



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
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Ref: FR2007/265-[108V-QLD]

Mr Ronald W Monaghan
Branch Secretary
Liquor, Hospitality and Miscellaneous Union-
Queensland Branch
PO Box 3948
SOUTH BRISBANE QLD 4101

Dear Mr Monaghan

Financial Return - year ending 30 June, 2007

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

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

Information on AIRC Website

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

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

Reporting Unit

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

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

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

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

Timeline Planner and Checklist

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

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

Three Reports

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

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

(a) Financial Statements containing:

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

(b) Notes to the Financial Statements containing:

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

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

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

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

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

First Meeting (Committee of Management)

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

The Auditor

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

Informing Your Members

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

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

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

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

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

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

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

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

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

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

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

Lodge full report within 14 days of meeting

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

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

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

Complying with time limits

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

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

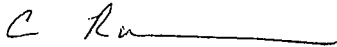
Extensions of Time

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

Contact the Registry

We encourage you to contact the Registry on (02) 8374.6618 or by e-mail at belinda.penna@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedures but we cannot give you legal or accounting advice.

Yours sincerely



For Deputy Industrial Registrar...
18 July, 2007

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
FIRST MEETING: Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1)	/ /	as soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	within a reasonable time of having received the GPFR
Provide full report free of charge to members. (a) if the report is to be presented before a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year. <i>(obligation to provide full report may be discharged by provision of a concise report s265(1))</i>	/ /	
SECOND MEETING: Present full report to: (a) General Meeting of Members - s266 (1),(2), or (b) where rules of organisation allow, a Committee of Management meeting - s266 (3)	/ /	within 6 months of end of financial year
	/ /	within 6 months of end of financial year
Lodge full report (including any concise report) in the Industrial Registry together with secretary's certificate (or other officer authorised by the rules of the organisation) - s268	/ /	within 14 days of meeting

Note: The legislation makes limited provision for extensions of time concerning the provision of the full report to members and the presentation of the full report to a general meeting etc however the maximum extra time allowed can be no more than one month.

Documents Checklist

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

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

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

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

Committee Of Management Statement

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

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

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

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

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

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

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

Title of Office held:

Signature:

Date:

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

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

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

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

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

Signature

Date:

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

(a) the secretary; or

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

²Only applicable where a concise report is provided to members

³Insert whichever is applicable

National Office

Level 9
187 Thomas Street
Haymarket NSW 2000

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

Louise Tarrant
National Secretary

Brian Daley
National President

Tim Ferrari Sue Lines Troy Burton
Assistant National Secretaries



Organising for the future

Please address all correspondence to the National Secretary

ABN: 5272 8088 684

17 December, 2007

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

Dear Mr Jenkins

Re: QUEENSLAND BRANCH FINANCIAL REPORTS

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

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

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

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

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

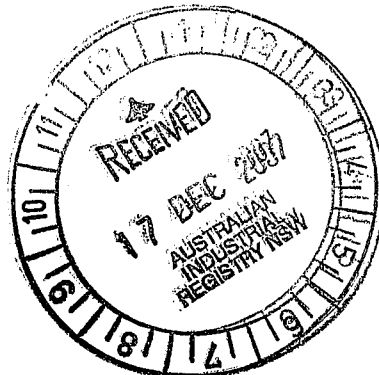
A full report was provided to the Committee of Management on 14 December 2007 and was adopted. Also enclosed is a copy of the Branch Secretary's certificate dated 16 December 2007.

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

If you have any questions please contact me.

Yours faithfully

LOUISE TARRANT
NATIONAL SECRETARY



LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
QUEENSLAND BRANCH

FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2007

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Gary Bullock being the Acting Branch Secretary of the Liquor, Hospitality and Miscellaneous Union, Queensland 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 15 November 2007 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on *14 December 2007* in accordance with section 266 of the RAO Schedule.

Signed



Date:

16/12/07

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION (QUEENSLAND BRANCH)

ABN 69 844 574 256

OPERATING REPORT

The Committee of Management presents its report together with the financial report of Liquor, Hospitality and Miscellaneous Union (Queensland Branch) ("the Union") for the year ended 30 June 2007 and the auditor's report thereon.

Members of the Management Committee

The Members of the Management Committee at any time during or since the end of the financial year are:

Shirley A Mellor	Sue Gayler
Ronald W Monaghan	Cathy Heenan
Gary Bullock	Sandra Lingard
Valda Graham	David Mellor
Carol Corless	Ron Morgan-Harry
Greg Davey	Christine Rowntree
Harry Claassen	Burnice Starkey
Ross Dowling	Priscilla Waho
Jason Dutton	

Principal activities

The principal activities of the Union during the course of the financial year were to engage in the business of providing industrial representation and service for members.

There were no significant changes in the nature of the activities of the Union during the year.

Review and result of operations

The profit from ordinary activities amounted to \$938,922 (2006: \$2,230,264).

Members right to resign from the Union

A member of the Union may resign from membership by written notice to the branch to which the member is attached. Resignation from membership of the Union takes effect:

- on the day on which the notice is received by the Union;
 - on the day specified in the notice;
 - at the end of the two (2) weeks after the notice is received by the Union,
- whichever is later.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**
ABN 69 844 574 256

OPERATING REPORT (continued)

Trustee of Superannuation Entity

Ronald Monaghan, Shirley Mellor and Gary Bullock (officers of the Union) are directors of Host-Plus (Qld) Pty Ltd, Trustee of Intrust.

Gary Bullock and Shirley Mellor (officers of the Union) are directors of Club Plus (Qld) Pty Ltd, Trustee of Club Super. Ronald Monaghan is an alternate director.

Shirley Mellor (officer of the Union) is a director of QIESS Pty Ltd, Trustee of QIEC Super. Valda Graham is an alternate director.

Except for the above, the Committee are not aware of any officer or member of the Union who is;

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a Union that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

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

State of affairs

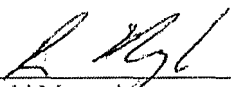
There were no significant changes in the state of affairs of the Union during the financial year under review.

Number of members and employees

The number of members of the Union at 30 June 2007 was 27,601.

The number of full-time equivalent employees of the Union at 30 June 2007 was 75.

Signed in accordance with a resolution of the committee of management:



Ronald Monaghan
LHMU – Queensland Branch Secretary

Dated at Brisbane this 5th day of September 2007.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
Revenue			
Contributions from members		9,058,669	8,421,584
Grant income		-	22,727
Rental income		477,665	440,326
Sundry income		<u>133,248</u>	<u>317,577</u>
		<u>9,669,582</u>	<u>9,202,214</u>
 Gain on sale of non-current assets	 6	 25,073	 1,725,971
Expenditure			
<i>Employee expenses</i>			
Annual leave		301,753	335,568
Fringe benefits tax		20,662	31,471
Long service leave		55,520	76,463
Payroll tax		208,654	186,767
Salaries and allowances			
Officials		169,677	187,193
Others		3,460,681	3,073,828
Superannuation		<u>489,050</u>	<u>504,245</u>
		<u>4,705,997</u>	<u>4,395,535</u>
 <i>Depreciation expenses</i>			
Office furniture and equipment	11	105,973	103,796
Library	11	28,182	28,182
Motor vehicles	11	106,859	115,165
Building improvements	11	26,050	17,216
Buildings	11	<u>175,427</u>	<u>176,177</u>
		<u>442,491</u>	<u>440,536</u>
 <i>Other expenses</i>			
Affiliation fees		243,871	224,283
Arbitration fees and awards		957	3,855
Attendance fees and tea money		10,324	8,030
Audit and accountancy fees		47,576	14,726
Commission – payroll deductions		73,721	113,866
Computer expenses		21,949	13,719
Donations		50,960	12,699
Education and training		32,861	21,122
Federal Council - sustentation fees		1,187,158	1,215,817
General administration expenses		224,789	342,098

The income statement is to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

**INCOME STATEMENT (continued)
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
<i>Other expenses (continued)</i>			
Legal assistance – members		318,854	323,069
Magazine expenses		118,710	131,620
Meeting and conference expenses		137,391	121,421
Motor vehicle expenses		210,315	212,722
Organising expenses and accommodation		70,402	76,774
Overhead expenses – telephone, electricity and insurance		284,888	255,221
Postage, printing and stationary		210,290	252,353
Property expenses		193,081	202,872
Rates		41,749	50,120
Rent		49,642	42,484
Repairs and maintenance		99,066	107,702
Subscriptions and publications		22,753	25,217
Travel expenses		<u>123,955</u>	<u>126,533</u>
		<u>3,775,262</u>	<u>3,898,323</u>
Results from operating activities		<u>770,905</u>	<u>2,193,791</u>
Financial income	7	168,017	88,906
Financial expenses	7	<u>-</u>	<u>(52,433)</u>
Net financing income		<u>168,017</u>	<u>36,473</u>
Profit before tax		<u>938,922</u>	<u>2,230,264</u>
Income tax expenses from ordinary activities		<u>-</u>	<u>-</u>
Profit for the period		<u>938,922</u>	<u>2,230,264</u>

The income statement is to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2007**

	2007 \$	2006 \$
Retained Earnings		
Balance of retained profits as at 1 July	8,050,303	5,820,039
Net income recognised directly in equity	-	-
Profit for the period	<u>938,922</u>	<u>2,230,264</u>
Balance of retained profits as at 30 June	<u>8,989,225</u>	<u>8,050,303</u>

The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

**BALANCE SHEET
AS AT 30 JUNE 2007**

	Note	2007 \$	2006 \$
Current assets			
Cash and cash equivalents	8	196,888	650,699
Trade and other receivables	9	21,376	181,663
Investments	10	2,754,501	2,000,661
Other assets	12	25,306	25,886
Total current assets		<u>2,998,071</u>	<u>2,858,909</u>
Non-current assets			
Property, plant and equipment	11	7,577,279	7,269,789
Investments	10	110,020	110,020
Total non-current assets		<u>7,687,299</u>	<u>7,379,809</u>
Total assets		<u>10,685,370</u>	<u>10,238,718</u>
Current liabilities			
Trade and other payables	13	789,439	1,233,989
Employee benefits	14	687,291	593,884
Total current liabilities		<u>1,476,730</u>	<u>1,827,873</u>
Non-current liabilities			
Employee benefits	14	219,415	360,542
Total non-current Liabilities		<u>219,415</u>	<u>360,542</u>
Total liabilities		<u>1,696,145</u>	<u>2,188,415</u>
Net assets		<u>8,989,225</u>	<u>8,050,303</u>
Equity			
Retained earnings		8,989,225	8,050,303
Total equity		<u>8,989,225</u>	<u>8,050,303</u>

The balance sheet is to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
Cash flows from operating activities			
Cash receipts in the course of operations		11,090,555	9,797,099
Cash payments in the course of operations		<u>(10,233,636)</u>	<u>(8,387,162)</u>
Cash generated from operations		856,919	1,409,937
Interest received		168,017	88,906
Interest paid		<u>-</u>	<u>(52,433)</u>
Net cash provided by operating activities	15	<u>1,024,936</u>	<u>1,446,410</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		(779,619)	(446,550)
Proceeds from sale of property, plant and equipment		54,713	2,962,473
Deposits against bank bill		<u>(753,841)</u>	<u>(1,990,510)</u>
Net cash from/(used) in investing activities		<u>(1,478,747)</u>	<u>525,413</u>
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		<u>-</u>	<u>(2,000,000)</u>
Net cash from/(used) in financing activities		<u>-</u>	<u>(2,000,000)</u>
Net increase/(decrease) in cash and cash equivalents		(453,811)	(28,177)
Cash and cash equivalents at 1 July		<u>650,699</u>	<u>678,876</u>
Cash and cash equivalents at 30 June	8	<u>196,888</u>	<u>650,699</u>

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 8 to 23.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

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

1 REPORTING ENTITY

The Liquor, Hospitality and Miscellaneous Union (Queensland Branch) is a trade union domiciled in Australia. The address of the Union's registered office is 27 Peel Street, South Brisbane QLD 4101. The Union primarily is involved in the provision of industrial representation and service for members.

2 BASIS OF PREPARATION

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ("AASBs") (including Australian interpretations) adopted by the Australian Accounting Standards Board ("AASB") and the Workplace Relations Act 1996.

The financial statements were approved by the Branch Executive on 5th September 2007.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for available-for-sale financial assets, which are measured at fair value.

The entity has elected to early adopt the following accounting standards and amendments:

- AASB 8 *Operating Segments* replaces the presentation requirements of segment reporting in AASB 114 *Segment Reporting*. AASB 8 is applicable for annual reporting periods beginning on or after 1 January 2009.
- AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 makes amendments to AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*, AASB 6 *Exploration for and Evaluation of Mineral Resources*, AASB 102 *Inventories*, AASB 107 *Cash Flow Statements*, AASB 119 *Employee Benefits*, AASB 127 *Consolidated and Separate Financial Statements*, AASB 134 *Interim Financial Reporting*, AASB 136 *Impairment Assets*, AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts*. AASB 2007-3 is applicable for annual reporting periods beginning on or after 1 January 2009 and must be adopted in conjunction with AASB 8 *Operating Segments*.

The following standards, amendments to standards and interpretations are available for early adoption at 30 June 2007, but have not been applied in preparing this financial report:

- AASB 7 *Financial Instruments: Disclosures* (August 2005) replaces the presentation requirements of financial instruments in AASB 132. AASB 7 is applicable for annual reporting periods beginning on or after 1 January 2007.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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2 BASIS OF PREPARATION (continued)

(b) Basis of measurement (continued)

- AASB 2005-10 Amendments to Australian Accounting Standards (September 2005) makes consequential amendments to AASB 132 *Financial Instruments: Disclosure and Presentation*, AASB 101 *Presentation of Financial Statements*, AASB 114 *Segment Reporting*, AASB 117 *Leases*, AASB 133 *Earnings Per Share*, AASB 139 *Financial Instruments: Recognition and Measurement*, AASB 1 *First time Adoption of Australian Equivalents to International Financial Reporting Standards*, AASB 4 *Insurance Contracts*, AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts* arising from the release of AASB 7. AASB 2005-10 is applicable for annual reporting periods beginning on or after 1 January 2007.
- Interpretation 10 *Interim Financial Reporting and Impairment*. Interpretation 10 will become mandatory for the Entity's 2008 financial statements.
- Interpretation 11 AASB 2 *Share-based Payment -- Group and Treasury Share Transactions*. Interpretation 11 does not apply to the Entity.
- AASB 2007-1 Amendments to Australian Accounting Standards arising from AASB Interpretation II amends AASB 2 *Share-based Payments* and does not apply to the Entity.
- Interpretation 12 *Service Concession Arrangements*. Interpretation 12 does not apply to the entity.
- AASB 2007-2 Amendments to Australian Accounting Standards arising from AASB Interpretation 12 makes amendments to AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*, AASB 117 *Leases*, AASB 118 *Revenue*, AASB 120 *Accounting for Government Grants and Disclosures of Government Assistance*, AASB 121 *The Effects of Changes in Foreign Exchange Rates*, AASB 127 *Consolidated and Separate Financial Statement*, AASB 131 *Interest in Joint Ventures*, and AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 2007-2 will not apply to the entity.
- AASB 123 (revised) *Borrowing costs*. Applicable to reporting periods starting on or after 1 January 2009.
- AASB 2007-4 Amendments to Australian Accounting Standards arising from ED 151 Australian Additions to, and Deletions from, IFRSs. Applicable to reporting periods starting on or after 1 July 2007.
- AASB 2007-5 Amendments to Australian Accounting Standards related to inventories held for distribution by not-for-profit entities. Applicable to reporting periods starting on or after 1 July 2007.
- AASB 2007-6 Amendments to Australian Accounting Standards arising from revised AASB 123. Applicable to reporting periods starting on or after 1 January 2009.

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

2 BASIS OF PREPARATION (continued)

(b) Basis of measurement (continued)

- AASB 2007-7 Amendments to Australian Accounting Standards arising from AASB 2007-4. Applicable to reporting periods starting on or after 1 July 2007.
- Interpretation 13 *Customer loyalty programmes*. Applicable to reporting periods starting on or after 1 July 2008.
- Interpretation 14 *IAS 19 The limit on a defined benefit asset, minimum funding requirements and their interaction*. Applicable to reporting periods starting on or after 1 July 2008.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Union's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Union becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Union's contractual rights to the cash flows from the financial assets expire or if the Union transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Union commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Union obligations specified in the contract expire or are discharged or cancelled.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

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

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Financial instruments (continued)

(i) Non-derivative financial instruments (continued)

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Union's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Accounting for finance income and expense is discussed in note 3(i).

Available-for-sale financial assets

The Union's investments in equity securities and certain debt securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign exchange gains and losses on available-for-sale monetary items, are recognised as a separate component of equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The cost of property, plant and equipment at 1 January 2004, the date of transition to AASBs, was determined by reference to its written down value at that date.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Union and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Property, plant and equipment (continued)

(iii) Depreciation (continued)

The depreciation rates applied in the current and comparative periods are as follows:

	2007	2006
• buildings	3.33%	3.33%
• building improvements	4%	4%
• office furniture & equipment	20-25%	20-25%
• library	20%	20%
• motor vehicles	25%	25%

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(e) Leased assets

Leases in terms of which the Union assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and, except for investment property, the leased assets are not recognised on the Union's balance sheet. Investment property held under an operating lease is recognised on the Union's balance sheet at its fair value.

(f) Employee benefits

Defined contribution superannuation plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

Long-term service benefits

The Union's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the Union's obligations.

Wages, salaries, annual leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Union expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Non-accumulating non-monetary benefits, such as cars are expensed based on the net marginal cost to the Union as the benefits are taken by the employees.

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Provisions

A provision is recognised if, as a result of a past event, the Union has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Contribution revenue

Contributions are accounted for on a cash receipts basis to recognise the basis upon on which fees are due and payable. Amounts are recognised net of goods and services tax (GST).

(ii) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(iii) Dividends

Revenue from dividends from investments in other entities is recognised when received.

(h) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(i) Finance income and expenses

Finance income comprises interest income on funds invested, dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss, foreign currency gains, and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Union's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, dividends on preference shares classified as liabilities, foreign currency losses, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in profit or loss. All borrowing costs are recognised in profit or loss using the effective interest method.

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Taxation

The Union is exempt from income tax under Income Tax Assessment Act 1997, Section 50-15.

(k) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

4. WORKPLACE RELATIONS ACT 1996

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of subsections (1), (2), (3) and (4) of section 272 of Schedule 1B of the Act, which reads as follows:

- (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be made 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).
- (4) A Registrar may only make an application under subsection (1) at the request of a member of the reporting unit concerned, and the Registrar shall provide to a member, information received because of an application made at the request of the member.

5. UNION PROPERTY AND FUNDS

The rules of the Union provide that all property and assets are held in the name of the Union. This particularly applies to property acquired from Branch funds but which is registered in the name of the Union. Branch funds themselves form part of the property of the Union.

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

Similarly, all income received by a Branch (whether in the form of entrance fees, contributions, fines, fees, levies, dues or penalties or by way of investments and the like) is accounted for in the financial statements of that Branch.

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

	2007 \$	2006 \$
6 GAIN ON SALE OF NON-CURRENT ASSETS		
Disposal of 74 Astor Terrace	-	1,706,842
Disposal of motor vehicles	<u>25,073</u>	<u>19,129</u>
	<u>25,073</u>	<u>1,725,971</u>
7 NET FINANCING COSTS		
Interest income	<u>168,016</u>	<u>88,906</u>
Financial income	<u>168,016</u>	<u>88,906</u>
Interest expense	-	<u>52,433</u>
Financial expenses	-	<u>52,433</u>
Net financing income/(costs)	<u>168,016</u>	<u>36,473</u>
8 CASH AND CASH EQUIVALENTS		
Cash on hand	1,330	1,530
Current account	172,196	220,152
Cash management account	15,153	420,769
Long service leave fund CBA	5,161	5,200
Queensland Blind Workers Union of Employees	<u>3,048</u>	<u>3,048</u>
	<u>196,888</u>	<u>650,699</u>
9 TRADE AND OTHER RECEIVABLES		
LHMU – National Office	-	92,500
Sundry receivables	<u>21,376</u>	<u>89,133</u>
	<u>21,376</u>	<u>181,633</u>
10 INVESTMENTS		
Current		
Term deposit	9,000	9,000
Safe custody account	2,744,351	1,990,511
Shares – listed (available for sale)	850	850
Shares – unlisted (available for sale)	<u>300</u>	<u>300</u>
	<u>2,754,501</u>	<u>2,000,661</u>
Non-current		
Units in Unlisted Trusts:		
- Trades and Labour Council of Queensland Building Trust Rockhampton (available for sale)	50,020	50,020
- The QCU Bundaberg Unit Trust (available for sale)	<u>60,000</u>	<u>60,000</u>
	<u>110,020</u>	<u>110,020</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

11 PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Building Improvements	Office furniture and equipment	Library	Motor vehicles	Capital works in progress	Total
Cost								
Balance at 1 July 2005	1,624,153	6,960,807	492,506	399,524	176,219	477,707	-	10,130,916
Acquisitions	-	-	146,723	126,572	-	173,233	-	446,528
Disposals	(373,000)	(1,692,732)	(184,252)	(39,171)	-	(198,700)	-	(2,487,855)
Balance at 30 June 2006	1,251,153	5,268,075	454,977	486,925	176,219	452,240	-	8,089,589
Balance at 1 July 2006	1,251,153	5,268,075	454,977	486,925	176,219	452,240	-	8,089,589
Acquisitions	-	-	325,585	189,622	-	197,939	66,473	779,619
Disposals	-	-	-	-	-	(145,278)	-	(145,278)
Balance at 30 June 2007	1,251,153	5,268,075	780,562	676,547	176,219	504,901	66,473	8,723,930
Depreciation and impairment losses								
Balance at 1 July 2005	-	(1,142,779)	(86,284)	(144,370)	(46,197)	(210,987)	-	(1,630,617)
Depreciation charge for the year	-	(176,177)	(17,216)	(103,796)	(28,182)	(115,165)	-	(440,536)
Disposals	-	972,257	85,497	56,290	-	137,309	-	1,251,353
Balance at 30 June 2006	-	(346,699)	(18,003)	(191,876)	(74,379)	(188,843)	-	(819,800)
Balance at 1 July 2006	-	(346,699)	(18,003)	(191,876)	(74,379)	(188,843)	-	(819,800)
Depreciation charge for the year	-	(175,427)	(26,050)	(105,973)	(28,181)	(106,859)	-	(442,490)
Disposals	-	-	-	-	-	115,639	-	115,639
Balance at 30 June 2007	-	(522,126)	(44,053)	(297,849)	(102,560)	(180,063)	-	(1,146,651)
Carrying amounts								
At 1 July 2005	1,624,153	5,818,028	406,222	255,154	130,022	266,720	-	8,500,299
At 30 June 2006	1,251,153	4,921,376	436,974	295,049	101,840	263,397	-	7,269,789
At 1 July 2006	1,251,153	4,921,376	436,974	295,049	101,840	263,397	-	7,269,789
At 30 June 2007	1,251,153	4,745,949	736,509	378,698	73,659	324,838	66,473	7,577,279

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

	2007 \$	2006 \$
12 OTHER ASSETS		
Deposits	200	200
Prepayments	<u>25,106</u>	<u>25,686</u>
	<u>25,306</u>	<u>25,886</u>
13 TRADE AND OTHER PAYABLES		
Sundry creditors and accruals	689,251	841,104
GST payable	<u>100,188</u>	<u>392,885</u>
	<u>789,439</u>	<u>1,233,989</u>
14 EMPLOYEE BENEFITS		
Current		
Provision for annual leave	346,701	390,817
Provision for long service leave	<u>340,590</u>	<u>203,067</u>
	<u>687,291</u>	<u>593,884</u>
Non-current		
Provision for long service leave	<u>219,415</u>	<u>360,542</u>
	<u>219,415</u>	<u>360,542</u>

The present values of employee entitlements not expected to be settled within twelve months of reporting date have been calculated using the following weighted averages:

Assumed rate increase in wage and salary rates (%)	4	4
Discount rate (%)	5.78	5.78
Settlement term (years)	10	10

The number of officers and employees in respect of whom the above provisions consist is as follows:

Provision for annual leave	75	58
Provision for long service leave	75	60

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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14 FINANCIAL INSTRUMENTS

Effective interest rates and re-pricing analysis

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods in which they reprice.

2007								
	Note	Effective interest rate	Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Assets								
Cash and cash equivalents	8	0.93%	196,888	196,888	-	-	-	-
Investments – Bank Bill	10	6.28%	2,744,351	2,744,351				
Term deposits	10	4.90 %	9,000	9,000	-	-	-	-
			2,950,239	2,950,239	-	-	-	-

2006								
		Effective interest rate	Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Assets								
Cash and cash equivalents	8	0.93%	650,699	650,699	-	-	-	-
Investment – Bank Bill	10	6.28%	1,990,511	1,990,511				
Term deposits	10	4.15 %	9,000	9,000	-	-	-	-
			2,650,210	2,650,210	-	-	-	-

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

14 FINANCIAL INSTRUMENTS (continued)

Credit risk exposures

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all tenants requiring credit over a certain amount.

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet.

Fair value of financial instruments

The Committee of Management consider the carrying amount of financial assets and liabilities approximates their net fair value.

Estimation of fair value

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments.

Securities

Fair value is based on quoted market prices at the balance sheet date without any deduction for transaction costs.

Receivables and payables

For receivables / payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value. All other receivables / payables are discounted to determine the fair value.

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

15 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2007 \$	2006 \$
Cash flows from operating activities		
Profit for the period	938,922	2,230,264
<i>Adjustments for:</i>		
Gain on sale of property, plant and equipment	(25,073)	(1,725,971)
Depreciation - Office furniture	105,973	103,796
- Library	28,182	28,182
- Motor vehicles	106,859	115,165
- Building improvements	26,050	17,216
- Buildings	<u>175,427</u>	<u>176,177</u>
Operating profit before changes in working capital and provisions	1,356,340	944,829
(Increase)/decrease in receivables	160,287	(137,095)
(Increase)/decrease in prepayments	580	9,516
(Increase)/decrease in accrued interest	-	-
(Decrease)/increase in provisions	(47,721)	95,241
(Decrease)/increase in payables	<u>(444,550)</u>	<u>533,919</u>
Net cash from operating activities	<u>1,024,936</u>	<u>1,446,410</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

	2007 \$	2006 \$
16 CAPITAL AND OTHER COMMITMENTS		
Capital expenditure commitments		
<i>Contracted but not provided for and payable</i>		
Less than one year	<u>-</u>	<u>124,000</u>

Operating leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

Less than one year	27,219	22,600
Between one and five years	<u>18,804</u>	<u>28,500</u>
	<u>46,023</u>	<u>51,100</u>

The union leases property under non-cancellable operating leases expiring within one year

Leases as lessor

The Union leases out a portion of its business premises under operating leases. The future minimum lease payments under non-cancellable leases are as follows:

Less than one year	453,800	472,104
Between one and five years	<u>351,111</u>	<u>827,019</u>
	<u>804,911</u>	<u>1,299,123</u>

17 KEY MANAGEMENT PERSONNEL DISCLOSURES

Transactions with key management personnel

The persons holding the position of elected officials of the Union at anytime during the year ended 30 June 2007:

Shirley A Mellor
Valda Graham

Ronald W Monaghan
Gary Bullock

Officers' remuneration

Total amounts paid or payable, or otherwise made available to all officers from the Union or any related party:

Salary and wages	190,025	187,193
Superannuation	24,360	23,338
Other benefits	<u>20,600</u>	<u>20,800</u>
	<u>234,985</u>	<u>231,331</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

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

18 NON-KEY MANAGEMENT PERSONNEL DISCLOSURES

During the year ended 30 June 2007, the Union:

- made affiliation fee payments to the Federal Office and to the Queensland Council of Unions. These payments are detailed in the income statement on pages 3 and 4 of these financial statements;
- made a contribution of \$15,000 in support of the "Rock the Vote" event held by the Queensland Council of Unions.
- made a contribution payment to the "Your Rights at Work" campaign of \$63,564 to the Liquor Hospitality and Miscellaneous Union Federal Office (2006: \$69,488); and
- received reimbursement payments for wages paid by the Hospitality and Miscellaneous Union Federal Office of \$80,000 (2006: \$185,000).

Included in sundry creditors is an amount payable to the Federal Office of \$289,937 (2006: \$340,552).

19 AUDITORS REMUNERATION

	2007 \$	2006 \$
Audit services:		
Auditors of the Union – KPMG	23,000	21,500
Other services:		
Auditors of the Union – KPMG	<u>6,800</u>	<u>7,425</u>
	<u>29,800</u>	<u>28,925</u>

20 SEGMENT REPORTING

The Union operates to support its members through providing industrial representation and service for members within Queensland. The provision of industrial representation and service is the only business segment of the Union. The Union operates only within Queensland.

21 EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Committee of Management of the Union, to affect significantly the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

22 CONTINGENCIES

Litigation

There are a number of outstanding legal actions against the Union. The Union is not aware of any circumstance or information which would lead them to believe that liabilities will crystallise and consequently no provisions are included in the financial statements. Furthermore, the Union believes that no amount is required as a contingent liability as they are confident the claims will be successfully defended.

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

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

23 RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY

	2007 \$	2006 \$
Cash assets in respect of recovered money at the beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wage	27,110	115,678
Interest received on recovered money	-	-
Total receipts	<u>27,110</u>	<u>115,678</u>
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	(342)	(5,242)
greater than 12 months	-	(5,242)
Deductions of fees or reimbursements of expenses	-	(12,260)
Payments to workers in respect of recovered money	<u>(26,768)</u>	<u>(92,934)</u>
Total payments	<u>(27,110)</u>	<u>(115,678)</u>
Cash assets in respect of recovered money at end of year	<u>-</u>	<u>-</u>

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

COMMITTEE OF MANAGEMENT'S STATEMENT

On 5 September 2007, the Committee of Management of the Liquor, Hospitality and Miscellaneous Union (Queensland Branch), passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2007:

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


- (a) The financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) During the financial year to which the GPFR relates and since the end of that year:
 - (i) Meetings of the committee of management were held in accordance with the rules of the organisation, including the rules of a branch concerned; and
 - (ii) The financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) The financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and RAO Regulations; and
 - (iv) Where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) The information sought in any request of a member of the reporting unit or a registrar duly made under section 272 of the RAO Schedule has been furnished to the member or registrar; and
 - (vi) No orders have been made by the Commission under section 273 of the RAO Schedule during the period.
- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
(QUEENSLAND BRANCH)**

COMMITTEE OF MANAGEMENT'S STATEMENT (continued)

- (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
- (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursed of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
- (v) no fees or reimbursements or expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

For the Committee of Management at Brisbane on 5 September 2007:



Ronald Monaghan
Branch Secretary – LHMU Queensland



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION (QUEENSLAND BRANCH)

We have audited the accompanying financial report of the Liquor, Hospitality and Miscellaneous Union (Queensland Branch), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes set out on pages 3 to 23.

Committee of Management's responsibility for the financial report

The Committee of Management and the Secretary are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996 and Australian Accounting Standards (including the Australia Accounting Interpretations), a view which is consistent with our understanding of the entity's financial position, and of its performance and cash flows.

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



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION (QUEENSLAND BRANCH)
(continued)

Auditor's opinion

In our opinion, the financial report of the Liquor, Hospitality and Miscellaneous Union (Queensland Branch) is in accordance with:

- a) the Workplace Relations Act 1996, including:
 - i. giving a true and fair view of the Branch's financial position as at 30 June 2007 and of its performance for the financial year ended on that date; and
 - ii. complying with Accounting Standards in Australia; and
 - iii. complying with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule 1B of the Act; and
- b) other mandatory professional reporting requirements in Australia.

KPMG

KPMG

M J Fitzpatrick
Partner

Brisbane
5 September 2007

From: sydney@air.gov.au
Sent: Monday, 17 December 2007 12:02 PM
To: RIA Sydney
Subject: FW: Dispatch advice of electronic filing - Registered Organisations - Matter Number FR2007/21

Attachments: Pages 1 to 12 from QLD Accounts 06-07.pdf; Pages 13 to 23 from QLD Accounts 06-07.pdf; Pages 24 to 27 from QLD Accounts 06-07.pdf



Pages 1 to 12 from QLD Account...
Pages 13 to 23 from QLD Account...
Pages 24 to 27 from QLD Account...

Rodney Ball
Commisson Services
Australian Industrial Registry
02 83746613
rodney.ball@air.gov.au

-----Original Message-----

From: aircefiling@air.gov.au [mailto:aircefiling@air.gov.au]
Sent: Monday, 17 December 2007 11:40 AM
To: sydney@air.gov.au
Subject: Dispatch advice of electronic filing - Registered Organisations - Matter Number FR2007/21

This message with the electronic document(s) attached have been dispatched to the email addresses specified above. For the purposes of subrules 70A(5) & (6), this is NOT an acknowledgement that your document is taken to have been filed with the Australian Industrial Registry. You will be subsequently advised whether your document is taken to have been filed.

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

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

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

NSW Registry
Email: sydney@air.gov.au
17/12/2007 11:38

Type of Application: financial returns
Matter Number (IF your eFiling is accepted): FR2007/21
Registry in which to be filed: NSW

Contact Details

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

Email Address: ElaineH@lhmu.org.au

Comments:

Attachments:

Lodgement of full financial report: Pages 1 to 12 from QLD Accounts 06-07.pdf
Lodgement of full financial report: Pages 13 to 23 from QLD Accounts 06-07.pdf
Lodgement of full financial report: Pages 24

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Australian Government
Australian Industrial Registry

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

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



Dear Ms Tarrant

**Re: Lodgement of Financial Statements and Accounts – Liquor, Hospitality and
Miscellaneous Union, Queensland Branch – for year ending 30 June 2007 (FR2007/265)**

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

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

Yours sincerely,

Stephen Kellett
Statutory Services Branch

31 December 2007