



FAIR WORK
AUSTRALIA

24 January 2011

Ms Louise Tarrant
National Secretary
LHMU
Locked Bag 9
HAYMARKET NSW 1240



Dear Ms Tarrant

**Lodgment of Financial Accounts and Statements - Liquor, Hospitality and Miscellaneous
Union, Queensland Branch (FR2010/2556)**

Thank you for lodging the abovementioned financial accounts and statements which were received by Fair Work Australia on 21 December 2010.

The documents have been filed.

Yours sincerely,

Stephen Kellett
Statutory Services Branch
Fair Work Australia

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Louise Tarrant
National Secretary

Brian Daley
National President

Sue Lines
Troy Burton
Assistant National Secretaries



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20 December, 2010

Mr David Vale
Delegate of General Manager
Fair Work Australia
80 William Street
EAST SYDNEY NSW 2010

Dear Mr Vale

RE: QUEENSLAND BRANCH FINANCIAL REPORTS

I am writing to lodge the financial reports for the LHMU Queensland Branch for the year ended 30 June 2010. 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 11 November. 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 November edition of Union News.

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

A full report was provided to the Committee of Management on 3 December, 2010 and was adopted. Also enclosed is a copy of the Branch Secretary's certificate dated 20 December, 2010.

On the basis of the above and the enclosed documentation it would seem that the LHMU NT Branch has complied with the audit and reporting requirements of the Fair Work Australia Act 2009.

Yours faithfully

LOUISE TARRANT
NATIONAL SECRETARY





LHMU

Liquor, Hospitality & Miscellaneous Union

ABN 69 841 574 356

I Nev Swan
President

Gary Bullock
Secretary

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**We also have offices
in the following
regional areas:**

Bundaberg
Caboolture
Gairns
Gold Coast
Ipswich
Rockhampton
Sunshine Coast
Toowoomba
Townsville

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION Queensland Branch

FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2010

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Gary Bullock, being the 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 Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members on 24 November 2010 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 3 December, 2010 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed

Date:

20/12/10

organising for the future



Liquor, Hospitality
and Miscellaneous
Union
(Queensland Branch)

ABN 69 844 574 256

Annual Financial Report
for the year ended
30 June 2010

AUDIT

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

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Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Operating report

For the year ended 30 June 2010

The Committee of Management present its report together with the financial report of Liquor, Hospitality and Miscellaneous Union (Queensland Branch) ("the Union") for the financial year ended 30 June 2010 and the auditor's report thereon.

1 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	Cathy Heenan	Natalie Hanna
Gary Bullock	Sandra Lingard	Bronwyn Roberts
Carol Corless	David Mellor	Heather Jackson
Michael De Brenni	Shane Reimer	Moya Hughes
Harry Claassen	Christine Rowntree	Trevor Hoskin
Jason Dutton	Neville Swan	
Sue Gayler	Kerry Tomlinson	

2 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 other significant changes in the nature of the activities of the Union during the year.

3 Operating and financial review

Review and result of operations

The loss for the year ended 30 June 2010 amounted to \$1,346,689 (2009: \$847,132 loss).

Significant changes in the state of affairs

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

4 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, 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.

5 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 notice is received by Union, whichever is later.

6 Trustee of superannuation entity

Gary Bullock, Kerry Tomlinson and Shirley Mellor are directors of IS Industry Funds Pty Ltd, Trustee of Intrust.

Neville Swan and Shirley Mellor (officers of the Union) are directors of Club Plus (Qld) Pty Ltd, Trustee of Club Super. Kerry Tomlinson is an alternate director.

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

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Operating report (continued)

For the year ended 30 June 2010

6 Trustee of superannuation entity (continued)

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

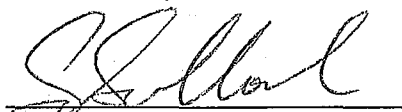
where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

7 Number of members and employees

The number of members of the Union at 30 June 2010 was 29,251 (2009: 28,722).

The number of full-time equivalent employees of the Union at 30 June 2010 was 110 (2009: 105).

This report is signed in accordance with a resolution of the committee of management:



Gary Bullock

LHMU - Queensland Branch Secretary

Dated at Brisbane this 15th day of September 2010.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Statement of financial position

As at 30 June 2010

<i>In AUD</i>	<i>Note</i>	2010	2009
Assets			
Cash and cash equivalents	14	1,422,470	2,199,514
Trade and other receivables	13	97,600	192,177
Other investments	12	10,150	10,150
Other assets	15	32,232	79,076
Total current assets		1,562,452	2,480,917
Other investments	12	110,020	110,020
Property, plant and equipment	11	8,061,818	7,982,619
Total non-current assets		8,171,838	8,092,639
Total assets		9,734,290	10,573,556
Liabilities			
Trade and other payables	17	1,274,145	1,003,689
Employee benefits	16	1,295,757	1,133,875
Total current liabilities		2,569,902	2,137,564
Employee benefits	16	339,575	264,490
Total non-current liabilities		339,575	264,490
Total liabilities		2,909,477	2,402,054
Net assets		6,824,813	8,171,502
Equity			
Retained earnings		6,824,813	8,171,502
Total equity		6,824,813	8,171,502

The notes on pages 9 to 29 are an integral part of these financial statements.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Statement of comprehensive income

For the year ended 30 June 2010

<i>In AUD</i>	<i>Note</i>	2010	2009
Revenue			
Contributions from members		11,937,819	11,500,638
Rental income		718,054	613,895
Sundry income		338,968	427,448
		<u>12,994,841</u>	<u>12,541,981</u>
Gain on sale of non-current assets	9	-	25,931
Expenditure			
<i>Employee expenses</i>			
Salaries and allowances - officials		(314,896)	(287,965)
Salaries and allowances - others		(5,787,396)	(5,679,961)
Superannuation		(917,290)	(690,578)
Annual leave		(882,389)	(609,684)
Long service leave		(187,404)	(117,932)
Fringe benefit tax		(61,248)	(88,896)
Payroll tax		(368,416)	(333,038)
		<u>(8,519,039)</u>	<u>(7,808,054)</u>
<i>Depreciation expenses</i>			
Buildings		(175,427)	(175,427)
Buildings improvements		(75,287)	(45,691)
Office furniture and equipment		(151,078)	(126,650)
Library		(17,294)	(28,182)
Motor vehicles		(256,871)	(232,915)
	11	<u>(675,957)</u>	<u>(608,865)</u>
<i>Other expenses</i>			
Affiliation fees		(327,757)	(320,048)
Arbitration fees and awards		(140)	(86)
Attendance fees and tea money		(5,435)	(12,888)
Audit and accountancy fees		(40,951)	(41,965)
Commission - payroll deductions		(32,284)	(49,857)
Computer expenses		(64,037)	(52,648)
Donations		(28,453)	(187,475)
Education & training		(107,260)	(130,954)
Federal Council - sustentation fees		(1,539,398)	(1,431,928)
General administration expenses		(623,144)	(453,986)
Legal assistance - members		(313,843)	(243,857)
Magazine expense		(170,378)	(157,117)
Meeting and conference expenses		(240,960)	(242,086)
Motor vehicle expenses		(306,852)	(322,306)
Organising expenses & accommodation		(101,192)	(135,757)
Overhead expenses - telephone, electricity and insurance		(402,152)	(424,954)
Postage, printing and stationery		(203,919)	(280,946)
Property expenses		(217,252)	(252,471)
Rates		(54,945)	(48,103)
Rent		(66,888)	(68,601)
Repairs and maintenance		(178,171)	(106,001)

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Statement of comprehensive income (continued)

For the year ended 30 June 2010

<i>In AUD</i>	Note	2010	2009
Subscriptions and publications		(14,401)	(14,223)
Travel expenses		(178,466)	(141,265)
		<u>(5,218,278)</u>	<u>(5,119,522)</u>
Results from operating activities		<u>(1,418,433)</u>	<u>(968,529)</u>
Finance income		71,744	121,397
Finance expense		-	-
Net finance expense	10	<u>71,744</u>	<u>121,397</u>
Loss before income tax		<u>(1,346,689)</u>	<u>(847,132)</u>
Income tax expenses from ordinary activities		-	-
Total comprehensive loss for the period		<u>(1,346,689)</u>	<u>(847,132)</u>

The notes on pages 9 to 29 are an integral part of these financial statements.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Statement of changes in equity
For the year ended 30 June 2010

In AUD

	Retained earnings	Total
Balance at 1 July 2008	9,018,634	9,018,634
Total comprehensive loss for the period	(847,132)	(847,132)
Balance at 30 June 2009	<u>8,171,502</u>	<u>8,171,502</u>
Balance at 1 July 2009	8,171,502	8,171,502
Total comprehensive loss for the period	(1,346,689)	(1,346,689)
Balance at 30 June 2010	<u>6,824,813</u>	<u>6,824,813</u>

The notes on pages 9 to 29 are an integral part of these financial statements.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Statement of cash flows

For the year ended 30 June 2010

<i>In AUD</i>	<i>Note</i>	2010	2009
Cash flows from operating activities			
Cash receipts from customers		14,408,316	13,675,373
Cash paid to suppliers and employees		(14,501,948)	(13,797,993)
Cash generated from operations		(93,632)	(122,620)
Interest Received		71,744	121,397
Net cash flows from/(used in) operating activities	22	(21,888)	(1,223)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	45,820
Acquisition of property, plant and equipment	11	(755,156)	(790,003)
Proceeds from bank bills		-	2,242,590
Net cash flows from/(used in) investing activities		(755,156)	1,498,407
Net cash flows from/(used in) financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(777,044)	1,497,184
Cash and cash equivalents at beginning of period		2,199,514	702,330
Cash and cash equivalents at end of period	14	1,422,470	2,199,514

The notes on pages 9 to 29 are an integral part of these financial statements.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to and forming part of the financial statements

For the year ended 30 June 2010

1 Reporting entity

The Liquor, Hospitality and Miscellaneous Union (Queensland Branch) (the 'Union') is a trade union domiciled in Australia. The address of the Union's registered office is 27 Peel St, South Brisbane QLD 4101, Australia.

The Union is primarily 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 *Fair Work (Registered Organisations) Act 2009*.

The financial statements were approved by the Branch Executive on 15th September 2010.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- financial instruments at fair value through profit or loss are measured at fair value
- available-for-sale financial assets are measured at fair value

(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.

(e) Changes in accounting policies

Starting as of 1 July 2009, the Group has changed its accounting policies in the following areas:

- Accounting for borrowing costs (See note 3(b)).
- Presentation of financial statements (See note 3(l)).

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Significant accounting policies

(v) *Jointly controlled operations and assets*

(a) Financial instruments

(i) *Non-derivative financial instruments*

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, including service concession 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. 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's obligations specified in the contract expire or are discharged or cancelled.

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(h).

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 directly in a separate component of equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

(b) Property, plant and equipment

(i) *Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of property, plant and equipment at 1 July 2004, the date of transition to AASBs, was determined by reference to its fair 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. Costs also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Borrowing costs related to the acquisition or construction of qualifying assets are recognised in profit or loss as incurred.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Significant accounting policies (continued)

(b) Property, plant and equipment (continued)

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.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" in profit or loss.

Changes to accounting policy

In respect of borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 July 2009, the Union capitalises borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Previously the Union immediately recognised all borrowing costs as an expense. This change in accounting policy was due to the adoption of AASB 123 *Borrowing Costs* (2007) in accordance with the transitional provisions of that standard, comparative figures have not been restated.

(iii) 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 carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iv) 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 unless it is reasonably certain that the Union will obtain ownership by the end of the lease term. Land is not depreciated.

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

	2010	2009
• Buildings	3.33%	3.33%
• Building improvements	4%	4%
• Office furniture and equipment	20-25%	20-25%
• Library	20%	20%
• Motor vehicles	25%	25%

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

(c) 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 are not recognised on the Union's balance sheet.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Significant accounting policies (continued)

(d) Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(ii) Other long-term employee benefits

The Union's net obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on AA credit-rated or government bonds that have maturity dates approximating the terms of the Union's obligations.

(iii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(e) 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.

(f) Revenue

(i) Contribution revenue

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

(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.

(g) 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.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Significant accounting policies (continued)

(g) Lease payments (continued)

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 contingency no longer exists and the lease adjustment is known.

(h) Finance income and expense

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 in profit and loss using the effective interest method. Dividend income is recognised in profit or loss 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, 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.

(i) Income tax

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

(j) 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.

(k) New standards and interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2010, but have not been applied in preparing this financial report:

- AASB 9 *Financial Instruments* includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the project to replace AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 9 will become mandatory for the Union's 30 June 2014 financial statements. Retrospective application is generally required, although there are exceptions, particularly if the entity adopts the standard for the year ended 30 June 2012 or earlier. The Union has not yet determined the potential effect of the standard.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

3 Significant accounting policies (continued)

(k) New standards and interpretations not yet adopted (continued)

- Revised AASB 124 *Related Party Disclosures* (revised December 2009) simplifies and clarifies the intended meaning of the definition of a related party and provides a partial exemption from the disclosure requirements for government-related entities. The amendments, which will become mandatory for the Union's 30 June 2012 financial statements, are not expected to have a significant impact on the financial statements.
- AASB 2009-5 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project Process* affect various AASBs resulting in minor changes for presentation, disclosure, recognition and measurement purposes. The amendments, which become mandatory for the Union's 30 June 2011 financial statements, are not expected to have a significant impact on the financial statements.
- AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* will become mandatory for the Union's 30 June 2014 financial statements. The Union has not yet determined the potential effect of the standard on the Union's financial statements.
- AASB 2009-12 *Amendments to Australian Accounting Standards* will become mandatory for the Union's 30 June 2012 financial statements. The Union has not yet determined the potential effect of the standard on the Union's financial statements.

(l) Presentation of financial statements

The Entity applies revised AASB 101 *Presentation of Financial Statements* (2007), which became effective as of 1 January 2009. As a result, the Entity presents all changes in equity in the Statement of changes in equity and the Statement of comprehensive income.

Comparative information has been re-presented so that it also is in conformity with the revised standard.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

4 Determination of fair values

A number of the Union's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i Property, plant and equipment

The fair value of property, plant and equipment recognised is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of items of plant, equipment, fixtures and fittings is based on the quoted market prices for similar items.

ii Investments in equity and debt securities

The fair value of financial assets at fair value through profit or loss, held-to-maturity investments and available for-sale financial assets is determined by reference to their quoted bid price at the reporting date.

iii Trade and other receivables

The fair value of trade and other receivables, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

5 Financial risk management

Overview

The Union has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- interest rate risk.

This note presents information about the Union's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

The Committee of Management has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the Union, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Union's activities. The Union, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Committee of Management oversees compliance with the Union's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the

Credit risk

Credit risk is the risk of financial loss to the Union if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Union's receivables from customers and investment securities.

Trade and other receivables

The Union's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Union's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. However, geographically there is no concentration of credit risk, nor do any individual customers make up a material portion of total revenue.

Investments

The Union limits its exposure to credit risk by only investing primarily in liquid securities and cash deposits.

Liquidity risk

Liquidity risk is the risk that the Union will not be able to meet its financial obligations as they fall due. The Union's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Union's reputation.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

6 Segment information

Business segments

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 Queensland Branch of the Union operates only within Queensland.

7 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1), (2), (3) and (4) of section 272 of the Act, which reads as follows:

- (1) A member of a reporting unit, or the General Manager 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
- (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) The General Manager 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.

8 Union property and funds

The rules of the Union provide that all the 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.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

9 Gain on sale of non-current asset

In AUD

	2010	2009
Disposal of motor vehicle	-	25,931
	<u>-</u>	<u>25,931</u>

10 Finance income and expense

Recognised in profit or loss

In AUD

	2010	2009
Interest income	71,744	121,397
Finance income	<u>71,744</u>	<u>121,397</u>
Interest expense	-	-
Finance expense	<u>-</u>	<u>-</u>
Net finance income recognised in profit or loss	<u>71,744</u>	<u>121,397</u>

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

11 Property, plant and equipment

In AUD

	<i>Note</i>	Land	Buildings	Building improvements	Office furniture and equipment	Library	Motor vehicles	Capital works in progress	Total
Cost or deemed cost									
Balance at 30 June 2008		1,251,153	5,268,075	1,125,057	691,047	176,219	851,635	-	9,363,186
Additions		-	-	379,180	83,720	-	286,041	41,062	790,003
Disposals		-	-	-	-	-	(163,346)	-	(163,346)
Balance at 30 June 2009		1,251,153	5,268,075	1,504,237	774,767	176,219	974,330	41,062	9,989,843
Balance at 30 June 2009		1,251,153	5,268,075	1,504,237	774,767	176,219	974,330	41,062	9,989,843
Additions		-	-	493,486	162,229	-	99,441	-	755,156
Disposals		-	-	-	-	-	-	-	-
Transfers from Capital works in progress		-	-	41,062	-	-	-	(41,062)	-
Balance at 30 June 2010		1,251,153	5,268,075	2,038,785	936,996	176,219	1,073,771	-	10,744,999

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

11 Property, plant and equipment (continued)

In AUD

	<i>Note</i>	Land	Buildings	Building improvements	Office furniture and equipment	Library	Motor vehicles	Capital works in progress	Total
Depreciation and impairment losses									
Balance at 30 June 2008		-	697,553	83,694	387,169	130,742	242,660	-	1,541,818
Depreciation for the year		-	175,427	45,691	126,650	28,182	232,915	-	608,865
Disposals		-	-	-	-	-	(143,459)	-	(143,459)
Balance at 30 June 2009		-	872,980	129,385	513,819	158,924	332,116	-	2,007,224
Balance at 30 June 2009		-	872,980	129,385	513,819	158,924	332,116	-	2,007,224
Depreciation for the year		-	175,427	75,286	151,078	17,295	256,871	-	675,957
Disposals		-	-	-	-	-	-	-	-
Balance at 30 June 2010		-	1,048,407	204,671	664,897	176,219	588,987	-	2,683,181
Carrying amounts									
At 30 June 2008		1,251,153	4,570,522	1,041,363	303,878	45,477	608,975	-	7,821,368
At 30 June 2009		1,251,153	4,395,095	1,374,852	260,948	17,295	642,214	41,062	7,982,619
At 30 June 2009		1,251,153	4,395,095	1,374,852	260,948	17,295	642,214	41,062	7,982,619
At 30 June 2010		1,251,153	4,219,668	1,834,114	272,099	-	484,784	-	8,061,818

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

12 Other investments

<i>In AUD</i>	2010	2009
Current investments		
Shares - listed (available for sale)	1,150	1,150
Term deposit	9,000	9,000
	<u>10,150</u>	<u>10,150</u>
Non-current investments		
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)	60,000	60,000
	<u>110,020</u>	<u>110,020</u>

13 Trade and other receivables

<i>In AUD</i>	2010	2009
Sundry receivables	97,600	192,177
	<u>97,600</u>	<u>192,177</u>

14 Cash and cash equivalents

<i>In AUD</i>	2010	2009
Bank balances	36,638	(87,675)
Call deposits	1,373,130	2,275,730
Cash on hand	3,330	3,330
Long service leave fund CBA	5,453	5,081
Queensland Blind Workers Union of Employees	3,919	3,048
Cash and cash equivalents	<u>1,422,470</u>	<u>2,199,514</u>

15 Other assets

<i>In AUD</i>	2010	2009
Prepayments	32,032	78,876
Deposits	200	200
	<u>32,232</u>	<u>79,076</u>

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

16 Employee benefits

<i>In AUD</i>	2010	2009
Current		
Liability for long service leave	467,788	391,411
Liability for annual leave	827,969	742,464
	<u>1,295,757</u>	<u>1,133,875</u>
Non-current		
Liability for long service leave	339,575	264,490
	<u>339,575</u>	<u>264,490</u>

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

	2010	2009
Assumed rate increase in wage and salary rates (%)	4	4
Discount rate (%)	5.09	5.52
Settlement term (years)	10	10

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

Liability for long service leave	110	105
Liability for annual leave	110	105

17 Trade and other payables

<i>In AUD</i>	2010	2009
Goods and services tax	150,746	138,207
Sundry creditors and accruals	1,123,399	865,482
	<u>1,274,145</u>	<u>1,003,689</u>

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

18 Financial instruments

Credit risk

Exposure to credit risk

The carrying amount of the Union's financial assets represents the maximum credit exposure. The Union's maximum exposure to credit risk at the reporting date was:

<i>In AUD</i>	Note	2010	2009
Cash and cash equivalents	14	1,422,470	2,199,514
Trade and other receivables	13	97,600	192,177
Interest bearing deposits	12	9,000	9,000
Other financial assets available-for-sale	12	1,150	1,150
Other unlisted unit trusts available-for-sale	12	110,020	110,020
		<u>1,640,240</u>	<u>2,511,861</u>

Impairment losses

The aging of the Union's trade receivables at the reporting date was:

<i>In AUD</i>	Note	Gross 2010	Impairment 2010	Gross 2009	Impairment 2009
Not past due	13	97,600	-	192,177	-
		<u>97,600</u>	<u>-</u>	<u>192,177</u>	<u>-</u>

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

30 June 2010

<i>In AUD</i>	<i>Note</i>	Carrying amount	Contractual cash flows	6 mths or less	6-12 months	12 months or more
Non-derivative financial liabilities						
Trade and other payables	17	1,274,145	1,274,145	1,274,145	-	-
		<u>1,274,145</u>	<u>1,274,145</u>	<u>1,274,145</u>	<u>-</u>	<u>-</u>

30 June 2009

Non-derivative financial liabilities						
Trade and other payables	17	1,003,689	1,003,689	1,003,689	-	-
		<u>1,003,689</u>	<u>1,003,689</u>	<u>1,003,689</u>	<u>-</u>	<u>-</u>

Currency risk

Exposure to currency risk

The Union has no exposure to foreign currency risk at balance date.

Interest rate risk

Profile

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

<i>In AUD</i>	Carrying amount	
	2010	2009
Fixed rate instruments		
Financial assets	1,431,470	2,208,514
	<u>1,431,470</u>	<u>2,208,514</u>

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

<i>In AUD</i>	<i>Note</i>	2010	
		Carrying amount	Fair value
Cash and cash equivalents	14	1,422,470	1,422,470
Trade and other receivables	13	97,600	97,600
Interest bearing deposits	12	9,000	9,000
Other financial assets available-for-sale	12	1,150	1,405
Other unlisted unit trusts available-for-sale	12	110,020	110,020
		<u>1,640,240</u>	<u>1,640,495</u>

<i>In AUD</i>	<i>Note</i>	2008	
		Carrying amount	Fair value
Cash and cash equivalents	14	2,199,514	2,199,514
Trade and other receivables	13	192,177	192,177
Interest bearing deposits	12	9,000	9,000
Other financial assets available-for-sale	12	1,150	1,590
Other unlisted unit trusts available-for-sale	12	110,020	110,020
		<u>2,511,861</u>	<u>2,512,301</u>

The basis for determining fair values is disclosed in note 4.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

19 Operating leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

<i>In AUD</i>	2010	2009
Less than one year	58,916	45,820
Between one and five years	79,570	99,329
More than five years	-	-
	<u>138,486</u>	<u>145,149</u>

The Union leases property under non-cancellable operating leases.

Leases as lessor

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

<i>In AUD</i>	2010	2009
Less than one year	545,248	274,866
Between one and five years	1,525,502	374,675
More than five years	-	-
	<u>2,070,750</u>	<u>649,541</u>

20 Capital and other commitments

In AUD

Capital expenditure commitments

Plant and equipment

Contracted but not provided for and payable:

Within one year

	2010	2009
	-	-
	<u>-</u>	<u>-</u>

21 Contingencies

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 the financial statements (continued)

For the year ended 30 June 2010

22 Reconciliation of cash flows from operating activities

<i>In AUD</i>	2010	2009
Cash flows from operating activities		
Loss for the period	(1,346,689)	(847,132)
Adjustments for:		
Depreciation	675,957	608,865
Gain on sale of property, plant and equipment	-	(25,931)
Operating profit before changes in working capital and provisions	<u>(670,732)</u>	<u>(264,198)</u>
Change in trade and other receivables	94,577	(111,854)
Change in trade and other payables	270,456	218,554
Change in prepayments	46,844	(48,361)
Change in provisions and employee benefits	236,967	204,636
Net cash from operating activities	<u>(21,888)</u>	<u>(1,223)</u>

23 Subsequent events

There have been no events subsequent to balance date which would have a material effect on the Union's financial statements at 30 June 2010.

24 Auditors' remuneration

<i>In AUD</i>	2010	2009
Audit services		
Auditors of the Union		
<i>KPMG Australia:</i>		
Audit and review of financial reports	23,000	24,919
Other services		
Auditors of the Union		
<i>KPMG Australia</i>		
Other assurance services	14,451	48,335
Other services	3,500	3,500
	<u>40,951</u>	<u>76,754</u>

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

25 KEY MANAGEMENT PERSONNEL

Transactions with key management personnel

The persons holding the position of elected officers of the Union at anytime during the year ended 30 June 2010:

Shirley A Mellor
Gary Bullock
Michael De Brenni
Neville Swan
Kerry Tomlinson

Officer's remuneration

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

	2010	2009
Salary and wages	336,017	322,792
Superannuation	82,082	40,577
Other benefits	31,600	31,800
	<u>449,699</u>	<u>395,169</u>

During the year ended 30 June 2010, 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 5 and 6 of these financial statements.

During the year ended 30 June 2009, the Union:

- made a contribution payment to the "Your Rights at Work" campaign of \$35,380 to the Liquor Hospitality and Miscellaneous Union Federal Office.
- made a contribution payment to the "Anti-Privatisation" campaign of \$10,000 to the Queensland Council of Unions.
- made a contribution payment to the "Stolen Wages" campaign of \$10,000 to the Queensland Council of Unions.
- made a contribution payment to the "Rights on Site" campaign of \$25,000 to the Queensland Council of Unions.

Included in sundry creditors is an amount payable to the Federal Office of \$403,692 (2009: \$397,387).

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

Notes to the financial statements (continued)

For the year ended 30 June 2010

26 Receipts and payments for recovery of wages activity

2010

2009

Cash assets in respect of recovered money at the beginning of the year

- -

Receipts

Amounts recovered from employers in respect of wages

1,868

5,378

Interest received on recovered money

- -

Total receipts

1,868

5,378

Number of employees to which amounts recovered from employers in respect of wages relates

3

5

Payments

Deductions of amounts due in respect of membership for:

12 months or less

- -

greater than 12 months

- -

Deductions of donations made to funds or accounts of the reporting unit

- -

Deductions of donations made to funds or accounts of other reporting units of the organisation

- -

Deductions of donations or other contributions made to a fund or account of other entities

- -

Deductions of fees or reimbursements of expenses in respect of recovery of wages activity

- -

Payments to workers in respect of recovered money

(1,868)

(5,378)

Cash assets in respect of recovered money at year end

- -

Aggregate payables to workers attributable to recovered moneys

- -

Number of workers to which payables to workers relate

- -

Account operated for recovery of wages activity

The Branch operated the following bank account in respect of recovery of wages activity in the current and comparative periods:

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

BSB: 064-001 Account Number: 1007-8063

Liquor, Hospitality and Miscellaneous Union (Queensland Branch) Committee of Management's Statement

On 15 September 2010, 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 2010:

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 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) There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule during the period.

Liquor, Hospitality and Miscellaneous Union (Queensland Branch)
Committee of Management's Statement (continued)

(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
- (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 15 September 2010:



Gary Bullock
Branch Secretary – LHMU Queensland



Independent auditor's report to the members of the
Liquor, Hospitality and Miscellaneous Union (Queensland Branch)

We have audited the accompanying financial report of the Liquor, Hospitality and Miscellaneous Union (Queensland Branch) (the Union), which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes 1 to 26.

Committee of management's responsibility for the financial report

The Committee of management and the secretary of the Union 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 *Fair Work (Registered Organisations) Act 2009*. 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 *Fair Work (Registered Organisations) Act 2009* and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the Union's financial position and of its performance.

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



Auditor's opinion

In our opinion:

- (a) the financial report of the Liquor, Hospitality and Miscellaneous Union (Queensland Branch) is in accordance with the *Fair Work (Registered Organisations) Act 2009*, including:
 - (i) giving a true and fair view of the Branch's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (b) with respect to recovery of wages activity the financial report properly and fairly reports all information required by the reporting guidelines of the Industrial Registrar, including:
 - (i) any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity;
 - (ii) any donations or other contributions deducted from recovered money; and
 - (iii) complying with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the RAO Schedule of the Act; and

KPMG

KPMG

M J Fitzpatrick
Partner

Brisbane

15 September 2010

This proposal is made by KPMG, an Australian partnership and a member firm of the KPMG network of independent firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity, and is in all respects subject to the negotiation, agreement, and signing of a specific engagement letter or contract. KPMG International provides no client services. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

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27 July 2010



FAIR WORK
AUSTRALIA

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 – for year ending 30 June 2010 - National Office (FR2010/2547), Victorian Branch (FR2010/2545), Western Australian Branch (FR2010/2546), NSW Branch (FR2010/2548), Northern Territory Branch (FR2010/2549), Queensland Branch (FR2010/2556), South Australian Branch (FR2010/2557), Tasmanian Branch (FR2010/2558)

The financial year of the above reporting entities within the Liquor, Hospitality and Miscellaneous Union has recently ended. This is a courtesy letter to remind you of the obligation to prepare the reporting units' financial documents and to lodge audited financial accounts and statements with Fair Work Australia in accordance with the *Fair Work (Registered Organisations) Act 2009* ('the RO Act').

The documents you must lodge include:

(i) A *general purpose financial report* [see section 253(2)] including a separate Statement of Changes in Equity or its accepted equivalent; (ii) A *Committee of Management statement* (see the General Manager's Reporting Guidelines); (iii) An *operating report* [see section 254(2)]; (iv) An *auditor's report* [see sections 257(5) to 257(11)]; and (v) A *certificate* of the *secretary or other designated officer* signed after all the prescribed events have taken place [see section 268(c)].

I draw your particular attention to

(a) s237 which requires you to prepare and lodge *a separate statement* providing the prescribed particulars of any loan, grant or donation made during the year which exceeds \$1,000;

(b) s265(5) which requires you to publish or otherwise *provide your members with completed/signed copies* of the audited accounts, report and statements before final presentation and lodgment; and

(c) s266 which requires you to *present the completed documents to an eligible meeting(s)* (either of the members or of the committee of management). Note that this meeting is distinct from any initial committee meeting convened to prepare, sign or otherwise approve pre-audited documents.

Relevant references may be found at <http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> and <http://www.fwa.gov.au/index.cfm?pagename=legislationfwroact>. If you are in any doubt as to the requirements or anticipate any difficulty in complying with the requirements, do not hesitate to contact Fair Work Australia.

Yours sincerely,

Stephen Kellett

Statutory Services Branch

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