



Australian Government
Australian Industrial Registry

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

Dear Mr Lawrence

**Re Financial Return – Western Australian Branch – year ending 30 June 2005
(FR2005/505)**

Thank you for lodging the above financial documents which were received on 23
January 2006.

As the documents appear to comply with the legislative requirements, they have been
filed.

Yours sincerely

A handwritten signature in cursive script that reads 'Stephen Kellett'.

Stephen Kellett
Assistant Manager, Sydney Registry

10 February 2006

National Office
Level 9
187 Thomas Street
Haymarket NSW 2000

Locked Bag 9
Haymarket NSW 1240

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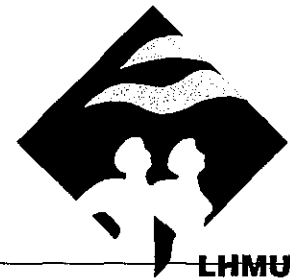
ABN: 5272 8088 684

Helen Creed
National President

Jeff Lawrence
National Secretary

Tim Ferrari
Louise Tarrant
Assistant National Secretaries

**Liquor, Hospitality
and Miscellaneous Union**



12 January, 2006

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



Dear Mr Jenkins

re: WEST AUSTRALIAN BRANCH FINANCIAL REPORTS

I am writing to lodge the financial reports for the LHMU West Australian Branch for the year ended 30 June 2005. Enclosed is the Branch Full Financial Report including:

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

The financial reports were presented to the Branch Executive meeting on 17 August 2005. 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 West Australian Branch Executive on 7th December and was adopted by that meeting. Also enclosed is a copy of the Branch Secretary's certificate dated 7th December 2005.

On the basis of the above and the enclosed documentation it would seem that the West 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
WA Branch

Registered Office 61 Thomas Street, Subiaco WA 6008
Postal Address PO Box 414, Subiaco WA 6904

President Rory Neal, JP
Secretary David Kelly
Assistant Secretaries Sue Lines, Carolyn Smith

ABN 82 525 323 080



7 December 2005

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
WESTERN AUSTRALIAN BRANCH

FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2004

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I DAVID JOSEPH KELLY being the Secretary of the Liquor, Hospitality and Miscellaneous Union, Western 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 2005 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 7 December 2005 in accordance with section 266 of the RAO Schedule.

Signed :.....

A handwritten signature in black ink, appearing to read 'D Kelly', written over a dotted line.

Date:.....

7/12/05

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
WA Branch

Registered Office 61 Thomas Street, Subiaco WA 6008
Postal Address PO Box 414, Subiaco WA 6904

President Rory Neal, JP
Secretary David Kelly
Assistant Secretaries Sue Lines, Carolyn Smith

ABN 82 525 323 080



LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION WESTERN AUSTRALIAN BRANCH

BRANCH EXECUTIVE'S STATEMENT

I, I DAVID JOSEPH KELLY being a designated officer of the Liquor, Hospitality & Miscellaneous Union WA Branch, report that the Branch Executive at a meeting of the Executive held on 7 December 2005 resolved that the following declarations, passed by the Executive at that meeting, in relation to the financial report of the branch for the year ended 30 June 2005 be included in the financial report.

In the opinion of the Branch Executive:

- (a) the financial report complies with the Australian Accounting Standards;
- (b) the financial report complies with the reporting guidelines of the Industrial Registrar;
- (c) 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 June 2005;
- (d) there are reasonable grounds to believe that the branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 June 2005 and since the end of the financial year:
 - (i) meetings of the Branch Executive were held in accordance with the rules of the organisation and the rules of the branch; and
 - (ii) the financial affairs of the branch have been managed in accordance with the rules of the organisation and the rules of the branch; and

- (iii) the financial records of the branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
- (iv) the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and national council of the organisation; and
- (v) 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 or Registrar; and
- (vi) 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.

For the Branch Executive



DAVE KELLY
Secretary

Dated: 7 December 2005

LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

WA BRANCH

(FORMERLY AUSTRALIAN LIQUOR, HOSPITALITY AND MISCELLANEOUS
WORKERS' UNION WA BRANCH)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2005

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

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**Independent audit report to members of Liquor,
Hospitality & Miscellaneous Union – WA Branch.**

Scope

The financial report and committee members' responsibility

The financial report comprises the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes to the financial statements, and the committee members' statement for Liquor, Hospitality & Miscellaneous Union – WA Branch ("**the union**"), for the year ended 30 June 2005.

The union's committee of management and the accounting officer of the union are responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the union. Our audit was conducted in accordance with Australian Auditing Standards and the Workplace Relations Act 1996, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

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

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

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

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.

Audit Opinion

In our opinion the financial report presents fairly, in accordance with applicable Accounting Standards, the Workplace Relations Act 1996 and other mandatory financial reporting requirements in Australia, the financial position of the Liquor, Hospitality & Miscellaneous Union WA Branch as at 30 June 2005 and the results of its operations and its cash flows for the year then ended.

Dated at SUBIACO the 17th day of August 2005

HORWATH
Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read "A G BEVAN", with a long horizontal line extending to the right.

A G BEVAN
Director

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

STATEMENT OF THE COMMITTEE OF MANAGEMENT

The Committee of Management have determined that the organisation is a reporting entity. In accordance with a resolution of the Committee of Management, we state that in the opinion of the Committee:

- (a) The accompanying 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 branch for the financial year to which they relate;
- (d) There are reasonable grounds to believe that the branch will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year to which the general purpose financial report 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 the branch concerned; and
 - (ii) The financial affairs of the branch have been managed in accordance with the rules of the organisation including the rules of the branch concerned; and
 - (iii) The financial records of the branch have been kept and maintained in accordance with Schedule 1B of the Workplace Relations Act 1986 (The RAO Schedule) and the Workplace Relations Amendment Regulations 2003 (The RAO Regulations); and
 - (iv) The information sought in any request of a member of the branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (v) There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Signed on behalf of the Committee of Management.

Signed At Subiaco this 17th day of AUGUST 2005.



GEORGINA WENDY DEVLIN



RORY MICHAEL NEAL

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

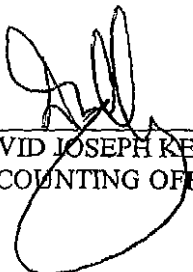
STATEMENT BY THE ACCOUNTING OFFICER

I, DAVID JOSEPH KELLY, being the officer responsible for keeping the accounting records of the Liquor, Hospitality & Miscellaneous Union - WA Branch, certify that as at 30 June 2005 the number of members of the Union was 22,714 (2004: 21,274).

In my opinion,

- (i) The attached accounts show a true and fair view of the financial affairs of the organisation as at 30 June 2005 and the result of operations for the period then ended;
- (ii) A register of members has, during the immediately preceding calendar year, been kept and maintained as required by section 230(1)(a) and section 230(2) of the Workplace Relations Act 1996;
- (iii) A copy of the records required to be kept under sections 230(1)(b), (c) and (d) of the Workplace Relations Act 1996, have been provided to the Industrial Registry as required by section 233 of the Workplace Relations Act 1996.

Signed at Subiaco this 17th day of AUGUST 2005.



DAVID JOSEPH KELLY
ACCOUNTING OFFICER

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED
30 JUNE 2005**

		2005	2004
		\$	\$
Revenues from ordinary activities	3	7,109,369	5,689,021
Affiliation Fees		(128,474)	(114,309)
Employee costs		(3,707,707)	(3,477,296)
Depreciation		(159,760)	(102,180)
Election Fund		(136,982)	-
Occupancy costs		(118,238)	(82,162)
Other property expenses		(86,842)	(80,515)
Organisers Expenses		(668,613)	(555,504)
Sustentation fees		(936,852)	(765,972)
Other expenses from ordinary activities		(1,113,099)	(642,186)
Net surplus (deficit) from operating activities		<u>52,802</u>	<u>(131,103)</u>
Net surplus (deficit) attributable to the Branch		<u><u>52,802</u></u>	<u><u>(131,103)</u></u>

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005**

	Note	2005 \$	2004 \$
Current Assets			
Cash Assets	5	520,842	557,292
Receivables	6	58,813	65,216
Prepayments		37,149	53,975
Stock		1,682	1,683
		-----	-----
Total Current Assets		618,486	678,166
		-----	-----
Non-current Assets			
Property, Plant and Equipment	7	3,125,997	2,872,112
		-----	-----
Total Non-Current Assets		3,125,997	2,872,112
		-----	-----
Total Assets		3,744,483	3,550,278
		-----	-----
Current Liabilities			
Payables	8	1,102,237	904,361
Interest Bearing Liabilities	9	85,238	80,888
Provisions	10	228,607	116,495
		-----	-----
Total Current Liabilities		1,416,082	1,101,744
		-----	-----
Non-current Liabilities			
Interest Bearing Liabilities	9	782,228	867,494
Provisions	10	44,401	132,070
		-----	-----
		826,629	999,564
		-----	-----
Total Liabilities		2,242,711	2,101,308
		-----	-----
Net Assets		1,501,772	1,448,970
		=====	=====
Equity			
Retained Profits	11	1,501,772	1,448,970
		-----	-----
Total Equity		1,501,772	1,448,970
		=====	=====

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
30 JUNE 2005**

	Note	2005 \$	2004 \$
Cash flows from operating activities			
Contributions		6,585,759	4,961,815
Interest Received		22,069	33,787
Rent Received		137,451	130,792
Grants		66,562	35,000
Other Income		48,369	539,393
Payments to Suppliers & Employees		(6,402,079)	(5,493,543)
Net cash provided by operating activities	12(a)	458,131	207,244
Cash flows from investing activities			
Proceeds from Sale of Property, Plant & Equipment		-	7,050
Payment for Property, Plant & Equipment		(413,666)	(969,286)
Net cash provided (used) by investing activities		(413,666)	(962,236)
Cash flows from financing activities			
Proceeds from borrowings		-	1,000,000
Repayment of borrowings		(80,915)	(51,619)
Net cash used in financing activities		(80,915)	948,381
Net increase/(decrease) in cash held		(36,450)	193,389
Cash at beginning of the financial year		557,292	363,904
Cash at the end of the financial year	5	520,842	557,292

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial report is prepared for the Liquor, Hospitality & Miscellaneous Union - WA Branch. The organisation is the State Branch of a federally registered union, domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money valuations. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the organisation in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Rules of the Union

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 are 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 even though such income is the property of the Union.

(b) Membership Contributions

Membership contributions are accounted for on a cash receipts basis, except for memberships received in advance, which are recognised as revenue when the service has been provided. In the prior year all membership contributions were recorded as received (for further information in relation to this change in policy refer Note 1 (r)).

(c) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(e) Income tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*.

(f) Cash

For the purposes of the statement of cash flows, the organisation considers cash to include cash on hand, at banks or financial institutions and on deposit.

(g) Receivables

All sundry debtors are recognised at the amounts receivable, as they are due for settlement no more than 30 days. Collectibility of debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off.

(h) Property, plant and equipment

Each class of property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and Equipment

The carrying amount of plant and equipment is reviewed annually by the organisation to ensure it is not in excess of the recoverable amount from those 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 net cash flows have not been discounted to present values in determining recoverable amounts.

(i) Depreciation

The depreciation amount of all fixed assets is depreciated using the straight-line basis in order to write off the net cost of each fixed asset during its expected useful life to the organisation.

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

<u>Class of fixed asset</u>	<u>Depreciation rate</u>
Buildings	2 to 5%
Chattels, furniture, fittings and office equipment	15 to 20%
Motor vehicles	22.5%

(j) Creditors and Accrued Changes

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(k) Employee entitlements

Provision is made for the organisation's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year, together with entitlements arising from wages and salaries and annual leave, which will be settled after one year have been measured at their nominal amount.

Other 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.

Provision for employee entitlements have been measured to include salary on-costs including superannuation, payroll tax and workers compensation.

(l) Superannuation

Contributions are made by the organisation to an employee superannuation fund and are charged as expenses when incurred.

(m) Interest rate risk

With the exception of the loan from the Victorian Branch (disclosed in Note 9), the organisation's exposure to interest rate risk, which is the risk that financial instruments value will fluctuate as a result of changes in market interest rates, is considered negligible.

(n) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements. The organisation does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the organisation.

(o) Net fair values

The net fair value of assets and liabilities approximate their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the union intends to hold these assets to maturity.

The aggregate net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial report.

(p) Comparatives

Where required, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(q) International Financial Reporting Standards

The Liquor, Hospitality and Miscellaneous Union – WA Branch is currently in the process of transitioning its accounting policies and financial report from the current Australian Accounting Standards (AGAAP) to the Australian equivalents of the International Financial Reporting Standards (AIFRS) which will be applicable for the financial year ended 30 June 2006.

The Union's transition date will be the 1 July 2005, therefore the Committee of Management is currently considering and quantifying the impact of the changes and any adjustments that will need to be made to the opening balance sheet.

The Committee is currently of the opinion that under the new AIFRS's there will not be a material effect on the opening balance sheet and no significant adjustments will be required to be made.

(r) Change in Accounting Policy

The union changed its accounting policy in the financial year ended 30 June 2005 in relation to membership contribution income. The new accounting policy is detailed above in Note 1 (b) above. The financial effect of this change in accounting policy has deferred the recognition of \$147,065 in contribution income and reduces the sustentation expense by \$25,001. This resulted in an overall reduction of the current year surplus of \$122,064. This income will be included in the year ended 30 June 2006 results.

NOTE 2. INFORMATION TO BE PROVIDED TO THE MEMBERS OR REGISTRAR

In accordance with the requirements of Section 272(5) of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Sections 272(1) to Section 272(3) of the Act, which reads as, follows:

- (1) A member of the branch, or a Registrar, may apply to the branch for specified prescribed information in relation to the branch to be made available to the person making the application.
- (2) The application must be 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 branch.
- (3) The branch must comply with an application made under subsection (1).

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 3. REVENUE	2005	2004
	\$	\$
Operating activities		
Contributions	6,206,229	4,827,899
Building Fund	177,170	138,295
Rent received	140,201	119,282
Award service fees	2,855	9,692
Salary reimbursements	486,418	463,178
Members distress fund	883	5,213
Sale of caps/badges/clothing	4,077	4,711
Shark bay booking fee	936	936
Delegates Convention	30,550	41,040
Grants - Award Updating	30,853	27,733
Other income	6,340	4,620
Sundry income	788	5,585
Non-operating activities		
Interest	22,069	33,787
Profit on sale of assets	-	7,050
	<u>7,109,369</u>	<u>5,689,021</u>

NOTE 4. SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES

The net surplus/(deficit) from ordinary activities has been determined after the following:

Expenses

Affiliation Fees:		
ALP	54,595	53,431
Trades & Labor Council of WA	73,879	60,878
Total Affiliation Fees	<u>128,494</u>	<u>114,309</u>
Depreciation		
Office Equipment	33,913	24,491
Furniture & Fittings	35,507	30,163
Library	1,993	1,083
Motor Vehicles	1,420	5,155
Buildings	86,927	41,288
Total Depreciation	<u>159,760</u>	<u>102,180</u>

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
NOTE 4. SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES (Continued)		
Sustentation Fees – Federal Office*	936,852	765,972
*Sustentation Fees are paid to the Federal Office of the Liquor, Hospitality and Miscellaneous Union in support of the Federal Offices' activities and oversight of the branches of the Union.		
Legal Costs	3,330	21,671
Meeting and Conference Expenses	58,374	77,151
Remuneration of Auditor - Audit Services	15,432	13,220
NOTE 5. CASH ASSETS		
Cash on Hand		
Petty Cash	950	950
Cash at Bank		
General Fund	118,519	(18,250)
Secretary's Advance Account	20,655	17,477
Augusta Account	23,542	3,319
Investment Account	35,235	109,786
Motor Vehicle Expense Account at Call	10,790	10,781
GST Account	82,983	81,404
Members Equity Account	119,537	194,396
Members Distress Fund	11,894	16,267
Building Fund	96,737	141,162
	-----	-----
	520,842	557,292
	-----	-----
NOTE 6. RECEIVABLES		
Current		
Sundry Debtors	57,826	60,753
Loan Receivable	987	4,463
	-----	-----
	58,813	65,216
	-----	-----

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 7. PROPERTY, PLANT & EQUIPMENT

	2005	2004
	\$	\$
61 Thomas Street, Subiaco		
Land – at Cost	127,944	127,944
Buildings – at Cost	2,076,588	1,641,764
Accumulated Depreciation	(471,496)	(401,149)
	-----	-----
	1,733,036	1,368,559
	-----	-----
61 Thomas Street, Subiaco		
Work In Progress (WIP) Building Renovations – at cost	-	198,346
	-----	-----
	-	198,346
	-----	-----
55 Sweeney Street, Bunbury		
Land – at Cost	16,500	16,500
Buildings – at Cost	69,899	69,899
Accumulated Depreciation	(25,684)	(24,287)
	-----	-----
	60,715	62,112
	-----	-----
Riverside Cottages, Molloy Street, Augusta		
Land – at Cost	269,854	269,855
Buildings – at Cost	418,914	418,914
Accumulated Depreciation	(130,878)	(122,499)
	-----	-----
	557,890	566,270
	-----	-----
Lot 80 Mortimer Street, Kalbarri		
Land – at Cost	128,903	128,903
Buildings – at Cost	173,084	173,084
Accumulated Depreciation	(51,331)	(47,870)
	-----	-----
	250,656	254,117
	-----	-----
Lot 100 Dhu Street, Guilderton		
Land – at Cost	37,129	37,129
Buildings – at Cost	131,542	131,542
Accumulated Depreciation	(39,193)	(36,562)
	-----	-----
	129,478	132,109
	-----	-----

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 7. PROPERTY, PLANT & EQUIPMENT (Continued)	2005	2004
	\$	\$
Unit 2, 101 Spencer Street, Bunbury		
Land – at Cost	20,000	20,000
Buildings – at Cost	36,543	36,543
Accumulated Depreciation	(4,512)	(3,781)
	52,031	52,762
Chattels – Bunbury Property		
Cost	21,890	19,890
Accumulated Depreciation	(19,376)	(18,506)
	2,514	1,384
Chattels – Augusta Property		
Cost	57,998	41,183
Accumulated Depreciation	(32,511)	(23,774)
	25,487	17,409
Chattels – Kalbarri Property		
Cost	40,738	35,373
Accumulated Depreciation	(23,703)	(16,576)
	17,035	18,796
Chattels – Guilderton Property		
Cost	7,061	5,139
Accumulated Depreciation	(4,212)	(3,110)
	2,849	2,029
Furniture & Fittings, Thomas Street		
Cost	181,004	144,523
Accumulated Depreciation	(41,132)	(23,459)
	139,872	121,064
Office Equipment		
Cost	248,484	140,680
Accumulated Depreciation	(119,199)	(85,287)
	129,285	55,393

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 7. PROPERTY, PLANT & EQUIPMENT (Continued)

	2005	2004
	\$	\$
Library		
Cost	98,014	92,055
Accumulated Depreciation	(78,581)	(76,588)
	19,433	15,467
Motor Vehicles		
Cost	45,377	44,537
Accumulated Depreciation	(39,661)	(38,242)
	5,716	6,295
Total Property, Plant and Equipment	3,125,997	2,872,112

Title to all properties, except for Unit 2, 101 Spencer Street, Bunbury are held by the Liquor, Hospitality and Miscellaneous Union, New South Wales (Federal Union) in accordance with Federal Policy concerning all new acquisitions of property.

A mortgage to the value of \$80,000 is registered with the Commonwealth Bank of Australia is secured over the property situated at 61 Thomas Street, Subiaco.

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below:

	Carrying Amount at 1 July 2004	Additions	Disposals	Depreciation	Carrying Amount at 30 June 2005
Land & Buildings	2,435,929	434,823	-	86,946	2,783,806
WIP Renovations	198,346	-	198,346	-	-
Chattels	39,618	26,103	-	17,836	47,885
Furniture & Fittings	121,064	36,481	-	17,673	139,872
Office Equipment	55,393	107,804	-	33,912	129,285
Library	15,467	5,959	-	1,993	19,433
Motor Vehicles	6,295	840	-	1,419	5,716
TOTAL	2,872,112	612,011	198,346	159,780	3,125,997

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 8. PAYABLES	2005	2004
	\$	\$
Current		
Sundry Creditors	8,009	3,163
Accrued Expenses	213,659	331,276
Rent received in advance	26,470	29,220
Membership received in advance	161,772	-
GST	104,893	64,304
Group Tax Payable	94,236	84,806
Unexpended DOCEP Grant	61,539	25,830
Accrued Annual Leave	431,659	365,762
	<u>1,102,237</u>	<u>904,361</u>

NOTE 9. INTEREST BEARING LIABILITIES

Current		
Unsecured		
Loan from Victorian Branch LHMU	85,238	80,888
	<u>85,238</u>	<u>80,888</u>
Non-current		
Unsecured		
Loan from Victorian Branch LHMU	782,228	867,494
	<u>782,228</u>	<u>867,494</u>

The above loan is for a period of 10 years, and commenced on the 15 October 2003. Repayments are to be made monthly, interest is reviewed annually on the 15th October and aligned to 0.5% above the Bank Bill Swap Rate. The interest rate applicable as at 30 June 2005 was 5.48% (2004: 5.25%). The loan is underwritten by National Office.

NOTE 10. PROVISIONS

Current		
Long Service Leave	228,607	116,495
	<u>228,607</u>	<u>116,495</u>
Non-current		
Long Service Leave	44,401	132,070
	<u>44,401</u>	<u>132,070</u>

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 11. RETAINED PROFITS	2005	2004
	\$	\$
Retained profits at the beginning of the financial year	1,448,970	1,580,073
Net Surplus/(Deficit) attributable to the Branch	52,802	(131,103)
	<u>1,501,772</u>	<u>1,448,970</u>

NOTE 12. CASH FLOW INFORMATION

**(a) Reconciliation of profit from ordinary activities to net
Cash flows from operating activities**

Profit from ordinary activities	52,802	(131,103)
Depreciation	159,781	75,019
Profit on sale of assets	-	(7,050)
Change in assets and liabilities		
(Increase) decrease in stock on hand	-	(864)
(Increase) decrease in sundry debtors	1,940	4,418
(Increase) decrease in prepayments	21,290	(27,138)
Increase (decrease) in sundry creditors & accruals	99,019	204,871
Increase (decrease) in provision for employee entitlements	90,340	70,314
Increase (decrease) in unexpended grants	35,709	7,267
Increase (decrease) in rent received in advance	(2,750)	11,510
Net cash inflow from operating activities	<u>458,131</u>	<u>207,244</u>

(b) Credit Stand-By Arrangements

The branch has a bank overdraft facility of \$20,000 (2004: \$20,000). At 30 June 2005 and 30 June 2004 this facility was not in use.

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 13. RELATED PARTY TRANSACTIONS

The following persons have held office in the WA Branch of the Union during the year:

	Office Held
NEAL, Rory Michael	President
LIEDEL, Barbara Joy	Vice President
CLOVER, Phillip James	Vice President
KELLY, David Joseph	Secretary
LINES, Susan	Assistant Secretary
SMITH, Caroline	Assistant Secretary
DEVLIN, Georgina Wendy	Executive Member
GEORGE, Diane Isabella	Executive Member
GODFREY, Brian George	Executive Member
HOWELLS, Angela	Executive Member
JONES, Lynda	Executive Member
MANN, Leila Dawn	Executive Member
O'MAHONEY, Paul	Executive Member
SNOW, Irene Edith	Executive Member
WRIGHT, Brian	Executive Member

There were no other transactions between the officers and the Union other than those relating to their membership in the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those, which it is reasonable to expect, would have been adopted by parties at arm's length.

NOTE 14. REMUNERATION OF OFFICERS

	2005	2004
	\$	\$
Income paid or payable to officers during the year.	288,837	288,970
	<u>=====</u>	<u>=====</u>

NOTE 15. SEGMENT REPORTING

The Union operates predominantly in one business and geographical segment, in its capacity to provide services to members of the Union throughout Western Australia.

NOTE 16. CAPITAL COMMITMENTS

At the date of signing this report there are no known outstanding capital commitments.

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 17. CONTINGENT LIABILITIES

At the date of signing this report there are no known contingent liabilities that would have a material effect on the presentation of the annual financial statements.

NOTE 18. GEOGRAPHICAL LOCATIONS

The Union operates from 61 Thomas Street, Subiaco in the State of Western Australia.

NOTE 19. EMPLOYEE NUMBERS

	2005 Numbers	2004 Numbers
Number of employees at the end of the financial year	79	77



Horwath Audit (WA) Pty Ltd

ABN 79 112 284 787

Chartered Accountants

A member of Horwath International

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Telephone (08) 9380 8400

Facsimile (08) 9380 8499

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

DISCLAIMER

The additional financial data presented on the pages 23 – 24 is in accordance with the books and records of the union, which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2005. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than the Liquor, Hospitality & Miscellaneous Union – WA Branch) in respect of such data, including any errors or omissions therein however caused.

Dated this 17th day of August 2005.

HORWATH
Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read "A.G. Bevan", written over a horizontal line.

A.G. BEVAN
Director

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
Revenue		
Members – Contributions	6,206,229	4,827,899
Building Fund Levy	177,170	138,295
Interest Received	22,069	33,787
Rent Received	140,201	119,282
Award Service Fees	2,855	9,692
Members Distress Fund	883	5,213
Grants- Award Updating	30,853	27,733
Salary reimbursements	486,418	463,178
Sale of Caps/Badges/Clothing	4,077	4,711
Shark Bay Booking Fee	936	936
Sundry Income	7,128	10,205
Surplus on Disposal of Assets	-	7,050
Delegates Convention	30,550	41,040
	-----	-----
Total Revenue	7,109,369	5,689,021
	-----	-----
Expenditure		
Advertising	2,543	13,261
Affiliation Fees		
ALP	54,595	53,431
Trades & Labor Council of WA	73,879	60,878
Airfares	55,193	32,290
Arbitration	100	2,813
Attendance Fees	6,295	11,657
Audit Fees	15,432	13,020
Badges/Caps/Union History	2,891	22,701
Bank Charges	47,451	40,790
Campaigns	7,850	5,948
Cleaning Expenses	2,317	1,235
Clothing – LHMU	7,547	-
Commissions	46,381	46,313
Computer Charges	12,386	6,930
Delegate Conference	13,649	-
Depreciation	159,761	102,180
Donations	10,250	1,090
Election Fund	136,982	-
Electricity	31,091	32,681
Freight	526	755
Fringe Benefits Tax	2,814	5,518
Honorarium	2,140	2,060
	-----	-----
	692,073	455,551

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH**

**INCOME AND EXPENDITURE STATEMENT (Continued)
FOR THE YEAR ENDED 30 JUNE 2005**

	2005 \$	2004 \$
Total Brought Forward	692,073	455,551
Insurance - Excluding Vehicles	57,038	59,891
Interest on Loan	47,862	34,215
Journals & Papers Issued (inc. Postage)	69,825	54,087
Lease Payments	14,459	8,515
Legal Costs	3,330	21,671
Meeting & Conference Expenses	58,374	77,151
Members Distress Fund	5,254	5,972
Motor Vehicle Expenses	483,499	382,105
Organising Expenses	48,021	39,535
Payroll Tax	201,766	167,814
Peal Health Dispute	-	14,994
Postage	41,447	61,699
Printing & Stationery	83,184	73,898
Property		
Augusta	39,095	36,566
Bunbury	19,877	15,933
Guilderton	8,247	8,499
Kalbarri	19,622	19,516
Thomas Street	19,004	3,438
Publications & Subscriptions	10,534	13,265
Rates	28,927	21,952
Repairs & Maintenance	36,898	22,857
Salaries - Elected Officers	267,877	266,801
Salaries - Employees	3,118,062	2,535,681
Salaries - Annual leave provision	65,897	66,196
Salaries - Long service leave provision	24,443	4,118
Staff Amenities	10,628	7,655
Staff Relocation Costs	875	9,073
Sundry Expenses (include Office Costs)	68,738	27,474
Superannuation	478,346	419,931
Sustentation Fees - Federal Office	936,852	765,972
Telephone	72,987	91,973
Training & Education	23,526	26,126
Total Expenditure	7,056,567	5,820,124
Net Profit from ordinary activities	52,802	(131,103)

LIQUOR, HOSPITALITY & MISCELLANEOUS UNION WA BRANCH

OPERATING REPORT 2005

The principal activity of the Liquor, Hospitality & Miscellaneous Union, WA Branch, remains that of a Trade Union.

During the 2004/2005 financial year there was a small increase in the number of staff employed in order to grow the membership base of the Union. As a consequence the overall number of employees of the Union as at 30th June 2005 was 79 (2004: 77) and the total membership at that date was 22,720 (2004: 21,274).

The financial year ended with a surplus of \$52,802 (2004 deficit: \$131,103).

Assets

- There has been an increase in the value of the Property, Plant and Equipment due to the renovation project being completed for the Branch office located at 61 Thomas Street, Subiaco. Depreciation has been applied.

Liabilities

- Interest Bearing Liabilities have reduced, due to the loan taken out from the Victorian Branch of the LHMU, being reduced.
- Current payables have risen in relation to accrued annual leave expenses as at the end of the year and unexpended DOCEP Grant funding as at 30.6.05.
- Provisions have increased due to Long Service Leave accruals.

Equity

- The movement in equity is proportionate to the surplus for year ended 30 June 2005 (\$52,802).

Resignation of Membership

- As per section 174 of the Workplace Relations Act 1996 a member of the union may resign from membership by written notice or by electronic message 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 two (2) weeks after the notice is received by the union whichever is later.

During 2004/05 the union had two staff members who sat on the Board of a superannuation entity. They are:

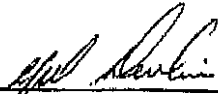
- Peter Edward Thomson, Union Administrator, who is a Director of the Government Employees Superannuation Board, Western Australia, which is an exempt public sector superannuation scheme.
- Neil Charles Saxton JP, Union Organiser, who is a Director of H.E.S.T. Australia Ltd. which is a company that is a trustee of a superannuation fund.

The Executive of the union is also the committee of management. As at the 30th June 2005 the members of the committee of management were:

- | | |
|--------------------------|---------------------|
| • NEAL, Rory Michael | President |
| • LIEDEL, Barbara Joy | Vice President |
| • CLOVER, Phillip James | Vice President |
| • KELLY, David Joseph | Secretary |
| • LINES, Susan | Assistant Secretary |
| • SMITH, Carolyn | Assistant Secretary |
| • DEVLIN, Georgina Wendy | Executive Member |
| • GEORGE, Diane Isabella | Executive Member |
| • GODFREY, Brian George | Executive Member |
| • HOWELLS, Angela | Executive Member |
| • JONES, Lynda | Executive Member |
| • MANN, Leila Dawn | Executive Member |
| • O'MAHONY, Paul | Executive Member |
| • SNOW, Irene Edith | Executive Member |
| • WRIGHT, Brian | Executive Member |

Signed on behalf of the Committee of Management

Signed at Subiaco this 17th day of AUGUST 2005



GEORGINA WENDY DEVLIN



RORY MICHAEL NEAL JP