



**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: FR2006/512-[108V-NSW]**

Ms Annie Owens  
Branch Secretary  
LHMU - New South Wales Branch  
Locked Bag 12  
HAYMARKET NSW 1240

Dear Ms Owens

**Financial Return - year ending 30 June, 2006**

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](http://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](http://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 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. We can offer you advice on procedures but we cannot give you legal or accounting advice.

Yours sincerely



For Deputy Industrial Registrar...  
1 August, 2006

**National Office**  
Level 9  
187 Thomas Street  
Haymarket NSW 2000

**Jeff Lawrence**      **Brian Daley**  
National Secretary    National President



**LHMU**

Organising for the future

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

**Tim Ferrari**  
**Louise Tarrant**  
Assistant National Secretaries

ABN: 5272 8088 684

22<sup>nd</sup> December 2006

Please address all correspondence to the National Secretary

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 2006. 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 10<sup>th</sup> October 2006. 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.

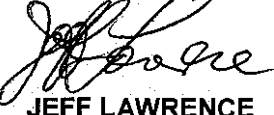
Subsequently the financial reports including the General Purpose Financial Report, the Auditors' statements and the operating report were supplied to members through publication on the LHMU website. Members also received a copy of Union News which contained an advertisement advising members how to view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

A full report was provided to the meeting of the New South Wales Branch Executive on 1 December and was adopted by that meeting. Also enclosed is a copy of the Branch Secretary's certificate dated 1 December 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



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

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
BRANCH**

**FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2006**

**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 2006 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 1 December 2006 in accordance with section 266 of the RAO Schedule.

Signed

A handwritten signature in black ink, appearing to read 'Annie Owens', written over a horizontal line.

Date: 1 December 2006

**LIQUOR, HOSPITALITY AND  
MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2006**

# **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 2006.

#### **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 net surplus for LHMU NSW Branch for the year ending 30 June 2006 was \$597,361.

#### **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 Hawker  
John Morris  
Peter James  
Tara Moriarty  
Kevan Lloyd  
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 2006 was 33,734.
- (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 2006 was 77.



# LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

## NEW SOUTH WALES BRANCH


### OPERATING REPORT

- (3) The names of persons who have at any time during the financial year ending 30th June 2006 been members of the LHMU NSW Branch Committee of Management and periods they served on the committee are as follows:

Name	Period of Service
Lidia Areoso	01/07/05 TO 30/06/06
John Barry	01/07/05 TO 22/02/06
Shirley Bennett	01/07/05 TO 30/06/06
Mark Boyd	01/07/05 TO 30/06/06
Ken Caines	01/07/05 TO 30/06/06
Sylvia Cullen	01/07/05 TO 30/06/06
George Fong	01/07/05 TO 30/06/06
Kathleen Hadden	01/07/05 TO 30/06/06
John Hawker	01/07/05 TO 30/06/06
Peter James	01/07/05 TO 30/06/06
Sharyn Kabelka	01/07/05 TO 30/06/06
Jim Lloyd	01/07/05 TO 30/06/06
Kevan Lloyd	01/07/05 TO 30/06/06
Sue McSullea	01/07/05 TO 30/06/06
Sonia Minutillo	01/07/05 TO 30/06/06
John Morris	01/07/05 TO 30/06/06
Annie Owens	01/07/05 TO 30/06/06
Gayle Ross	01/07/05 TO 30/06/06
Margaret Scott	01/07/05 TO 30/06/06
Brook Shanahan	01/07/05 TO 30/06/06
Anthony Shedden	01/07/05 TO 30/06/06
Janet Southcott	01/07/05 TO 30/06/06

Signed this 10<sup>th</sup> day of October 2006.

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 10 October 2006 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 2006.

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 2006;
- (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 2006 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

10 October 2006

**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 2006.
- [ii] In the opinion of the Committee of Management, meetings of the Committee were held in the year ended 30 June 2006, 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 2005 and the Auditors' Report thereon.

  
SONIA MINUTILLO

  
ANNIE OWENS

10 October 2006

# **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 2006, the number of members of the Union was 33,734.

In my opinion:

- [i] The attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2006.
- [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

10 October 2006

# LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

## NEW SOUTH WALES BRANCH

### INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
<b>INCOME</b>		
Contributions	9,271,142	8,523,140
Hardship & Support	55,869	49,141
Interest	284,662	265,159
Salaries Recovered from - National Office	215,159	292,294
- Other	42,328	103,576
Sundry Income	18,330	15,300
<b>TOTAL INCOME</b>	<b>9,887,490</b>	<b>9,248,610</b>
 <b>EXPENDITURE</b>		
<b>Depreciation</b>		
Furniture, Fittings and Office Machines	67,491	47,473
Library	-	6,143
Motor Vehicles	193,635	190,928
Property	57,632	47,680
	<b>318,758</b>	<b>292,224</b>
 <b>Employee Benefits Expense</b>		
Salaries and Allowances - Officers	355,719	360,505
- Other Employees	3,297,768	3,000,993
Annual Leave	485,221	471,446
Long Service Leave	106,010	175,454
Fringe Benefits Tax	85,562	88,067
Payroll Tax	258,917	234,228
Superannuation	647,662	582,859
	<b>5,236,859</b>	<b>4,913,552</b>

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

NEW SOUTH WALES BRANCH

INCOME STATEMENT FOR THE  
YEAR ENDED 30 JUNE 2006 [Cont'd]

	NOTE	2006 \$	2005 \$
<b>EXPENDITURE (cont'd)</b>			
<b>Other Expenses</b>			
Advertising		2,511	4,992
Affiliation Fees		213,329	212,520
Air Fares		72,987	82,546
Attendance Fees and Allowances		10,825	17,764
Bank Charges		23,636	16,946
Campaigns		199,144	114,853
Commission		340,791	336,114
Computer Expenses		16,625	16,415
Donations		4,775	12,915
Education and Training		22,454	26,362
Electricity		25,934	26,049
Funeral Expenses		13,500	13,500
General Expenses		65,064	54,155
Insurance		142,846	164,587
Meeting and Conference Expenses		145,847	129,609
Motor Vehicle Expenses		291,022	246,006
National Office Sustainment Fees		1,415,451	1,397,839
Postage		47,598	74,239
Printing and Stationery		133,970	136,800
Printing and Distribution - Union News		179,359	165,003
Professional Services	11	289,396	278,187
Rates		13,570	13,182
Rent - Room		1,958	11,123
Rent - Regional Offices		74,436	81,520
Rent - Other		22,381	18,841
Repairs and Maintenance		70,083	59,207
Telephone		173,356	266,358
		<u>4,012,848</u>	<u>3,977,632</u>
<b>TOTAL EXPENDITURE</b>		<u>9,568,465</u>	<u>9,183,408</u>
<b>OPERATING SURPLUS FOR YEAR</b>		319,025	65,202
Surplus - Thomas Street Property Account		330,354	315,890
Deficit on disposal of assets		<u>(52,018)</u>	<u>(5,856)</u>
<b>NET SURPLUS FOR YEAR</b>		<u>597,361</u>	<u>375,236</u>

(The attached Notes form part of these Accounts)

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

**BALANCE SHEET AS AT 30 JUNE 2006**

	NOTE	2006 \$	2005 \$
<b>ACCUMULATED FUNDS</b>		<u>22,750,464</u>	<u>22,153,103</u>
Represented by Net Assets as follows:			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	5	1,481,007	1,633,031
Receivables	6	131,158	133,225
Investments	7	4,618,740	3,989,581
Long Service Leave Fund			
Cash at Bank		443,387	439,204
Investments	8	<u>614,308</u>	<u>710,616</u>
		<u>1,057,695</u>	<u>1,149,820</u>
<b>TOTAL CURRENT ASSETS</b>		<u>7,288,600</u>	<u>6,905,657</u>
<b>NON CURRENT ASSETS</b>			
Other Financial Assets			
Shares	9	<u>11,341</u>	<u>11,759</u>
		<u>11,341</u>	<u>11,759</u>
Property, Plant and Equipment	10	3,492,974	3,252,960
Thomas St Property Account	15	<u>14,560,105</u>	<u>14,629,750</u>
<b>TOTAL NON CURRENT ASSETS</b>		<u>18,064,420</u>	<u>17,894,469</u>
<b>TOTAL ASSETS</b>		<u>25,353,020</u>	<u>24,800,126</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**BALANCE SHEET AS AT 30 JUNE 2006 [Cont'd]**

	2006 \$	2005 \$
<b>LESS LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
<b>Payables</b>		
National Office Sustentation Fees	355,640	342,872
Sundry Accounts Payable	<u>731,655</u>	<u>761,162</u>
	<u>1,087,295</u>	<u>1,104,034</u>
<b>Provisions</b>		
Provision for Accrued Annual Leave	843,443	867,186
Provision for Long Service Leave	<u>671,818</u>	<u>675,803</u>
	<u>1,515,261</u>	<u>1,542,989</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>2,602,556</u>	<u>2,647,023</u>
<b>NET ASSETS</b>	<u>22,750,464</u>	<u>22,153,103</u>

(The attached Notes form part of these Accounts)



**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
FOR THE YEAR ENDED 30 JUNE 2006**

	<b>Accumulated Funds</b>
	<b>\$</b>
<b>Balance at 1 July 2005</b>	21,777,867
Net Surplus for Year	<u>375,236</u>
<b>Balance at 30 June 2006</b>	22,153,103
Net Surplus for Year	<u>597,361</u>
<b>Balance at 30 June 2006</b>	<u>22,750,464</u>

(The attached Notes form part of these Accounts)

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**CASH FLOW STATEMENT FOR THE  
YEAR ENDED 30 JUNE 2006**

	NOTE	2006 \$	2005 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from Members		9,297,154	8,789,056
Payments to National Council for Sustentation Fees		(1,415,451)	(1,397,839)
Payments to Suppliers and Employees		(7,900,006)	(7,019,553)
Interest Received		282,000	263,919
Other Receipts		331,686	460,311
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	14	<u>595,383</u>	<u>1,095,894</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Thomas Street Property Account		400,000	-
Proceeds from Sale of Assets		265,618	-
Payment for Fixed Assets		(876,409)	(199,594)
Purchase of Investments		(532,433)	(16,613)
Payment for shares		-	(2,760)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<u>(743,224)</u>	<u>(218,967)</u>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<u>(147,841)</u>	<u>876,927</u>
Cash at Beginning of Year		<u>2,072,235</u>	<u>1,195,308</u>
<b>CASH AT END OF YEAR</b>	13	<u>1,924,394</u>	<u>2,072,235</u>

(The attached Notes 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 2006**

**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 New South Wales Branch, as an individual entity. The Liquor Hospitality and Miscellaneous Union is an organisation registered under the Workplace Relations Act, 1996. The Liquor Hospitality and Miscellaneous Union New South Wales Branch is a Branch of the registered organisation and is also a registered organisation in accordance with the Industrial 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 Branch 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.

This is the first financial report prepared under AIFRS and AASB 1 First-Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these statements. Comparatives for the year ended 30 June 2005 have been restated accordingly.

Reconciliations of the effect of the introduction of AIFRS on the Union's Accumulated Funds, Reserves, Net Surplus and Liabilities are detailed in Note 4.

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.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006 (cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(a) Revenue**

Contributions and Entrance Fees are accounted for on a cash receipts basis. Otherwise, the concept of accruals accounting has been adopted in the preparation of the financial statements. Interest is 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 plant and equipment is depreciated on a diminishing value method over their useful lives to the union commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Property	2%
Office Furniture and Equipment	10% - 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.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006 (cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(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.

**(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 impact the financial report in future periods and which are not yet effective.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006 (cont'd)**

**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 asset 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).

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.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006 (cont'd)**

**4. IMPACT OF ADOPTION OF AIFRS**

The impact of adopting AIFRS on the Accumulated Funds, Reserves, Surplus and Liabilities, reported under previous Australian Generally Accepted Accounting Principles ("AGAAP") are set out below.

	\$
(a) Total Accumulated Funds and Reserves under previous AGAAP at 1 July 2004	<u>21,777,867</u>
Total Accumulated Funds under AIFRS at 1 July 2004	<u>21,777,867</u>
(b) Adjustments to Reserves	
Asset Revaluation Reserve under previous AGAAP at 1 July 2004	1,312,051
Transfer of Asset Revaluation Reserve to Accumulated Funds	<u>(1,312,051)</u>
Asset Revaluation Reserve under AIFRS at 1 July 2004	<u>-</u>
(c) There are no material differences between the Cash Flow Statement presented under AIFRS and the Cash Flow Statement presented under AGAAP.	

	2006 \$	2005 \$
<b>5. CASH AND CASH EQUIVALENTS</b>		
Cash at Bank	1,469,598	1,621,472
Cash on Hand	<u>11,409</u>	<u>11,559</u>
	<u>1,481,007</u>	<u>1,633,031</u>
<b>6. RECEIVABLES</b>		
Prepayments	34,471	34,737
Accrued Interest	16,144	13,482
Sundry Debtors	73,476	79,131
Deposits	<u>7,067</u>	<u>5,875</u>
	<u>131,158</u>	<u>133,225</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006 (Cont'd)**

	2006 \$	2005 \$
<b>7. INVESTMENTS</b>		
Money market short term deposits	1,793,855	1,695,327
Short Term Bank Deposits	1,293,783	399,573
Short Term Bank Bills	1,519,115	1,886,521
Other	11,987	8,160
	<u>4,618,740</u>	<u>3,989,581</u>
<b>8. LONG SERVICE LEAVE FUND</b>		
<b>INVESTMENTS</b>		
Short Term Bank Deposits	74,308	70,616
Short Term Bank Bills	540,000	640,000
	<u>614,308</u>	<u>710,616</u>
<b>9. OTHER FINANCIAL ASSETS</b>		
<b>SHARES – AT FAIR VALUE</b>		
Newcastle Rehabilitation Centre	5,000	5,000
NRMA	4,141	4,559
Transnational	200	200
Trade Union Medical Centre	2,000	2,000
	<u>11,341</u>	<u>11,759</u>
<b>10. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>(A) LIBRARY</b>		
Cost	218,504	218,504
Less Accumulated Depreciation	<u>218,504</u>	<u>218,504</u>
	-	-
<b>(B) MOTOR VEHICLES</b>		
Cost	1,056,642	1,072,699
Less Accumulated Depreciation	<u>200,463</u>	<u>348,871</u>
	<u>856,179</u>	<u>723,828</u>
<b>(C) FURNITURE, FITTINGS AND OFFICE MACHINES</b>		
Cost	1,529,647	1,296,862
Less Accumulated Depreciation	<u>1,231,622</u>	<u>1,164,131</u>
	<u>298,025</u>	<u>132,731</u>
<b>(D) PROPERTY</b>		
Land and Buildings – at Cost	434,545	434,545
– at deemed cost	<u>2,320,000</u>	<u>2,320,000</u>
	<u>2,754,545</u>	<u>2,754,545</u>
Less Accumulated Depreciation on Buildings	<u>415,775</u>	<u>358,144</u>
	<u>2,338,770</u>	<u>2,396,401</u>
Total Property, Plant and Equipment	<u>3,492,974</u>	<u>3,252,960</u>



**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006 (Cont'd)**

**10. PROPERTY, PLANT AND EQUIPMENT (Cont'd)**

**MOVEMENTS IN CARRYING AMOUNTS**

	Properties	Furniture and Equipment	Motor Vehicles	Library	TOTAL
	\$	\$	\$	\$	\$
Balance at 1 July 2006	2,396,401	132,731	723,828	-	3,252,960
Additions	-	232,786	643,204	-	875,990
Disposals	-	-	(317,218)	-	(317,218)
Depreciation	(57,631)	(67,492)	(193,635)	-	(318,758)
Balance at 30 June 2006	<u>2,338,770</u>	<u>298,025</u>	<u>856,179</u>	<u>-</u>	<u>3,492,974</u>

	2006 \$	2005 \$
<b>11. PROFESSIONAL SERVICES</b>		
Audit Fees	49,280	62,900
Accounting Fees	24,275	21,568
Legal Expenses	179,043	193,719
Professional Services - Other	36,798	-
	<u>289,396</u>	<u>278,187</u>

**12. 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 Peter James Sharvyn Kabelka Anthony Shedden Kevan Lloyd Sue McCuslea Margaret Scott Sylvia Cullen Ken Caines George Fong Gayle Ross Brook Shanahan Janet Southcott

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006 (Cont'd)**

**12. RELATED PARTIES (CONT)**

- (b) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Income Statement under Salaries and Allowances – Officers.
- (c) The aggregate amount paid during the financial year to a superannuation plan in respect of officers was \$54,640 (2005 : \$55,878).
- (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.

	2006 \$	2005 \$
<b>13. 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	1,469,598	1,621,472
Long Service Leave Fund	443,387	439,204
<b>Cash on Hand</b>	11,409	11,559
	<u>1,924,394</u>	<u>2,072,235</u>

**14. RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH NET SURPLUS**

<b>Net Surplus for the Year</b>	597,361	375,236
<b>Non-Cash Flows in Net Surplus</b>		
Thomas Street Property - (Surplus)	(330,354)	(315,890)
Depreciation	318,758	292,224
Loss on Disposal of Assets	52,018	5,856
<b>Changes in Assets and Liabilities</b>		
(Decrease) Increase in Sundry Creditors	(29,507)	199,205
Increase/(Decrease) in National Council Creditor	12,768	22,992
(Increase) Decrease in Sundry Debtors	4,463	265,916
(Increase) Decrease in Prepayments	266	(4,608)
(Increase) in Accrued Interest	(2,662)	(1,240)
(Decrease)/Increase in Employee Provisions	(27,728)	256,203
<b>CASH FLOWS FROM OPERATIONS</b>	<u>595,383</u>	<u>1,095,894</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 30 JUNE 2006 [Cont'd]**

	2006 \$	2005 \$
<b>15. THOMAS STREET PROPERTY ACCOUNT</b>		
Net asset relating to the Joint Venture with the National Office in respect of building situated at Thomas Street Sydney		
<b>ASSETS</b>		
Land	3,664,500	3,664,500
Building less accumulated depreciation	<u>8,730,847</u>	<u>8,871,832</u>
	12,395,347	12,536,332
Deposits	30,611	-
Accrued Interest	5,878	6,193
Prepayments	42,585	29,833
Cash at Bank	315,192	137,168
Investments	1,789,745	1,791,460
Sundry Debtors	<u>95,852</u>	<u>169,853</u>
<b>TOTAL ASSETS</b>	<u>14,675,210</u>	<u>14,670,839</u>
<b>LIABILITIES</b>		
Rent in Advance	43,110	-
Sundry Creditors	<u>71,995</u>	<u>41,089</u>
<b>TOTAL LIABILITIES</b>	<u>115,105</u>	<u>41,089</u>
<b>NET ASSETS</b>	<u>14,560,105</u>	<u>14,629,750</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 30 JUNE 2006 [Cont'd]**

**16. 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:

<b>30 June 2006</b>	<b>Floating interest rate</b>	<b>Fixed interest rate</b>		<b>Non interest bearing</b>	<b>Total</b>
		<b>1 year or less</b>	<b>Over 1 to 5 years</b>		
<b>Financial Assets</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash	1,912,985	-	-	11,409	1,924,394
Receivables	-	-	-	73,476	73,476
Bank bills and short term deposits	5,233,048	-	-	-	5,233,048
	<u>7,146,033</u>	<u>-</u>	<u>-</u>	<u>84,885</u>	<u>7,230,918</u>
Weighted average Interest rate	3.76%				
<b>Financial Liabilities</b>					
Payables	-	-	-	1,087,295	1,087,295
Net financial assets/(liabilities)	<u>7,146,033</u>	<u>-</u>	<u>-</u>	<u>(1,002,410)</u>	<u>6,143,623</u>
<b>30 June 2005</b>					
<b>Financial Assets</b>					
Cash	2,060,676	-	-	11,559	2,072,235
Receivables	-	-	-	79,131	79,131
Bank bills and short term deposits	4,700,197	-	-	-	4,700,197
	<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>

**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 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.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 30 JUNE 2006 [Cont'd]**

**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, New South Wales Branch.

##### **Scope**

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

The financial report comprises the balance sheet, income statement, statement of changes in accumulated funds, cash flow statement, accompanying notes to the financial statements and the Committee of Management's Statement, Committee of Management's Certificate and the Accounting Officer's Certificate for the Liquor, Hospitality and Miscellaneous Union – New South Wales Branch, for the year ended 30 June 2006.

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.

##### **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.

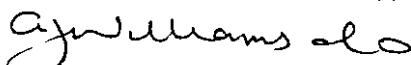
**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION**

**NEW SOUTH WALES BRANCH**

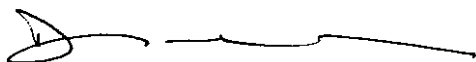
**Audit Opinion**

In our opinion:

- (a) the general purpose 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 2006 and its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and other mandatory professional reporting requirements in Australia; and
  - (iii) complying with any other requirements of the RAO; and
- (b) 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

10 October 2006

## **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 2006 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 balance sheet, income statement, statement of changes in accumulated funds, cash flow statement, accompanying notes to the financial statements and the Committee of Management's Statement, Committee of Management's 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**

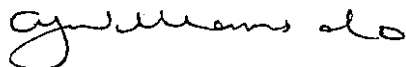
#### **Independence**

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 2006 and its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and other mandatory professional reporting requirements in Australia; and
  - (iii) complying with any other requirements of the RAO; and
- (b) 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

10 October 2006



**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](mailto:sydney@air.gov.au)

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

Dear Mr Lawrence

**Re: Lodgement of Financial Statements and Accounts – Liquor, Hospitality and  
Miscellaneous Union, New South Wales Branch – for year ending 30 June 2006  
(FR2006/512)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 3 January 2007.

The legislative requirements have been met and accordingly the documents have been filed. There is no further action required but I take this opportunity to remind the Branch of the following if it applies in future years.

**Recovery of Wages Activity Report (only if applicable in any year)**

Paragraph 16 of the Industrial Registrar's Guidelines states:

*Where the reporting unit has undertaken recovery of wages activity (and has derived revenues for the financial year in respect of such activity) the reporting unit must cause to be prepared for purposes of paragraph 253(2)(c) of the RAO Schedule a financial report in which is disclosed financial information associated with such activity.*

Paragraphs 17-23 describe what such a report must contain, and paragraph 25(f) requires that the Committee of Management Statement contain various declarations in relation to such recovery wages activity.

If such activity occurs in the Branch in future years, it should be reported in accordance with these Guidelines.

Yours sincerely,

Stephen Kellett  
Statutory Services Branch

9 January 2007