



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
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Ref: FR2006/513-[108V-NT1]

Ms Irene Monro
Branch Secretary
LHMU -Northern Territory Branch
GPO Box 32
DARWIN NT 0801

Dear Ms Monro

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:

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

Reporting Unit

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

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

Industrial Registrar's Guidelines

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

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

Timeline Planner and Checklist

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

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

Three Reports

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

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

(a) Financial Statements containing:

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

(b) Notes to the Financial Statements containing:

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

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

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

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

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

First Meeting (Committee of Management)

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

The Auditor

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

Informing Your Members

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

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

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

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

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

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

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

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

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

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

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

Lodge full report within 14 days of meeting

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

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

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

Complying with time limits

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

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

Extensions of Time

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

Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at 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

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

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

Tim Ferrari
Louise Tarrant
Assistant National Secretaries



Organising for the future

ABN: 5272 8088 684

Please address all correspondence to the National Secretary

19 December, 2006

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

Dear Mr Jenkins

re: NT BRANCH FINANCIAL REPORTS

I am writing to lodge the financial reports for the LHMU Northern Territory 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 21st November 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.

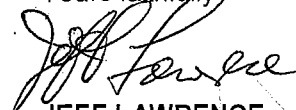
Subsequently the financial reports including the General Purpose Financial Report, the Auditors' statements and the operating report were supplied to members through publication on the LHMU website. Members also received a copy of Union News which contained an advertisement advising members how to view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

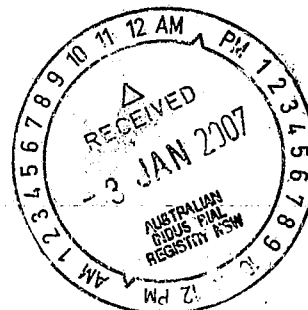
A full report was provided to the meeting of the Northern Territory Branch Executive on 6th December and was adopted by that meeting. Also enclosed is a copy of the Branch Secretary's certificate dated 8th December 2006.

On the basis of the above and the enclosed documentation it would seem that the Northern Territory 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

Received Event (Event Succeeded)

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LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
BRANCH

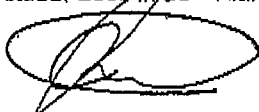
FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2006

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Irene Monro, being the Branch Secretary of the Liquor, Hospitality and Miscellaneous Union, Northern Territory 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 31 October 2006 in accordance with section 266 of the RAO Schedule.

Signed



Date:

8/12/06

**LIQUOR HOSPITALITY AND MISCELLANEOUS
UNION
NORTHERN TERRITORY BRANCH**

FINANCIAL REPORT

30 JUNE 2006

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LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH


COMMITTEE OF MANAGEMENT'S STATEMENT

On 31 October 2006 the Committee of Management of the Liquor Hospitality and Miscellaneous Union, Northern Territory Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ending 30 June 2006.

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

1. the financial report and notes comply with the Australian Accounting Standards;
2. the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
3. 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;
4. there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
5. during the financial year ended 30 June 2006 and since the end of the financial year:
 - 5.1. meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
 - 5.2. the financial affairs of the branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
 - 5.3. the financial records of the Branch have been kept and maintained in accordance with the Schedule 1B to the Workplace Relations Act 1996, and the Workplace Relations (Registration of Accountability of Organisations) Regulations 2003; and
 - 5.4. the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the Branches and National Council of the organisation; and
 - 5.5. no information has been sought in any request of a member of the Branch or a Registrar under section 272 of Schedule 1B of the Workplace Relations Act 1996; and
 - 5.6. no orders have been made by the Commission under section 273 of Schedule 1B to the Workplace Relations Act 1996.

For the Committee of Management

Signed: 
Irene Monro, Branch Secretary

Dated: 31/10/06

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2006

OPERATING REPORT

The Committee of Management presents its Operating Report of the Liquor, Hospitality and Miscellaneous Union, Northern Territory Branch for the financial year ended 30 June 2006.

1. Principal activities of the Branch

As in past years, the principal activities of the Branch during the year fell into the following three categories:

Organising existing members and new members.

Bargaining, negotiating and arbitrating for improvements in wages and conditions of employment of members of the Union.

Representing individual members in work related grievances or other individual matters.

The Branch has seen an increase in its membership base with the introduction of a range of new organising initiatives and our involvement in key national campaigns such as the ABC Childcare Campaign and the Clean Start Campaign.

The Branch has continued its commitment to the ongoing training and support of delegates so they can add to the resource base of the union with respect to our organising capacity. This has resulted in the NT Branch's first Delegate Convention.

The Branch contributions have increased due to an increase in membership fees which was endorsed by the Delegates Convention and Branch Council.

With a very large area to cover in terms of visiting our members and recruiting potential members, the Branch has still been able to deliver a service to the remote regions of the Northern Territory with regular organiser contact in many of these localities.

2. Rights of Members to Resign

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

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2006

OPERATING REPORT

3. Superannuation Trustees

There is currently no member of the Branch who sits as a Trustee or Member of the Board of Directors of a Superannuation Fund.

4. Membership of the Branch

There were 2,820 members of the Branch as at 30 June 2006

5. Employees of the Branch

As at 30 June 2006 the Branch employed 8 full time staff.

6. Committee of Management

The following persons were members of the Committee of Management of the Branch, at any time, during the year ending 30 June 2006:

Martine Tulloch	Branch President	1 Jul 2005 - 30 Jun 2006
Denise Ah Sam	Branch Vice President	17 Nov 2005 - 30 Jun 2006
Peter McConnell	Branch Executive Member	16 May 2006 - 30 Nov 2005
Shannon Brahim	Branch Vice President	1 Jul 2005 - 30 Apr 2006
Christine Castine	Branch Executive Member	1 Jul 2005 - 30 Jun 2006
Don Henwood	Branch Executive Member	1 Jul 2005 - 30 Jun 2006
Breck Coleman	Branch Executive Member	7 Nov 2005 - 30 Jun 2006
Irene Monro	Branch Secretary	1 July 2005 - 30 Jun 2006
Patricia Michels	Branch Executive Member	16 May 2006 - 30 Jun 2006

IRENE MONRO
BRANCH SECRETARY



Date:

31/10/06

INDEPENDENT AUDIT REPORT

To the members of Liquor Hospitality and Miscellaneous Union – Northern Territory Branch

Scope

The financial report and committee of management's responsibility.

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and committee of management's statement for the Liquor Hospitality and Miscellaneous Union – Northern Territory 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. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

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

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

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

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

INDEPENDENT AUDIT REPORT (Contd)

To the members of Liquor Hospitality and Miscellaneous Union – Northern Territory Branch

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.

Qualification

The Branch has not considered the transition of its accounting policies and financial reporting from current Australian Standards to Australian equivalents of International Financial Reporting Standards (AIFRS) as at 30 June 2006. We have been unable to determine which accounting standards the Branch has not complied with during the year and its effect on the financial results and its assets and liabilities.

Qualified Audit Opinion

In our opinion except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation referred to in the qualification paragraph above not existed the financial report of the Liquor Hospitality and Miscellaneous Union – Northern Territory Branch presents a true and fair view in accordance with applicable Accounting Standards, other mandatory professional reporting requirements in Australia and the Workplace Relations Act 1996 the financial position of the Liquor Hospitality and Miscellaneous Union – Northern Territory Branch as at 30 June 2006, and the results of its operations and its cash flows for the year then ended.



Nair Watkins



Lloyd Nair
Partner

Darwin

Date: 31 October 2006

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2006**

	Notes	2006 \$	2005 \$
CURRENT ASSETS			
Cash	2	225,763	211,313
Receivables	3	101,761	74,232
Other	4	2,294	5,331
TOTAL CURRENT ASSETS		<u>329,818</u>	<u>290,876</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	214,623	234,655
TOTAL NON-CURRENT ASSETS		<u>214,623</u>	<u>234,655</u>
TOTAL ASSETS		<u>544,441</u>	<u>525,531</u>
CURRENT LIABILITIES			
Accounts payable	6	125,970	110,311
Other	7	0	28,910
Provisions	8	107,397	89,251
TOTAL CURRENT LIABILITIES		<u>233,367</u>	<u>228,472</u>
TOTAL LIABILITIES		<u>233,367</u>	<u>228,472</u>
NET ASSETS		<u>311,074</u>	<u>297,059</u>
ACCUMULATED FUNDS			
Accumulated surplus	9	311,074	297,059
TOTAL ACCUMULATED FUNDS		<u>311,074</u>	<u>297,059</u>

The statement of financial position should be read in conjunction with the accompanying notes.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE
YEAR ENDED 30 JUNE 2006**

	2006	2005
	\$	\$
INCOME		
Membership contributions	745,767	667,296
Commission allowed	(13,925)	(13,349)
Interest received	7,263	4,938
Donations	45	0
Subsidies – National Office	136,201	132,848
National Organising Fund	0	34,580
NT Crime Prevention	10,000	0
Special Purpose Funding – NTFRS	0	83,636
Sponsorship	1,182	2,750
Profit on sale of assets	9,545	0
Rent received	15,567	11,073
National Office Reimbursements	21,776	191
Training funds	68,182	0
Sundry income	1,464	685
TOTAL INCOME	1,003,068	924,648
EXPENDITURE		
Depreciation		
Buildings	5,025	5,025
Motor Vehicles	14,216	15,280
Furniture & Equipment	1,690	1,392
	20,931	21,697
Employee Expenses		
Payroll tax	34,944	35,913
Transfer of employee entitlements		
- LHMU -Queensland Branch	0	16,062
Airfare entitlement	4,887	0
Salary – officer	79,785	96,196
Salaries – staff/officials	448,440	364,957
Superannuation	50,573	49,186
Fringe benefit tax	11,793	7,051
	630,422	569,365
Other Expenses		
Advertising and promotion	2,279	2,206
Affiliation fees	25,921	7,525
Alice Springs Branch	10,069	11,014
Audit fees	5,460	7,860
Accounting	1,500	0

The statement of financial performance should be read in conjunction with the accompanying notes.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE
YEAR ENDED 30 JUNE 2006**

EXPENDITURE (Cont'd.)

	2006 \$	2005 \$
Other Expenses Contd.		
Bank fees and charges	4,431	4,059
Branch council expenses	(6,554)	10,605
Cleaning/rubbish removal	3,138	3,200
Computing expenses	(3,563)	4,560
Campaigns	6,791	0
Delegates training	235	808
Delegates convention	24,009	0
Electricity	3,716	3,798
Equipment < \$500	352	299
Executive meetings	365	2,267
Fees and Penalties	201	0
Insurance / workers compensation	8,957	9,143
Legal fees	2,930	850
Library	479	663
Members expense	(220)	2,987
Motor vehicle expenses	19,659	23,775
Postage and freight	2,202	4,032
Printing and Stationery	10,709	13,153
Property expenses	29,440	27,432
Publications	(3,537)	854
Recoverable	1,225	3,115
Repairs and maintenance – Office	158	904
Staff amenities	362	405
Staff training	1,600	0
Sundry expenses	3,783	602
Sustentation fee	118,486	104,578
Telephone	21,876	19,459
Travel, accommodation & conference	33,755	32,462
Travel allowances	7,486	5,056
	----- 337,700 -----	----- 307,671 -----
Significant Item		
Sustentation write back	0	(476,566)
	-----	-----
TOTAL EXPENDITURE	989,053 -----	422,167 -----
 SURPLUS	 14,015 =====	 502,481 =====

The statement of financial performance should be read in conjunction with the accompanying notes.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2006**

	Notes	2006 \$	2005 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Contributions and other receipts		958,731	879,118
Payments to suppliers and employees		(960,190)	(821,283)
Interest received		7,263	4,938
		-----	-----
NET CASH FLOWS FROM OPERATING ACTIVITIES	10(b)	5,804	62,773
		-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of plant and equipment		(899)	(2,413)
Proceeds on sale of plant and equipment		9,545	0
		-----	-----
NET CASH FLOWS PROVIDED BY / (USED IN) INVESTING ACTIVITIES		8,646	(2,413)
		-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		0	(24,000)
		-----	-----
NET CASH FLOWS USED IN FINANCING ACTIVITIES		0	(24,000)
		-----	-----
NET INCREASE IN CASH HELD		14,450	36,360
Cash at the beginning of the financial year		211,313	174,953
		-----	-----
Cash at the end of the financial year	10(a)	<u>225,763</u>	<u>211,313</u>

The statement of cash flows should be read in conjunction with the accompanying notes.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2006**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

The financial report has been prepared on an accrual basis and is based on historic costs and does not take into account changing money values or except where specifically stated, current valuations of non current assets. Cost is based on the fair values of consideration given in exchange for assets.

The following material accounting policies, which are consistent with the previous, unless otherwise stated, have been adopted in the preparation of this financial report.

Property, plant and equipment

Property, plant and equipment are brought to account at cost or at independent valuation.

Assets are not revalued to an amount above their recoverable amount, and where carrying values exceed this recoverable amount assets are written down. In determining recoverable amount the expected net cash flows have not been discounted.

Any gain or loss on the disposal of assets is determined as the difference between the carrying value of the asset at the time of disposal and the proceeds from disposal, and is included in the results of the Union in the year of disposal.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner, which reflects the consumption of the service potential embodied in those assets.

Depreciation is calculated on a straight-line basis, using rates, which are reviewed each reporting period.

Major depreciation rates are:

	2006 Years	2005 Years
Buildings	50	50
Motor Vehicles	6.6	6.6
Furniture and equipment	10	10
Refurbishment	10	10

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2006**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

The rules of the Union provide that all property; plant and equipment acquired are held in the name of the Union. This particularly applies to property, plant and equipment acquired from Branch funds, which is registered in the name of the Union. Branch funds form part of the property of the Union and all liabilities ultimately are the responsibility of the Union.

Employee Entitlements

Provision is made for annual leave payable to employees on the basis of statutory and contractual requirements.

Such provisions take into account amounts in relation to wages and salaries, annual leave and long service leave. Such entitlements are measured at their nominal amounts.

Taxation

The Union believes its income is exempt from income tax under Sub division 50A sub-section 50-153.1 and 3.3 of the Income Tax Assessment Act.

Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and short-term deposits, net of outstanding bank overdrafts.

Name Change

On 12 March 2004 Union changed its trading name to Liquor Hospitality and Miscellaneous Union – Northern Territory Branch

Membership Contributions

Membership contributions are recognised in the year that they are received.

Comparative Amounts

Where required comparatives have been restated to facilitate meaningful comparison to current year results.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2006**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Economic Dependence

The Northern Territory Branch receives financial assistance from its National Office and the future operation of the Northern Territory Branch is dependent upon the ongoing support from the National Office.

Adoption of Australian Equivalents to International Financial Reporting Standards from 2005-2006

Management of the transition to AEIFRS

Liquor Hospitality and Miscellaneous Union Northern Territory Branch is a relatively small Branch with very limited resources, which has yet to commence the process of preparing and managing the transition to Australian Equivalents to International Financial Reporting Standards (AEIFRS) effective for the year ended 30 June 2006.

The adoption of AEIFRS will actually be of no benefit to the members of the Branch. The only reason why the Branch has to adopt the AEIFRS is because it prepares a general purpose financial report. The need for the preparation of a general purpose financial report for future reporting periods is to be reconsidered by the Board.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2006**

	2006 \$	2005 \$
NOTE 2. CASH		
Cheque Account	133,388	121,494
Cash Management Account	91,975	88,825
Petty Cash – Darwin	200	1,100
- Alice Springs	(18)	0
Cash at Bank – Alice Springs	218	(106)
	<u>225,763</u>	<u>211,313</u>
NOTE 3. RECEIVABLES		
Trade debtors	104,607	77,078
Provision for doubtful debts	(2,846)	(2,846)
	<u>101,761</u>	<u>74,232</u>
NOTE 4. OTHER		
Prepayments	<u>2,294</u>	<u>5,331</u>
NOTE 5. PROPERTY, PLANT AND EQUIPMENT		
Buildings		
At Cost	251,250	251,250
Provision for depreciation	(64,069)	(59,044)
	<u>187,181</u>	<u>192,206</u>
Office Refurbishment		
At Cost	34,562	34,562
Provision for depreciation	(34,562)	(34,562)
	<u>0</u>	<u>0</u>
Office Equipment		
At Cost	49,159	48,260
Provision for depreciation	(38,395)	(36,705)
	<u>10,764</u>	<u>11,555</u>
Motor Vehicles		
At Cost	53,948	101,864
Provision for depreciation	(37,270)	(70,970)
	<u>16,678</u>	<u>30,894</u>
Net property, plant and equipment	<u>214,623</u>	<u>234,655</u>

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2006**

Movements in carrying amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year.

	Buildings	Office Refurbishment	Office Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Balance at the beginning of the year	192,206	0	11,555	30,894	234,655
Additions	0	0	899	0	899
Disposals	0	0	0	53,948	53,948
Depreciation writeback	0	0	0	53,948	53,948
Depreciation	5,025	0	1,690	14,216	20,931
Carrying amount at the end of the year	187,181	0	10,764	16,678	214,623

NOTE 6. ACCOUNTS PAYABLE

Current

	2006 \$	2005 \$
Trade creditors	73,110	46,253
GST – Net	31,937	38,145
Accrued expenses	6,500	7,000
PAYG Withholding	8,758	12,963
FBT Payable	2,096	2,186
Payroll Tax	3,569	3,764
	<u>125,970</u>	<u>110,311</u>

NOTE 7. OTHER

Current

Sustentation Fee		
- 2005	0	28,910
	<u>0</u>	<u>28,910</u>

NOTE 8. PROVISIONS

Current

Annual leave	51,033	56,216
RDO	944	1,402
Long service leave	55,420	31,633
	<u>107,397</u>	<u>89,251</u>

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2006**

	2006 \$	2005 \$
NOTE 9. ACCUMULATED FUNDS		
Balance at 1 July 2005	297,059	(205,422)
Change in net assets from operations	14,015	502,481
Balance at 30 June 2006	<u>311,074</u>	<u>297,059</u>

NOTE 10. CASH FLOW INFORMATION

a) Reconciliation of cash

Cash balance comprises:

- Cash (Note 2)	<u>225,763</u>	<u>211,313</u>
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b) Reconciliation of operating surplus to
the net cash flows used in operating activities

Operating surplus	14,015	502,481
Depreciation	20,931	21,697
Profit on disposal of assets	(9,545)	0
Change in assets and liabilities		
Trade receivables	(27,529)	(40,642)
Other	3,037	2,676
Creditors and accruals	15,661	28,165
Other	(28,910)	(459,121)
Loans		(489)
Provision for employee entitlements	18,144	8,006
Net Cash Flows from operating activities	<u>5,804</u>	<u>62,773</u>

c) The Union has no credit or stand - by or financing facilities in place.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2006**

NOTE 11. RELATED PARTIES DISCLOSURES

Transactions with related parties are carried out under normal commercial terms and conditions.

- (a) Directors and Executive members are disclosed in the Operating Report.
- (b) Aggregate remuneration received or receivable by directors and executive members (officer) during the year ended 30 June 2006 \$79,785 (2005 \$96,194). Aggregate of amounts paid to a superannuation plan by the branch in connection with the retirement of the executive member (officer) during the year ended 30 June 2006 \$8,047 (2005 \$7,950).
- (c) The ultimate controlling entity of the Branch is the Liquor Hospitality and Miscellaneous Union National Council.
- (d) Sustentation fees paid or payable to the National Council for the year ended 30 June 2006 \$118,486 (2005 \$104,578).

NOTE 12. SEGMENT INFORMATION

The Union is involved in the organising of existing and new members, bargaining, negotiating and arbitrating for improvements in wage and conditions of employment of members of the Union and representing individual members in work related grievances or other individual matters. This is carried out in the Northern Territory of Australia.

NOTE 13: FINANCIAL INSTRUMENTS

Interest rate risk

The branch's exposure to interest rate risks and the effective interest rates of the financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instrument	Floating Interest		Fixed Interest Rate Maturing in:					
	2006	2005	1 year or less		Over 1 to 5 years		More than 5	
	\$	\$	2006	2005	2006	2005	2006	2005
			\$	\$	\$	\$	\$	\$
Financial assets								
Cash	225,363	210,318						
Trade receivables	0	0						
Total financial assets	225,363	210,318						
Financial liabilities								
Loan	0	0						
Accounts payable	0	0						
Total financial liabilities	0	0						

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2006**

NOTE 13: FINANCIAL INSTRUMENTS (cont'd)

Financial Instruments	Non-interest bearing		Total carrying amount as per the balance		Weighted average Effective interest rate	
	2006 \$	2005 \$	2006 \$	2005 \$	2006 %	2005 %
Financial assets						
Cash	400	995	225,763	211,313	3.5%	3.5%
Trade receivables	101,761	74,232	101,761	74,232	N/A	N/A
Total financial assets	102,161	75,227	327,524	285,545		
Financial liabilities						
Accounts payable	125,970	139,221	125,970	139,221	N/A	N/A
Total financial liabilities	125,970	139,221	125,970	139,221		

NOTE 13 (c) Net Fair Values

Assets and liabilities net fair values approximate their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

NOTE 13(d) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and the notes to the financial statements.

NOTE 14: BRANCH DETAILS

The principal place of business of the Union is:

Liquor Hospitality and Miscellaneous Union – Northern Territory Branch
Unit 1, 38 Woods Street
Darwin NT 0800

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

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

The financial accounts of the Union have been audited in accordance with the provisions of the Workplace Relations Act, 1996, and the following summary is provided for members in accordance with section 279(2) of the Act.

A copy of the Auditor's Report, Accounts and Statements will be supplied free of charge to members on request.

Certificates required to be given under the Act by the Secretary, the Committee of Management and the Operating Report have been completed in accordance with the provisions of the Act and contain no qualifications.

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 Section 274 subsections (1), (2) and (3) which read as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

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

STATEMENT OF FINANCIAL PERFORMANCE

	2006	2005
	\$	\$
Income		
Contributions	745,767	667,296
Other income	257,301	257,352
Total income	1,003,068	924,648
Less: Expenditure	989,053	898,733
Add: Sustentation write back	0	(476,566)
Surplus	14,015	502,481

**STATEMENT OF FINANCIAL POSITION
As at 30 June 2006**

Accumulated funds	311,074	297,059
Represented by:		
Current assets	329,818	290,876
Non-current assets	214,623	234,655
Total assets	544,441	525,531
Less:		
Current liabilities	233,367	228,472
Total liabilities	233,367	228,472
Accumulated Funds	311,074	297,059

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION
NORTHERN TERRITORY BRANCH**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2006**

	2006 \$	2005 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Contributions and other receipts	958,731	879,118
Payments to suppliers and employees	(960,190)	(821,283)
Interest received	7,263	4,938
	-----	-----
NET CASH FLOWS FROM OPERATING ACTIVITIES	5,804	62,773
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(899)	(2,413)
Proceeds on sale of plant and equipment	9,545	0
	-----	-----
NET CASH FLOWS PROVIDED BY / (USED IN) INVESTING ACTIVITIES	8,646	(2,413)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	0	(24,000)
	-----	-----
NET CASH FLOWS USED IN FINANCING ACTIVITIES	0	(24,000)
	-----	-----
NET INCREASE / (DECREASE) IN CASH HELD	14,450	36,360
Cash at the beginning of the financial year	211,313	174,953
	-----	-----
Cash at the end of the financial year	<u>225,763</u>	<u>211,313</u>

Auditors' Statement

To the members of Liquor Hospitality and Miscellaneous Union – Northern Territory Branch

The concise report comprises the Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows for the year ended 30 June 2006.

We have audited the concise report of Liquor Hospitality and Miscellaneous Union – Northern Territory Branch for the year ended 30 June 2006 in accordance with Australian Auditing Standards.

For a better understanding of the scope of our audit, this report should be read in conjunction with our audit report on the General Purpose Financial Report.

In our opinion, the information contained in the concise report is consistent with the General Purpose Financial Report from which it is derived.

Our audit report dated 31 October 2006 was qualified.

Qualification

The Branch has not considered the transition of its accounting policies and financial reporting from current Australian Standards to Australian equivalents of International Financial Reporting Standards (AIFRS) as at 30 June 2006. We have been unable to determine which accounting standards the Branch has not complied with during the year and its effect on the financial results and its assets and liabilities.

Qualified Audit Opinion

In our opinion except for the effects of such adjustments, if any, as might have been determined to be necessary had the limitation referred to in the qualification paragraph above not existed the financial report of the Liquor Hospitality and Miscellaneous Union – Northern Territory Branch presents a true and fair view in accordance with applicable Accounting Standards, other mandatory professional reporting requirements in Australia and the Workplace Relations Act 1996 the financial position of the Liquor Hospitality and Miscellaneous Union – Northern Territory Branch as at 30 June 2006, and the results of its operations and its cash flows for the year then ended.

Nair Watkins

Nair Watkins

Lloyd Nair

Lloyd Nair
Partner

Darwin

Date: 31 October 2006



Australian Government
Australian Industrial Registry

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

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

Dear Ms Tarrant

**Re: Lodgement of Financial Statements and Accounts
– Liquor, Hospitality and Miscellaneous Union, Northern Territory Branch –
for years ending 30 June 2006 (FR2006/513) and 30 June 2007 (FR2007/264)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 3 January 2007 (FR2006/513) and 19 December 2007 (FR2007/264) respectively. I apologise for the delay in considering these documents.

Auditor's qualification

I note the Auditor's qualification in both years that the Branch has not adopted the Australian equivalents of International Financial Reporting Standards (AIFRS), and further note that at Note 1 in both financial reports reference is made to the reconsideration by "the Board" of "the need for the preparation" of future general purpose financial reports.

I must point out to you that it is a requirement of s253 of Schedule 1 of the *Workplace Relations Act 1996* that the Branch prepare a general purpose financial report in accordance with the Australian Accounting Standards which require reports to be prepared under AIFRS.

I would ask you to draw this to the attention of the Branch.

I am aware that the Branch would currently be in the process of preparing its financial statements and accounts for the year ending 30 June 2008. Before I determine what steps should be taken in relation to the previous years' documents, I would appreciate your advice on whether or not the Branch will be complying with its obligations to prepare a general purpose financial report in accordance with AIFRS for the year ending 30 June 2008.

Please contact me on (02) 8374 6504 if you or officers of the Branch wish to discuss this issue.

Yours sincerely

Barry Jenkins
Deputy Industrial Registrar

5 August 2008



Australian Government
Australian Industrial Registry

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

Dear Ms Tarrant

**Re: Lodgement of Financial Statements and Accounts – Liquor, Hospitality and
Miscellaneous Union, Northern Territory Branch – for year ending 30 June 2006
(FR2006/513)**

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

On 5 August 2008 - in view of the Auditor's qualification that the Branch had not adopted the AIFRS equivalents - I sought the organization's advice, under s332 of the RAO Schedule, whether this deficiency would be remedied in the financial year ending 30 June 2008.

Although I did not receive advice from the organization in response, I note that the 2008 report, which was lodged on 28 January 2009, has been audited by a new auditor and appears, despite being qualified on a separate basis, to comply generally with the legislative requirements.

Accordingly, I am satisfied the deficiency has been remedied. The documents comprising the financial return for the year ending 30 June 2006 have therefore been filed.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Barry Jenkins'.

Barry Jenkins
Deputy Industrial Registrar

12 February 2009