



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

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9380 6990

**Ref: FR2004/569-[108V-SA1]**

Mr Mark Butler  
Branch Secretary  
Liquor, Hospitality and Miscellaneous Union  
South Australian Branch  
101 Henley Beach Road  
MILE END SA 5031

Dear Mr Butler

**Financial Return - year ending 30 June, 2004**

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

**New legislation**

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.

The legislation has changed since your last return. In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO' <sup>1</sup>). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

**The key differences under the new legislation affecting financial returns are:**

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

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<sup>1</sup> Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

## Reporting Unit

One of the new concepts of the RAO legislation is that 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 refer to your organisation as a reporting unit in this letter.

## Industrial Registrar’s Guidelines

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

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

## Timeline Planner and Checklist

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

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

## Three Reports

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

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

Financial Statements containing:

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

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at *Attachment C*)

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

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 and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

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

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

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

### **Lodge full report within 14 days of meeting**

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at [www.airc.gov.au](http://www.airc.gov.au)). When lodging the financial return please quote: **FR2004/569**.

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.

## Reduced Reporting Requirements

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

## Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at [Peter.McKerrow@air.gov.au](mailto:Peter.McKerrow@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 procedure but we cannot give you legal or accounting advice.

## Information on AIRC Website

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

- [RAO Schedule and 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 new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely

Deputy Industrial Registrar

9 August 2004

**TIMELINE/ PLANNER**

Financial reporting period ending:	/ /	
<b>FIRST MEETING:</b> Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1)	/ /	<i>as soon as practicable after end of financial year</i>
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<i>within a reasonable time of having received the GPFR</i>
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>	/ /       / /	
<b>SECOND MEETING:</b> 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)	/ /   / /	<i>within 6 months of end of financial year</i>  <i>within 6 months of end of financial year</i>
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	/ /	<i>within 14 days of meeting</i>

**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	✓
<b>1</b>	<b>General Purpose Financial Report</b>	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
<b>2</b>	<b>Committee of Management Statement</b>	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
<b>3</b>	<b>Auditor's Report</b>	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
<b>4</b>	<b>Operating Report</b>	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
<b>5</b>	<b>Concise report*</b>	
<b>6</b>	<b>Certificate of Secretary or other Authorised Officer</b>	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

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

Committee Of Management Statement

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

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

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

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

Title of Office held:

Signature:

Date:

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

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



**Certificate of Secretary or other Authorised Officer<sup>1</sup>**

s268 of Schedule 1B *Workplace Relations Act 1996*

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

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

Signature

Date:

<sup>1</sup>*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

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

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

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



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**Australian Industrial Registry**

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Fax: (02) 9380 6990

Mr Mark Butler  
Branch Secretary  
Liquor, Hospitality and Miscellaneous Union-South Australian Branch  
101 Henley Beach Road  
MILE END SA 5031

Dear Mr Butler

**Financial Return - year ending 30 June 2004 Ref: FR2004/569**

This letter is intended to remind you of your obligations to provide members with copies of your reporting unit's financial reports for year ended 30 June 2004 and to lodge the reports in the Industrial Registry by no later than 14 January 2005.

Over the past 18 months you would have received from us information about the major changes made by Schedule 1B of the *Workplace Relations Act 1996* ('RAO'<sup>1</sup>).

**Financial Reports**

Your reporting unit must prepare or have prepared the following three reports as soon as practicable after its financial year:

1. A General Purpose Financial Report (GPFR);
2. An Operating Report; and
3. An Auditor's Report.

**Informing Your Members**

Your reporting unit must provide free of charge to the general membership, copies of the abovementioned reports (the "full report"). Under certain circumstances, your reporting unit can provide a more limited concise report. The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the reporting unit for the presentation of its financial reports.

A reporting unit may make application to a Registrar to extend the period within which copies of the full report or concise report are to be provided to members by no more than one month.

**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 (the *second meeting*). This meeting must be held within 6 months of the end of the financial year. You may make application to a Registrar to extend this time limit by no more than one month so that the time limit for providing to members copies of the full report or concise report may in turn be extended.

<sup>1</sup> Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

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

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

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

If your rules contain a provision that allows up to 5% of members to demand a general meeting to be held to consider the full report (see s266(3)), it is permissible to present the full report directly to a Committee of Management meeting. This meeting must be held within 6 months of the end of the financial year.

There is no provision for extending the time limit for presenting the full report 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. Your reporting unit's financial reports should, therefore, be lodged by no later than 14 January 2005.

### **Contact the Registry**

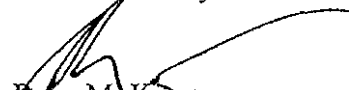
We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at [peter.mckerrow@air.gov.au](mailto:peter.mckerrow@air.gov.au) as early as possible if you have any queries. If you have already taken steps to ensure that your reporting unit complies with the time scale requirements of RAO, please ignore this letter.

### **Information on AIRC Website**

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

- [RAO Schedule and RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFRs 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 new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely



Peter McKerrow  
for Deputy Industrial Registrar

23 November 2004

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

Locked Bag 9  
Haymarket NSW 1240

Telephone: (02) 8204 7200  
Facsimile: (02) 9281 4480  
E-mail: [lhmu@lhmu.org.au](mailto:lhmu@lhmu.org.au)  
Web address: [www.lhmu.org.au](http://www.lhmu.org.au)

ABN: 5272 8088 684

*Helen Creed*  
National President

*Jeff Lawrence*  
National Secretary

*Tim Ferrari*  
*Jo-anne Schofield*  
*Louise Tarrant*  
Assistant National Secretaries

**Liquor, Hospitality  
and Miscellaneous Union**



13 December, 2004

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

Dear Mr Jenkins

**re: SOUTH AUSTRALIAN BRANCH FINANCIAL REPORTS**

I am writing to lodge the financial reports for the LHMU South Australian Branch for the year ended 30 June 2004. Enclosed is the Branch Full Financial Report including:

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

The financial reports were presented to the Branch Executive meeting on 17<sup>th</sup> August 2004. The Executive resolved:

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

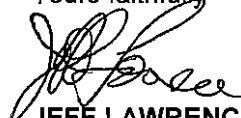
Subsequently the financial reports including the General Purpose Financial Report, the Auditors' statements and the operating report were supplied to members through publication on the LHMU website. Members also received a copy of Union News which contained an advertisement advising members how to view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

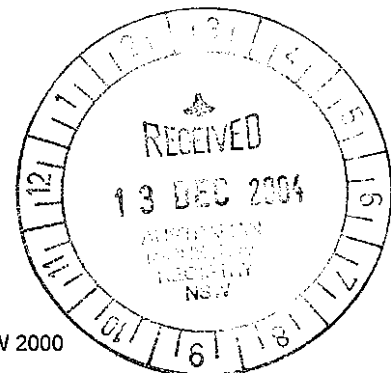
A full report was provided to the meeting of the South Australian Branch Executive on 30<sup>th</sup> November and was adopted by that meeting. Also enclosed is a copy of the Branch Secretary's certificate dated 30<sup>th</sup> November 2004.

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

If you have any questions please contact me.

Yours faithfully

  
**JEFF LAWRENCE**  
NATIONAL SECRETARY



**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2004**

**CERTIFICATE BY SECRETARY**

I Mark Butler being the Branch Secretary of the South Australian Branch certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 30 November 2004 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 30<sup>th</sup> November 2004; in accordance with section 266 of the RAO Schedule.

Signed  .....

**Mark Butler, Branch Secretary**

Date:

*30 November 2004* .....

**Liquor, Hospitality &  
Miscellaneous Union  
South Australian Branch**

**Full financial report for the year ended  
30th June 2004**

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**COMMITTEE OF MANAGEMENT'S STATEMENT**

I, Mark Christopher Butler being a designated officer of the Liquor Hospitality and Miscellaneous Union, South Australian Branch, report that the Committee of Management of the branch at a meeting of the Committee held on 17<sup>th</sup> August 2004 resolved that the following declarations, passed by the Committee at the meeting, in relation to the financial report of the branch for the year ending 30<sup>th</sup> June 2004 be included in the financial report.

In the opinion of the Committee of Management:

1. the financial report complies with the Australian Accounting Standards;
2. the financial report complies with the reporting guidelines of the Industrial Registrar;
3. the financial report gives a true and fair view of the financial performance, financial position and cash flows of the branch for the financial year ended 30<sup>th</sup> June 2004;
4. there are reasonable grounds to believe that the branch will be able to pay its debts as and when they become due and payable; and
5. during the financial year ended 30<sup>th</sup> June 2004 and since the end of the financial year:
  - (1) meetings of the Committee of Management were held in accordance with the rules of the organization and the rules of the branch; and
  - (2) the financial affairs of the branch have been managed in accordance with the rules of the organization and the rules of the branch; and
  - (3) the financial records of the branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - (4) the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and national council of the organization; and
  - (5) the information sought in any request of a member of the branch or a Registrar duly made under section 272 of Schedule 1B to the Workplace Relations Act 1996 has been furnished to the member of Registrar; and
  - (6) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of Schedule 1B to the Workplace Relations Act 1996.

Signed:.....  
**Mark Butler, Branch Secretary**

Dated:.....  
**18 Aug 2004**

# LIQUOR HOSPITALITY AND MISCELLANEOUS UNION SOUTH AUSTRALIAN BRANCH

## OPERATING REPORT

This Operating Report covers the activities of the Liquor Hospitality and Miscellaneous Union, South Australian Branch, for the financial year ended 30<sup>th</sup> June 2004.

### 1. Principal Activities of the Branch

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

- Organising existing members and new members.
- Bargaining, negotiating and arbitrating for improvements in wages and conditions of employment of members of the Union.
- Representing individual members in work related grievances or other individual matters.

As a result of the Branch's organising activity, membership in the Branch increased in nett terms by 927 over the course of the year. That growth is significantly due to the work of Union Delegates at workplaces. The Branch has a comprehensive training programme for Delegates involving several hundred days at the Union office each year of general skills training in addition to training at the Annual Delegates Convention and Industry specific training courses scheduled from time to time.

Over the course of the year, the Branch negotiated many dozens of Enterprise Bargaining Agreements delivering improvements in wages and conditions to LHMU members. Through the course of the year, the Union successfully argued a Test Case in the Industrial Relations Commission of South Australia to allow Bargaining Agents Fee clauses to be incorporated into State Enterprise Agreements. The inclusion of such clauses in Enterprise Bargaining under the State system is a significant change in our activity during the course of the year.

The Branch has also undertaken extensive activity in the Industrial Relations Commission arguing for arbitrated increases for LHMU members. Examples of those cases include the finalisation of a wage claim for aged care workers and the initiation of a wage claim for child care workers. The LHMU also argued the 2004 State Wage Case on behalf of the United Trades and Labor Council of South Australia.

The Branch has also been involved in lobbying and negotiations with different levels of Government around issues of importance to LHMU members. An example of this is the Branch's participation in the Hospitality Smoke Free Task Force convened by the State Government which resulted in legislation being presented to the South Australian Parliament to ban smoking in hotels, clubs and the casino over a phased period.

### 2. The Branch's Financial Affairs

Significant changes to the Branch's Financial Affairs include a significant increase in membership fee income over the course of the year. This increase is a result of fee increases which were the subject of significant debate within the Branch over the second half of calendar 2003 and, ultimately, endorsed by a secret postal ballot of South Australian Delegates. Also, membership fee income has increased as a result of the nett increase in membership within the Branch over the year.

The other significant change to the Branch's financial affairs results from the revaluation of the Branch property at 101 Henley Beach Road, Mile End. This revaluation was overseen by the Branch Auditors and resulted in an increase in Branch Assets of the order of \$2,173,889.



### 3. Right of Members to Resign.

All Members of the Branch have the right to resign from the Union in accordance with Rule 10 of the Union Rules; namely, by providing written notice addressed and delivered to the Secretary of the Branch, including via email.

### 4. Superannuation Trustees.

Robyn Buckler is a member of the Branch and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund.

### 5. Membership of the Branch.

There were 17,422 members of the Branch as at 30<sup>th</sup> June 2004.

### 6. Employees of the Branch

As at 30<sup>th</sup> June 2004 the Branch employed 38 full time employees and 6 part time employees with a total number of 42.3 employees on a fulltime equivalent basis.

### 7. Committee of Management

The following persons were a member of the Committee of Management of the Branch, namely the Branch Executive, during the year ending 30<sup>th</sup> June 2004;

Josephine Senarosa	Balde	1.7.03 to 30.06.04
Mark Christopher	Butler	1.7.03 to 30.06.04
Anthony	Boyle	1.7.03 to 30.06.04
David	DiTroia	1.7.03 to 30.06.04
Christopher John	Field	1.7.03 to 30.06.04
Helen Mary	Gibbons	1.7.03 to 30.06.04
Leslie Gordon	Hocking	1.7.03 to 30.06.04
Helene	Hollinshead	1.7.03 to 30.06.04
John Campbell	Inglis	1.7.03 to 30.06.04
Trevor Clement	Jeffries	1.7.03 to 30.06.04
Vesna	Jadresic	1.7.03 to 30.06.04
Raelene	Kexel	1.7.03 to 30.06.04
Boyd	MacRae	1.7.03 to 30.06.04
Jennifer Nora	Milward	1.7.03 to 30.06.04
Kevin	Tyler	1.7.03 to 30.06.04
Craig	Lewis	1.7.03 to 22.6.04
Joy	Wyatt	9.2.04 to 30.6.04
Joanne	Sutton	9.2.04 to 30.6.04
Susan Denise	Fenwick	22.3.04 to 30.6.04

Signed:   
Mark Butler, Branch Secretary

Date: 18 Aug. 2004

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**INDEPENDENT AUDIT REPORT**

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

**SCOPE**

***The Financial Report and the Committee of Management's Responsibility***

The financial report comprises the balance sheet, income and expenditure statement, statement of cash flows, the accompanying notes to the financial statements and the committee of management's statement for the Liquor Hospitality and Miscellaneous Union, South Australian Branch, for the year ended 30<sup>th</sup> June 2004.

The Committee of Management and the Secretary of the Branch are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

***Audit Approach***

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

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

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

1. examining on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
2. assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Committee of Management and the Secretary of the Branch.

While we considered the effectiveness of Management's internal controls over financial reporting, when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

**INDEPENDENCE**

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

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**INDEPENDENT AUDIT REPORT (cont)**

**Audit Opinion**

In our opinion the financial report of the Liquor Hospitality and Miscellaneous Union South Australian 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<sup>th</sup> June 2004 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards; and
- (iii) complying with any other requirements imposed by the Reporting Guidelines of Part 3 of Chapter 8 of Schedule 1B of the Act; and

(b) other mandatory professional reporting requirements in Australia.



.....  
**G R ASHBY – FCA**  
**NELSON WHEELER**  
Chartered Accountants  
Registered Company Auditor  
200 East Terrace, Adelaide SA 5000

DATED 18<sup>th</sup> August 2004

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**BALANCE SHEET AS AT 30TH JUNE 2004**

	Note	30.6.04 \$	30.06.03 \$
<b>Accumulated Funds</b>			
General Fund		2,776,900	2,539,486
Asset Revaluation Reserve	4	<u>2,173,889</u>	<u>0</u>
		<u>4,950,789</u>	<u>2,539,486</u>
Represented by Net Assets as follows:			
<b>Current Assets</b>			
Cash at Bank	3	433,530	217,755
Cash on Hand	3	702	702
Interest Receivable		5,859	5,147
Sundry Debtors and Prepayments		106,337	202,413
Investments		<u>120,000</u>	<u>120,000</u>
		<u>666,428</u>	<u>526,017</u>
<b>Non Current Assets</b>			
Investments		96	96
Loans		<u>0</u>	<u>27,451</u>
		<u>96</u>	<u>27,547</u>
<b>Fixed Assets</b>	4		
Land and Buildings		4,510,000	2,334,875
Motor Vehicles		577,840	381,818
Office Equipment		157,878	153,091
Fixtures		228,225	231,695
Library		<u>9,494</u>	<u>1,349</u>
		<u>5,483,437</u>	<u>3,102,828</u>
<b>TOTAL ASSETS</b>		<u><b>6,149,961</b></u>	<u><b>3,676,392</b></u>

The accompanying notes form part of these accounts

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**BALANCE SHEET AS AT 30TH JUNE 2004**

	Note	30.06.04 \$	30.06.03 \$
<b>Less Liabilities</b>			
<b>Current Liabilities</b>			
Provision for Accrued Annual Leave	1	421,771	427,172
Provision for Long Service Leave	1	373,678	360,186
National Council Sustentation Fees Payable		173,442	160,388
Sundry Creditors and Accruals		<u>201,744</u>	<u>168,176</u>
		<u>1,170,635</u>	<u>1,115,922</u>
<b>Non Current Liabilities</b>			
Provision for Long Service Leave	1	<u>28,537</u>	<u>20,984</u>
		<u>28,537</u>	<u>20,984</u>
<b>Total Liabilities</b>		<u>1,199,172</u>	<u>1,136,906</u>
<b>NET ASSETS</b>		<u>4,950,789</u>	<u>2,539,486</u>

The accompanying notes form part of these accounts.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2004**

	Note	30.06.04 \$	30.06.03 \$
<b>Income</b>			
Contributions		4,052,306	3,377,524
Interest		23,492	14,607
National Organising Fund		235,000	157,500
Rent - Govt of Aust		42,121	49,794
Rent – Adelaide Central Mission		44,734	44,259
Rent – CPSU		49,445	48,472
Refund of Board Fees		56,940	10,889
Workers Compensation Representation Costs		63,499	59,768
Sundry Income		<u>13,315</u>	<u>8,843</u>
<b>Total Income</b>		<u>4,580,852</u>	<u>3,771,656</u>
<b>Expenditure</b>			
Accountancy Fees		1,222	6,151
Advertising		6,469	2,542
Affiliation Fees		132,874	132,106
Attendance Fees		27,635	24,622
Audit Fees		12,720	9,366
Bad Debts – Loan Forgiven		27,451	2,872
Bank Charges		11,298	9,442
Building Administration - Mile End		163,305	147,821
Commission		60,153	56,597
Computer Expenses		<u>8,117</u>	<u>9,467</u>
Carried Forward		<u>451,244</u>	<u>400,985</u>

The accompanying notes form part of these accounts.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2004(cont)**

	Note	30.06.04 \$	30.06.03 \$
Brought Forward		451,244	400,985
Depreciation			
- Fixtures		13,100	12,447
- Furniture, Fittings and Office Machines		28,595	32,302
- Library		687	172
- Motor Vehicles		87,953	93,432
- Buildings		42,289	43,017
Donations		3,280	3,418
Fine		6,199	
Fringe Benefits Tax		39,024	48,073
Funeral Benefits		591	909
General Expenses		1,173	627
Insurance		54,111	33,723
Legal - Liability		19,661	11,885
Legal & Professional Fees – Other		63,439	29,767
Meeting Expenses		129,582	100,910
Motor Vehicle Expenses		80,915	70,721
National Council Sustentation Fees		637,410	574,179
Payroll Tax		105,831	80,642
Postage		43,032	33,511
Printing & Stationery		62,313	62,149
Printing & Stationery – Campaign Fund		57,918	25,311
Provision for Annual Leave	1	235,583	239,401
Provision for Long Service Leave	1	54,738	94,649
Promotional Material		64	1,874
Publications/Subscriptions		2,943	16,554
Rent Pt Adelaide office			200
Repairs & Maintenance		13,155	3,811
SA Magazine		<u>40,136</u>	<u>52,117</u>
Carried Forward		<u>2,274,966</u>	<u>2,066,786</u>

The accompanying notes form part of these accounts.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2004 (cont)**

	Note	30.06.04	30.06.03
		\$	\$
Brought Forward		2,274,966	2,066,786
Salaries – Officials		180,750	192,470
Salaries – Employees		1,300,000	1,139,843
Salaries – Project Organisers		59,955	
Salaries – Delegate Placements		66,610	
Salaries – Carr/Fenwick			45,921
Staff Amenities		8,042	8,316
Superannuation		295,432	246,759
Temp Admin		126	
Telephone		90,334	76,389
Training		5,014	(1,052)
Translating		1,198	339
Workcover Disbursements		19,622	2,497
Workcover Levy		<u>33,849</u>	<u>24,071</u>
<b>Total Expenditure</b>		<u>4,336,597</u>	<u>3,802,339</u>
<b>Operating Surplus/(Deficit) for Period</b>		244,255	(30,683)
Profit/(Loss) on Disposal of Fixed Assets		<u>(6,841)</u>	<u>3,018</u>
<b>Surplus/(Deficit) for Period</b>		237,414	(27,665)
Accumulated Funds at Beginning of Period		2,539,486	2,567,151
<b>Accumulated Funds at End of Period</b>		<u>2,776,900</u>	<u>2,539,486</u>

The accompanying notes form part of these accounts.



**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2004**

	Note	30.06.04 \$	30.06.03 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts from Members</b>			
Contributions Received		4,457,537	3,715,216
<b>Other Revenue</b>			
Interest		22,780	14,742
Rent		136,300	142,525
Refund of Board Fees		56,940	10,889
Workers Compensation Representation Costs		61,116	57,930
National Organising Fund		356,947	157,500
Sundry Income		<u>13,315</u>	<u>8,843</u>
		5,104,935	4,107,105
Payments to Suppliers and Employees		(3,742,464)	(3,220,590)
<b>Other Payments</b>			
Affiliation Fees		(132,874)	(132,106)
Donations & Election Campaigns		(3,280))	(3,418)
National Council Sustentation Fees		<u>(624,356)</u>	<u>(616,828)</u>
		<u>4,502,974</u>	<u>3,972,942</u>
<b>NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>	<b>6</b>	<u>601,961</u>	<u>134,763</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant & equipment		94,292	87,079
Payments for property, plant & equipment		(480,478)	(210,394)
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>		<u>(386,186)</u>	<u>(123,315)</u>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<u>215,775</u>	<u>11,448</u>
CASH AT BEGINNING OF PERIOD		<u>218,457</u>	<u>207,009</u>
<b>CASH AT END OF PERIOD</b>	<b>3</b>	<u>434,232</u>	<u>218,457</u>
The accompanying notes form part of these accounts			

# LIQUOR HOSPITALITY AND MISCELLANEOUS UNION SOUTH AUSTRALIAN BRANCH

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004

### 1. ACCOUNTING METHODS

The financial report is a general purpose financial report that has been prepared in accordance with applicable Accounting Standards and other mandatory professional reporting requirements and the Workplace Relations Act.

In accordance with generally accepted accounting principles for Trade Unions, membership contributions are accounted for on a cash receipts basis. Otherwise, the financial report is prepared using the accruals basis of accounting and on the basis of historical costs. The accounting policies have been consistently applied unless otherwise stated.

In particular:

- a) The financial report has not been adjusted to record either changes in the general purchasing power of the dollar or in prices of specific assets.
- b) Property, plant and equipment are brought to account at cost or Committee of Management valuation less where applicable any accumulated depreciation. The carrying value of property, plant and equipment is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount from the assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected cash flows have not been discounted to their present values in determining recoverable amounts. Depreciation of fixed assets is calculated under the diminishing value and straight line method in order to write the assets off over their useful life.

The depreciation rates used for each class of assets are:-

Class of Fixed Asset	Depreciation rate
Buildings	2.5%
Motor Vehicles	18.75% - 22.5%
Office Equipment	10% - 37.5%
Fixtures	5% - 11.25%
Library	11.25%

- c) Provision is made for the Branch's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements arising from wages and salaries, annual leave and long service leave which are expected to be settled within one year, have been measured at their nominal amounts. Employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements. Contributions made by the Branch to employee superannuation funds are charged as an expense when incurred.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30TH JUNE 2004**

**1. ACCOUNTING METHODS(cont)**

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

The Union policy is for assets and property acquired from Branch funds to be accounted for in the financial report 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 report of that Branch even though such income is the property of the Union.

- e) Revenues, expenses and assets are recognised net of the Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST
- f) No provision for income tax is necessary as Trade Unions are exempt from income tax under Section 23(f) of the Income Tax Assessment Act.
- g) Financial Instruments

Interest Rate Risk.

The Branch's exposure to interest rate risk, which is the risk that the financial instruments value will fluctuate as a result of changes in the market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing within 1 year	
	2004	2003	2004	2003	2004	2003
<b>Cash</b>	0.5%	0.5%	\$ 434,423	\$ 218,457	\$ -	\$ -
<b>Investments</b>	5.3%	4.76%	-	-	120,000	120,000
<b>Total Financial Assets</b>			<u>434,423</u>	<u>218,457</u>	<u>120,000</u>	<u>120,000</u>
<b>Total Financial Liabilities</b>			-	-	-	-

Loans are non-interest bearing.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30TH JUNE 2004**

**1. ACCOUNTING METHODS(cont)**

Net Fair Values

The net fair value of term deposits and loans are determined by discounting the cash flows at market interest rates of similar assets to their present value. The net fair value of unlisted shares has been based on a reasonable estimate of the underlying net assets or discounted cash flows of the shares. No financial assets and financial liabilities are readily traded on organised markets in standardised form. The net fair value of these items and other assets and other liabilities approximates their carrying value and are disclosed in the balance sheet and the notes to and forming part of the accounts.

Credit Risk

The Branch does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into. The maximum exposure to credit risk is the carrying amount of the financial asset as disclosed in the balance sheet and notes to and forming part of the accounts.

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

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Section 272 of Schedule 1B 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 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).

<b>3. CASH</b>	<b>30.6.04</b>	<b>30.6.03</b>
	<b>\$</b>	<b>\$</b>
Cash at Bank	433,530	217,775
Cash on Hand	<u>702</u>	<u>702</u>
	<u>434,223</u>	<u>218,457</u>

For the purposes of the cash flow statement, cash includes cash on hand, at call deposits with banks or financial institutions and investments in money market instruments maturing in less than two months.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30TH JUNE 2004**

4. <b>FIXED ASSETS</b>	<b>30.06.04</b>	<b>30.06.03</b>
	<b>\$</b>	<b>\$</b>
Land and Buildings at valuation Mile End	4,510,000	3,121,176
Less Accumulated Depreciation on Deemed cost of Building	<u>0</u>	<u>786,301</u>
	<u>4,510,000</u>	<u>2,334,875</u>
Motor Vehicle at cost	721,227	526,864
Less: Accumulated Depreciation	<u>143,387</u>	<u>145,046</u>
	<u>577,840</u>	<u>381,818</u>
Office Equipment at cost	929,508	896,126
Less: Accumulated Depreciation	<u>771,630</u>	<u>743,035</u>
	<u>157,878</u>	<u>153,091</u>
Fixtures at cost	471,076	461,447
Less Accumulated Depreciation	<u>242,851</u>	<u>229,752</u>
	<u>228,225</u>	<u>231,695</u>
Library at cost	28,296	19,465
Less: Accumulated Depreciation	<u>18,802</u>	<u>18,116</u>
	<u>9,494</u>	<u>1,349</u>
 Total Fixed Assets	 <u>5,483,437</u>	 <u>3,102,828</u>

Movements in carrying amounts

	Land & Building	Motor Vehicles	Office Equipment	Fixtures	Library	Total
<b>Balance at the beginning of the year</b>	2,334,875	381,818	153,091	231,695	1,349	3,102,828
<b>Additions</b>	43,525	385,107	33,382	9,630	8,832	480,476
<b>Disposals</b>		(101,133)				(101,133)
<b>Depreciation Expenses</b>	(42,289)	(87,953)	(28,595)	(13,100)	(687)	(172,624)
<b>Revaluations (refer below)</b>	2,173,889					2,173,889
<b>Balance at the end of the year</b>	4,510,000	577,840	157,878	228,225	9,494	5,483,437

A Committee of Management valuation of freehold and Land and Buildings was undertaken on 30<sup>th</sup> June 2004. The valuation was based on an assessment of the property's current market value.

**LIQUOR HOSPITALITY AND MISCELLANEOUS UNION  
SOUTH AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2004**

**5. RELATED PARTY INFORMATION**

Transactions with related parties are on normal commercial terms on conditions no more favourable than those available to other parties unless otherwise stated.

- (a) Directors and Executive Members are disclosed in the Operating Report.
- (b) Aggregate remuneration received or receivable by directors and executive members (Officials) during the year ended 30th June 2004 was \$284,747 (2003 \$264,292). Aggregate remuneration received or receivable by executive members (Branch Executive) during the year ended 30th June 2004 was \$4,981 (2003 \$7,258). Aggregate of amounts paid to a superannuation plan by the branch in connection with the retirement of the directors during the year ended 30th June 2004 was \$40,236 (2003 \$38,453)
- (c) The ultimate controlling entity of the Branch is the Australian Liquor Hospitality and Miscellaneous Workers Union National Council.
- (d) Sustentation fees paid or payable to the National Council for the year ended 30th June 2004 were \$637,410 (2003 \$574,179).

<b>6. Reconciliation of Cash Flow from Operations with Operating Surplus/Deficit for Period:-</b>	<b>30.06.04</b>	<b>30.06.03</b>
	<b>\$</b>	<b>\$</b>
Operating Surplus/(Deficit) after Abnormal Items	237,414	(27,665)
Non Cash Flows in operating Surplus/(Deficit)		
- Depreciation	172,624	181,370
- (Profit)/Loss on Sale of Fixed Assets	6,841	(3,018)
- Bad Debts – Loans Forgiven	27,451	0
Changes to Assets & Liabilities		
- Decrease/(Increase) in Interest Receivable	(712)	135
- Decrease/(Increase) in Sundry Debtors and Prepayments	96,077	(170,787)
- Increase/(Decrease) in Sustentation Fees Payable	(16,897)	14,769
- Increase/(Decrease) in Sundry Creditors and Accruals	13,054	3,482
- Increase/(Decrease) in Provision for Leave	<u>15,644</u>	<u>136,477</u>
Net Cash Provided By/(Used In) Operating Activities	<u>601,961</u>	<u>134,763</u>

**7. Contingency for Legal Fees**

The Branch has undertaken to pay legal fees on behalf of a number of members in regard to Employee Compensation claims, but only where the claim by the member is unsuccessful. The unbilled legal fees that the Union may be liable to pay for incomplete claims as at 30<sup>th</sup> June 2004 is estimated at \$7,740.



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

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

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

Dear Mr Lawrence

**Re: Lodgement of Financial Statements and Accounts for the LHMU South Australian  
Branch for the year ending 30 June 2004 (FR2004/569)**

Receipt is acknowledged of the abovementioned financial statements and accounts which were lodged in the Registry on 13 December 2004.

The documents have been filed. Thank you for your attention to this matter.

If I can be of any assistance please contact me on 02 8374 6618.

Yours sincerely,

A handwritten signature in cursive script that reads "Belinda Penna".

Belinda Penna  
for Deputy Industrial Registrar

24 January 2005