in Accrued Interest	(1,240)	(1,163)
Payments from Employees Provisions	<u>(390,697)</u>	<u>(475,523)</u>
<b>CASH FLOWS FROM OPERATIONS</b>	<u>1,095,894</u>	<u>255,940</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 [Cont'd]**

	2005 \$	2004 \$
<b>13. THOMAS STREET PROPERTY ACCOUNT</b>		
Net asset relating to the Joint Venture with the National Office of building situated at Thomas Street Sydney		
<b>ASSETS</b>		
Land	3,664,500	3,664,500
Building less accumulated depreciation	<u>8,871,832</u>	<u>9,275,232</u>
	12,536,332	12,939,732
Accrued Interest	6,193	10,295
Prepayments	29,833	41,546
Cash at Bank	137,168	451,257
Investments	1,791,460	1,326,420
Sundry Debtors	<u>169,853</u>	<u>44,671</u>
<b>TOTAL ASSETS</b>	<u>14,670,839</u>	<u>14,813,921</u>
<b>LIABILITIES</b>		
Loan - National Office	-	284,168
Rent in Advance	-	197,047
Sundry Creditors	<u>41,089</u>	<u>18,846</u>
<b>TOTAL LIABILITIES</b>	<u>41,089</u>	<u>500,061</u>
<b>NET ASSETS</b>	<u>14,629,750</u>	<u>14,313,860</u>
<b>14. SURPLUS – THOMAS STREET PROPERTY ACCOUNT</b>		
Surplus for the year – current year	315,890	242,810
Reduction of surplus share – prior years	<u>-</u>	<u>(1,291,695)</u>
	315,890	(1,048,885)
NSW Branch gain on reversal of rent expenses in respect of prior years	<u>-</u>	<u>1,291,695</u>
	<u>315,890</u>	<u>242,810</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 [Cont'd]**

**15. FINANCIAL INSTRUMENTS**

**Interest Rate Risk**

The Branch'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 2005	Floating interest rate	Fixed interest rate		Non interest bearing	Total
		1 year or less	Over 1 to 5 years		
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash	2,060,676	-	-	11,559	2,072,235
Receivables	-	-	-	79,131	79,131
Short term deposits	710,616	-	-	-	710,616
Bank bills and short term deposits	3,989,581	-	-	-	3,989,581
	<u>6,760,873</u>	<u>-</u>	<u>-</u>	<u>90,690</u>	<u>6,851,563</u>
Weighted average Interest rate	2.5%				
<b>Financial Liabilities</b>					
Payables	-	-	-	1,104,034	1,104,034
Net financial assets/(liabilities)	<u>6,760,873</u>	<u>-</u>	<u>-</u>	<u>(1,013,344)</u>	<u>5,747,529</u>
<b>30 June 2004</b>					
<b>Financial Assets</b>					
Cash	1,183,449	-	-	11,859	1,195,308
Receivables	-	-	-	345,047	345,047
Short term deposits	617,674	-	-	-	617,674
Bank bills and short term deposits	4,065,910	-	-	-	4,065,910
	<u>5,867,033</u>	<u>-</u>	<u>-</u>	<u>356,906</u>	<u>6,223,939</u>
Weighted average Interest rate	2.5%				
<b>Financial Liabilities</b>					
Payables	-	-	-	881,837	881,837
Net financial assets/(liabilities)	<u>5,867,033</u>	<u>-</u>	<u>-</u>	<u>(524,931)</u>	<u>5,342,102</u>

**Credit Risk Exposure**

Credit risk is the risk that counter parties to a financial asset will fail to discharge their obligations, causing the Branch to incur a financial loss.

The credit risk exposure of the Branch to financial assets which have been recognised in the Statement of Financial Position 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.



**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 30 JUNE 2005 [Cont'd]**

**16. COMMITMENT**

There is a commitment to carrying out extensive renovations / refurbishments of levels 7 and 8 of the property at Thomas Street Sydney over the next few months.

The Branch will incur the costs of all internal work in respect of level 7. The Thomas Street Property Account owned jointly by the NSW Branch and National Council, will bear the costs of refurbishing the lift areas of levels 7 and 8, as well as the costs of the internal work required on level 8.

As at 11 October 2005 the costs of the renovations / refurbishments have not been determined and no contracts have yet been entered into.

**17. REGISTERED OFFICE**

The registered office and principal place of business of the Branch is;

Level 7  
187 Thomas Street,  
Haymarket,  
NSW 2000

## **LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

### **NEW SOUTH WALES BRANCH**

#### **INDEPENDENT AUDIT REPORT**

To the members of the Liquor, Hospitality and Miscellaneous Union, NSW Branch.

#### *Matters relating to the Electronic Presentation of the Audited Financial Report*

This audit report relates to the financial report of the Liquor, Hospitality and Miscellaneous Union - New South Wales Branch, for the year ended 30 June 2005 included on the Liquor, Hospitality and Miscellaneous Union web site. The Committee of Management and National Secretary of the Liquor, Hospitality and Miscellaneous Union - National Council are responsible for the integrity of the Liquor, Hospitality and Miscellaneous Union web site. The audit report refers only to the statements named below. It does not provide an opinion on any other information that may have been hyper linked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the web site.

#### **Scope**

##### *The Financial Report and the Responsibility of the Committee of Management and the Branch Secretary*

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 Management Statement, Committee of Management Certificate and the Accounting Officer's Certificate for the Liquor, Hospitality and Miscellaneous Union - New South Wales Branch, for the year ended 30 June 2005.

The Committee of Management and the Branch Secretary are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996 and the Industrial Relations Act 1996. 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 have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal controls, 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 with the Workplace Relations Act 1996 and the Industrial Relations Act 1996, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Branch's financial position and 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 and the Accounting Officer.

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.

## **LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

### **NEW SOUTH WALES BRANCH**

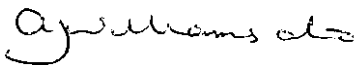
#### **Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996 and the Industrial Relations Act 1996.

#### **Audit Opinion**

In our opinion:

- (a) The financial report of Liquor, Hospitality and Miscellaneous Union – New South Wales Branch is in accordance with the Workplace Relations Act 1996, including:
  - (i) giving a true and fair view of the Branch's financial position as at 30 June 2005 and its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards; and
  - (iii) complying with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule 1B of the Act; and
- (b) The financial report of Liquor, Hospitality and Miscellaneous Union – New South Wales Branch is in accordance with other mandatory professional reporting requirements in Australia.
- (c) We have received all the information and explanations required for the purposes of our audit.
  - (i) There were kept by the Union in respect of the year under review, satisfactory records detailing the sources and nature of income of the Union [including income from members] and the nature and purposes of expenditure, and
  - (ii) The attached financial report, including the Certificates of the Committee of Management and the Accounting Officer, is prepared in accordance with Section 510 of the Industrial Relations Act, 1991, as applied by Section 282(3) of the Industrial Relations Act 1996.



**A.J. WILLIAMS & CO.**  
Chartered Accountants.



**D. S. MCLEAN**  
Registered Company Auditor.  
SYDNEY NSW 2000

11 October 2005



**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

Mr Jeff Lawrence  
National Secretary  
Liquor Hospitality Miscellaneous Union  
Locked Bag 9  
HAYMARKET NSW 1240

Dear Mr Lawrence

**Re: Lodgement of Financial Statements and Accounts - New South Wales Branch –  
for the year ending 30 June 2005 (FR2005/499)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 13 March 2006.

The documents have been filed.

Yours sincerely,

A handwritten signature in black ink that reads 'Wendy Burgess'.

Wendy Burgess  
for Deputy Industrial Registrar

22 March 2006