



Australian Government

Australian Industrial Registry

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

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



Dear Ms Tarrant

**Re: Lodgement of Financial Statements and Accounts –
Liquor, Hospitality and Miscellaneous Union, Western Australian Branch –
for year ending 30 June 2008 (FR2008/497)**

Thank you for lodging the abovementioned financial statements and accounts which included a copy of the Operating report omitted from the documents previously lodged. The new documents were received by the Registry on 17 February 2009 and have now been filed.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'S. Kellett'.

Stephen Kellett
Statutory Services Branch

23 February 2009

National Office
Level 9
187 Thomas Street
Haymarket NSW 2000

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

ABN: 5272 8088 684

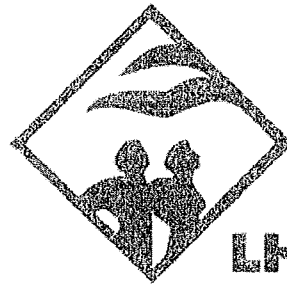
15 December 2008

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

Dear Mr Jenkins

Louise Tarrant **Brian Daley**
National Secretary National President

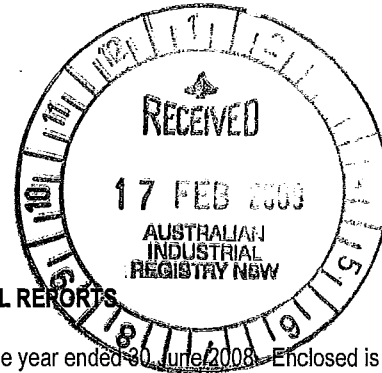
Tim Ferrari **Sue Lines** **Troy Burton**
Assistant National Secretaries



LHMU

Organising for the future

Please address all correspondence to the National Secretary



Re: WESTERN AUSTRALIA BRANCH FINANCIAL REPORTS

I am writing to lodge the financial reports for the LHMU Western Australia Branch for the year ended 30 June 2008. Enclosed is the Full Financial Report including:

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

The financial reports were sent to the Branch Executive on 5 November 2008. The Executive resolved:

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

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

A full report was provided to the Committee of Management on 12 December 2008 and was adopted. Also enclosed is a copy of the Branch Secretary's certificate dated 12 December 2008.

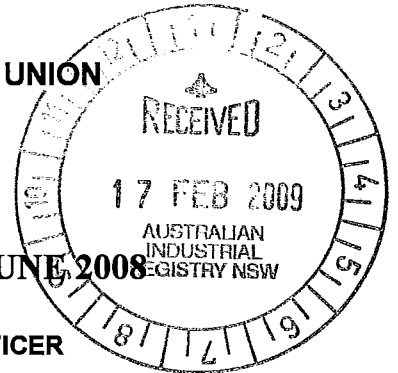
On the basis of the above and the enclosed documentation it would seem that the Western Australia Branch has complied with the audit and reporting requirements of the Act.

If you have any questions please contact me.

Yours faithfully

LOUISE TARRANT
NATIONAL SECRETARY

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
National Council**



FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2008

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, David Kelly, being the Branch Secretary of the Liquor, Hospitality and Miscellaneous Union, Western Australia 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 24 November 2008 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 12 December, 2008 in accordance with section 266 of the RAO Schedule.

Signed

12 December 2008

Date:

LIQUOR, HOSPITALITY & MISCELLANEOUS UNION WA BRANCH

OPERATING REPORT 2008

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

During the 2007/2008 financial year there was an decrease in the number of staff employed. As a consequence the overall number of employees of the Union (full time, part time & casual) as at 30th June 2008 was 94 (2007: 98) and the total membership at that date was 21,136 (2007: 23,914).

The financial year ended with an operating surplus of \$609,354 (2007 surplus: \$291,277).

Assets

- There has been an increase in the value of the cash & cash equivalents and prepayments held by the Branch. Depreciation has been applied to property, plant & equipment.

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 trade creditors, accrued annual leave expenses as at the end of the year. However, overall current payables have reduced slightly in value.
- Leave Provisions have increased due to the increase in staffing.

Equity

- The movement in equity is proportionate to the surplus for year ended 30 June 2008 \$609,354.

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 (20 weeks after the notice is received by the union, whichever is later.

During 2007/08 the union had two staff members who sat on the Board of a superannuation entity. They are:

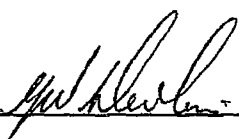
- Robert Lewtas, Finance and Administration Manager, is a Director of the Government Employees Superannuation Board, Western Australia, which is an exempt public sector superannuation scheme.
- Janine Freeman, Industrial Officer, is a Director of H.E.S.T.A Australia Ltd which is a company that is a trustee of a superannuation fund.

The Executive of the union is also the Committee of Management. As at the 30th June 2008 the members of the committee of management were:

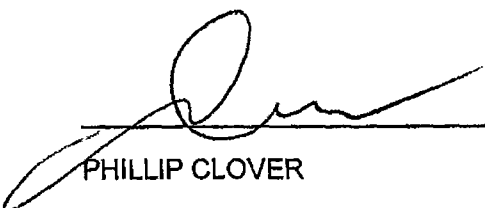
	Office Held
• DEVLIN, Georgina Wendy	Branch President
• CLOVER, Phillip James	Vice President
• GATICA-LARA, Leopold	Vice President
• KELLY, David Joseph	Secretary
• SMITH, Caroline	Assistant Secretary
• SHAY, Kelly	Assistant Secretary
• ARTHUR, Susan	Executive Member
• DE GOIS, Phyllis	Executive Member
• D'ONOFRIO, Maria	Executive Member
• ELLIS, Steven	Executive Member
• GODFREY, Brian George	Executive Member
• MANN, Lelia Dawn	Executive Member
• O'DONNELL, Patrick	Executive Member
• O'MAHONEY Paul	Executive Member
• POOL, Janice	Executive Member
• SNOW, Irene Edith	Executive Member
• WRIGHT Brian	Executive Member

Signed on behalf of the Committee of Management

Signed at Subiaco this 5th day of November 2008



 GEORGINA WENDY DEVLIN



 PHILLIP CLOVER



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
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Ms Louise Tarrant
National Secretary,
Liquor, Hospitality and Miscellaneous Union
Locked Bag 9
HAYMARKET NSW 1240



Dear Ms Tarrant

**Re: Lodgement of Financial Statements and Accounts –
Liquor, Hospitality and Miscellaneous Union, Western Australian Branch –
for year ending 30 June 2008 (FR2008/497)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 17 December 2008. I draw your attention to the following.

There was no Operating Report as required under s254 of the RAO Schedule included in the documents lodged. I seek your advice as to whether one was prepared by the Branch, and if so would request that the Branch lodge the omitted document as soon as practicable. Upon receipt of the Operating Report, the documents will be able to be filed.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'S. Kellett'.

Stephen Kellett
Statutory Services Branch

2 January 2009

National Office
Level 9
187 Thomas Street
Haymarket NSW 2000

Louise Tarrant **Brian Daley**
National Secretary National President



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

Tim Ferrari Sue Lines Troy Burton
Assistant National Secretaries

LHMU

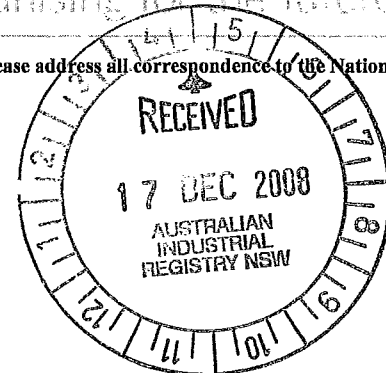
Organising for the future

ABN: 5272 8088 684

Please address all correspondence to the National Secretary

15 December 2008

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



Dear Mr Jenkins

Re: WESTERN AUSTRALIA BRANCH FINANCIAL REPORTS

I am writing to lodge the financial reports for the LHMU Western Australia Branch for the year ended 30 June 2008. Enclosed is the Full Financial Report including:

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

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

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A full report was provided to the Committee of Management on 12 December 2008 and was adopted. Also enclosed is a copy of the Branch Secretary's certificate dated 12 December 2008.

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

If you have any questions please contact me.

Yours faithfully

LOUISE TARRANT
NATIONAL SECRETARY

**LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION
National Council**

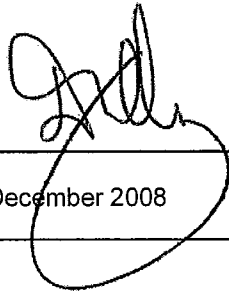
FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2008

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, David Kelly, being the Branch Secretary of the Liquor, Hospitality and Miscellaneous Union, Western Australia Branch, certify:

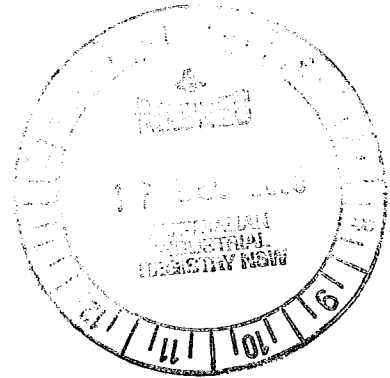
- That the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 24 November 2008 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 12 December, 2008 in accordance with section 266 of the RAO Schedule.

Signed



Date:

12 December 2008



LIQUOR, HOSPITALITY AND MISCELLANEOUS UNION

WA BRANCH

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2008

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

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BDO Kendalls

BDO Kendalls Audit & Assurance (WA) Pty Ltd
128 Hay St
Subiaco WA 6008
PO Box 700 West Perth WA 6872
Phone 61 8 9380 8400
Fax 61 8 9380 8499
aa.perth@bdo.com.au
www.bdo.com.au

ABN 79 112 284 787

INDEPENDENT AUDITOR'S REPORT

To the members of the Liquor, Hospitality & Miscellaneous Union – WA Branch

We have audited the accompanying financial report of the Liquor, Hospitality & Miscellaneous Union – WA Branch ("Union"), which comprises the balance sheet as at 30 June 2008 and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Report

The committee of management of the Union are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the committee of management also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

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

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

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



BDO Kendalls

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of the Liquor, Hospitality & Miscellaneous Union – WA Branch as of 30 June 2008 and of its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Accounting Interpretations) and the Workplace Relations Act 1996 and the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

BDO Kendalls Audit & Assurance (WA) Pty Ltd

BDO kendalls

Chris Burton
Director

Perth, 05 November 2008



BDO Kendalls

BDO Kendalls Audit & Assurance (WA) Pty Ltd
128 Hay St
Subiaco WA 6008
PO Box 700 West Perth WA 6872
Phone 61 8 9380 8400
Fax 61 8 9380 8499
aa.perth@bdo.com.au
www.bdo.com.au

ABN 79 112 284 787

05 November 2008

The Branch Executive Committee
Liquor, Hospitality and Miscellaneous Union
PO Box 414
SUBIACO WA 6904

Dear Sirs

DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE BRANCH EXECUTIVE COMMITTEE OF LIQUOR, HOSPITALITY & MISCELLANEOUS UNION – WA BRANCH

As lead auditor of the Liquor, Hospitality and Miscellaneous Union for the year ended 30 June 2008, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of the Liquor, Hospitality and Miscellaneous Union.

Chris Burton
Director

BDO kendalls
BDO Kendalls Audit & Assurance (WA) Pty Ltd
Perth, Western Australia

**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:

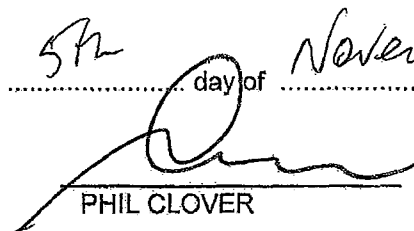
- (a) The accompanying financial statements and notes comply with the Australian Accounting Standards;
- (b) The financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) The financial statements and notes give a true and fair view of the financial performance, 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;
- (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 Sydney this 5th day of November 2008.



GEORGINA WENDY DEVLIN



PHIL CLOVER

LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
WA BRANCH

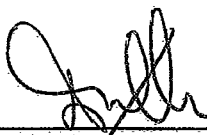
STATEMENT BY SECRETARY

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 2008 the number of members of the Union was 21,136 (2007: 23,914).

In my opinion,

- (i) The attached accounts show a true and fair view of the financial affairs of the organisation as at 30 June 2008 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 5th day of November 2008.



DAVID JOSEPH KELLY
WA BRANCH SECRETARY

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

**INCOME STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2008**

	Notes	2008 \$	2007 \$
Revenues from continuing operations	4	9,293,359	8,851,225
Administration expenses		(677,331)	(564,542)
Affiliation fees	5	(146,370)	(132,282)
Employee costs		(5,614,811)	(5,754,652)
Campaigns		(63,602)	(48,701)
Depreciation	5	(207,762)	(217,252)
Donations		(102,012)	(53,370)
Interest paid		(61,824)	(60,405)
Occupancy costs		(283,618)	(172,967)
Other property expenses		(96,286)	(149,377)
Organisers expenses		(154,599)	(146,602)
Sustentation fees	5	(999,496)	(928,995)
Other expenses from ordinary activities		(276,294)	(340,546)
Surplus from continuing operations		----- 609,354	----- 291,277
Surplus attributable to the Branch		----- 609,354 =====	----- 291,277 =====
Attributable to:			
General Fund		531,724	124,496
Building Fund		51,440	56,874
Election Fund		26,190	109,907
		----- 609,354 =====	----- 291,277 =====

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

**BALANCE SHEETS
AS AT 30 JUNE 2008**

	Note	2008 \$	2007 \$
Assets			
Current Assets			
Cash and cash equivalents	6	2,285,868	1,315,355
Trade and other receivables	7	66,808	131,261
Inventories		3,769	3,769
Total Current Assets		2,356,445	1,450,385
Non-current Assets			
Property, plant and equipment	8	2,122,527	1,979,630
Investment properties	9	992,448	1,013,029
Total Non-Current Assets		3,114,975	2,992,659
Total Assets		5,471,420	4,443,044
Liabilities			
Current Liabilities			
Trade and other payables	10	1,222,979	1,048,605
Interest bearing liabilities	11	128,750	128,750
Provisions	12	124,636	124,052
Total Current Liabilities		1,476,365	1,301,407
Non-current Liabilities			
Interest bearing liabilities	11	787,898	581,585
Provisions	12	102,230	64,499
Total Non-current Liabilities		890,128	646,084
Total Liabilities		2,366,493	1,947,491
Net Assets		3,104,927	2,495,553
Equity			
Retained profits	13	3,104,927	2,495,553
Total Equity		3,104,927	2,495,553

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

**STATEMENTS OF CHANGE IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
Total Equity at the beginning of the financial year		
General Fund	2,026,859	1,902,363
Building Fund	192,156	135,282
Election Fund	<u>276,538</u>	<u>166,631</u>
	2,495,553	2,204,276
Profit for the Year		
General Fund	531,724	124,496
Building Fund	51,440	56,874
Election Fund	<u>26,190</u>	<u>109,907</u>
	609,354	291,277
Total equity at the end of the Financial year	13 <u><u>3,104,927</u></u>	<u><u>2,495,553</u></u>

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

**STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED
30 JUNE 2008**

	Note	2008 \$	2007 \$
Cash flows from operating activities			
Contributions (including Goods and Services Tax)		8,674,697	8,083,994
Interest Received		139,391	81,517
Rent Received (including Goods and Services Tax)		165,321	145,428
Grants (including Goods and Services Tax)		-	8,000
Other Income (including Goods and Services Tax)		376,844	381,566
Interest Paid		(61,824)	(60,405)
Payments to Suppliers & Employees (including Goods and Services Tax)		(8,200,857)	(8,170,554)
Net cash inflow from operating activities	14(a)	1,093,572	469,546
Cash flows from investing activities			
Proceeds from Sale of Property, Plant & Equipment		14,091	-
Payment for Property, Plant & Equipment		(311,750)	(171,233)
Payment for Investment property		(32,191)	
Net cash (outflow) from investing activities		(329,850)	(171,233)
Cash flows from financing activities			
Proceeds from borrowings		286,490	-
Repayment of borrowings		(79,699)	(79,074)
Net cash (outflow) from financing activities		206,791	(79,074)
Net increase/(decrease) in cash held		970,513	219,239
Cash at beginning of the financial year		1,315,355	1,096,116
Cash at the end of the financial year	6	2,285,868	1,315,355

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

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRSs), other authoritative pronouncements of the Australian Accounting Standards Boards, Urgent Issues Group Interpretations 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.

Compliance with IFRSs

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AIFRSs ensures that the financial statements and notes of the Liquor, Hospitality & Miscellaneous Union - WA Branch comply with International Financial Reporting Standards (IFRSs).

Historical Cost Convention

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.

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

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(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.

(c) Revenue Recognition

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. Receivable and payables in the Statement of Financial Position are shown inclusive of GST.

(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 and Cash Equivalents

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

(g) Trade and Other 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.

An allowance account (provision bad debts) is established when there is objective evidence that the Union will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short term receivables are not discounted if the effect of the discounting is immaterial.

(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

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

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 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%

Motor Vehicles purchased as of July 2007 have an estimated useful life of 2 years and are depreciated at \$1,875 per annum based on the anticipated value of the motor vehicles after 2 years.

(j) Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(k) Trade and Other Creditors

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.

(l) 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.

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(m) Superannuation

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

(n) Investment Property

Investment property, principally comprising freehold buildings, is held for long-term rental yields and is not occupied by the Union. Investment property is carried at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the properties.

(o) Inventories

Finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and redemption amount is recognised in the income statement over the period of the borrowing using the effective interest method.

(q) Interest Rate Risk

With the exception of the loans 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.

(r) 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.

(s) 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.

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(t) Comparatives

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

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).

NOTE 3. FINANCIAL RISK MANAGEMENT

The Union's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The Union's overall risk management program seeks to minimise potential adverse effects on the financial performance of the Union. The Union uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks, and aging analysis for credit risk.

The Union holds the following financial instruments:

	2008	2007
	\$	\$
Financial Assets		
Cash and cash equivalents	2,285,868	1,315,355
Trade and other receivables	86,018	131,261
	2,371,886	1,446,616
Financial Liabilities		
Trade and other payables	1,222,979	1,048,605
Borrowings	916,648	710,335
	2,139,627	1,758,940

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

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 3. FINANCIAL RISK MANAGEMENT (CONT)

(a) Interest Rate Risk

The Union's main interest rate risk arises from borrowings, which are at fixed and variable rates and denominated in Australian dollars.

As at the year end, the Union had the following fixed and variable rate borrowings outstanding:

	Weighted average Interest rates	Floating interest rate	Fixed interest maturing within one year	Non- interest bearing	Total
As at 30 June 2008					
(i) Financial assets					
Cash	6.76%	2,502,776	-	22,977	2,525,753
Receivables		-	-	86,018	86,018
Total financial assets		2,502,776	-	108,995	2,611,771
(ii) Financial liabilities					
Payables		-	-	64,968	64,968
Business loans	7.51%	630,158	-	286,490	916,648
Total financial liabilities		630,158	-	351,908	981,616
	Weighted average Interest rates	Floating Interest rate	Fixed interest maturing within one year	Non- interest bearing	Total
As at 30 June 2007					
(i) Financial assets					
Cash	5.35%	1,720,148	-	52,992	1,773,140
Receivables		-	131,261	-	131,261
Total financial assets		1,720,148	131,261	52,992	1,904,401
(ii) Financial liabilities					
Payables		-	-	114,283	114,283
Business loan	6.76%	710,335	-	-	710,335
Total financial liabilities		710,335	-	114,283	824,618

An analysis by maturities is provided at (c) below.

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

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 3. FINANCIAL RISK MANAGEMENT (CONT)

(b) Credit Risk

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The credit quality of customers is assessed based on past experience, trading history, and other factors. Individual credit limits are set.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised above.

(c) Liquidity Risk

Prudent liquidity risk management involves maintaining sufficient cash reserves. The Union manages liquidity risk by continuously monitoring forecast and actual cash flows. Surplus funds are generally only deposited in savings accounts with high interest rates.

The table below analyses the Union's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contract maturity date.

At 30 June 2008	Between 0 – 12 months	Between 2 and 5 years
Borrowings – variable rate	128,750	787,898
 At 30 June 2007		
Borrowings – variable rate	128,750	581,585

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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 3. FINANCIAL RISK MANAGEMENT (CONT)

(d) Sensitivity Analysis

The following table summarises the sensitivity of the Union's financial assets and financial liabilities to interest rate risk.

30 June 2008	Carrying Amount	Interest Rate Risk			
		-100 bps		+100 bps	
		Profit	Equity	Profit	Equity
	\$	\$	\$	\$	\$
Financial Assets					
Cash and cash equivalents	2,285,868	(22,859)	(22,859)	22,859	22,859
Financial Liabilities					
Borrowings	916,648	9,166	9,166	(9,166)	(9,166)
Total increase/ (decrease)		(13,693)	(13,693)	13,693	13,693

(e) Capital Risk Management

The Union's objectives when managing capital are to safeguard their ability to continue as a going concern, so they can continue to provide benefits to members and to maintain an optimal capital structure to reduce the cost of capital.

	2008 \$	2007 \$
Total borrowings	916,648	710,335
Less: Cash and cash equivalents	(2,285,868)	(1,315,355)
Net assets	1,369,220	605,020
Total equity	3,104,927	2,495,553
Total Capital	(1,735,707)	(2,529,343)

As cash exceeds borrowings the gearing ratio would be negative and, therefore, has not been calculated.

(f) Impaired Trade Receivables

Due to the size and nature of debtors, analysis in relation to impaired trade receivables and debtors past due and not impaired is not considered to be material. As such, we have not disclosed these items in the financial report.

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 4.	REVENUE	2008	2007
		\$	\$
	Operating activities		
	Contributions	8,665,501	8,061,381
	Rent received	164,426	146,998
	Salary reimbursements	172,130	330,551
	Sponsorship	81,500	500
	Delegates Convention	11,800	31,800
	Grants - Award Updating	-	113,720
	Other income	5,889	4,299
	Sundry income	52,722	80,459
	Non-operating activities		
	Interest	139,391	81,517
	Profit on sale of assets	-	-
		-----	-----
		9,293,359	8,851,225
		-----	-----

NOTE 5. SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES

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

Expenses

Affiliation Fees:			
	ALP	61,540	58,815
	Trades & Labor Council of WA	84,830	73,467
		-----	-----
	Total Affiliation Fees	146,370	132,282
		-----	-----
Depreciation			
	Office Equipment	69,140	60,409
	Furniture & Fittings	39,394	42,685
	Library	5,003	4,370
	Motor Vehicles	40,969	5,136
	Buildings	53,256	104,652
		-----	-----
	Total Depreciation	207,762	217,252
		-----	-----

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 5. SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES (Continued)

	2008	2007
	\$	\$
Sustentation Fees – Federal Office*	999,496	928,995
<p>*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.</p>		
Legal Costs	18,799	22,298
Meeting and Conference Expenses	39,191	45,187
Remuneration of Auditor - Audit Services	21,916	19,106

NOTE 6. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

Cash on Hand		
Petty Cash	-	-
Cash at Bank		
General Fund	(87,157)	(298,327)
Secretary's Advance Account	440	34,108
Augusta Account	22,904	22,280
Investment Account	99,499	72,596
Motor Vehicle Expense Account at Call	11,853	11,056
GST Account	2	148,642
Members Equity Account	1,084,206	684,206
Members Distress Fund	11,160	12,433
Building Fund	243,596	192,156
Election Fund	302,729	276,538
Excess Funds	595,468	159,667
National Park Rangers Trust Account	1,168	250
	2,285,868	1,315,355

NOTE 7. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

Sundry Debtors	55,439	126,332
Other Debtors	-	218
Prepayments	11,369	4,711
	66,808	131,261

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 8. PROPERTY, PLANT & EQUIPMENT	2008	2007
		\$ \$
61 Thomas Street, Subiaco		
Land – at Cost	127,944	127,944
Buildings – at Cost	2,079,326	2,079,325
Accumulated Depreciation	(667,666)	(647,609)
	<u>1,539,604</u>	<u>1,559,661</u>
 Unit 2, 101 Spencer Street, Bunbury		
Land – at Cost	20,000	20,000
Buildings – at Cost	36,543	36,543
Accumulated Depreciation	(7,435)	(5,973)
	<u>49,108</u>	<u>50,569</u>
 Chattels – Bunbury Property		
Cost	23,800	22,615
Accumulated Depreciation	(21,101)	(20,878)
	<u>2,699</u>	<u>1,737</u>
 Furniture & Fittings, Thomas Street		
Cost	224,528	210,926
Accumulated Depreciation	(101,751)	(88,189)
	<u>122,777</u>	<u>122,737</u>
 Office Equipment		
Cost	451,317	422,032
Accumulated Depreciation	(288,209)	(220,203)
	<u>163,108</u>	<u>201,829</u>
 Library		
Cost	112,924	111,398
Accumulated Depreciation	(90,993)	(85,989)
	<u>21,931</u>	<u>25,408</u>

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

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 8. PROPERTY, PLANT & EQUIPMENT (Continued)	2008	2007
	\$	\$
Motor Vehicles		
Cost	293,436	46,854
Accumulated Depreciation	(70,135)	(29,166)
	<u>223,301</u>	<u>17,688</u>
Total Property, Plant and Equipment	<u>2,122,527</u>	<u>1,979,630</u>

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 \$20,000 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 2007	Additions	Disposals	Depreciation	Carrying Amount at 30 June 2008
Land & Buildings	1,610,223	-	-	(21,511)	1,588,712
Chattels	1,737	1,185	-	(223)	2,699
Furniture & Fittings	122,737	18,764	-	(18,724)	122,777
Office Equipment	201,829	29,831	-	(68,552)	163,108
Library	25,408	1,526	-	(5,004)	21,930
Motor Vehicles	17,688	260,445	(13,864)	(40,968)	223,301
TOTAL	1,979,622	311,751	(13,864)	(154,982)	2,122,527

NOTE 9. INVESTMENT PROPERTIES

55 Sweeney Street, Bunbury

Land – at Cost	16,500	16,500
Buildings – at Cost	69,900	69,900
Accumulated Depreciation	(31,277)	(28,481)
	<u>55,123</u>	<u>57,919</u>

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 9. INVESTMENT PROPERTIES (Continued)	2008	2006
	\$	\$
Riverside Cottages, Molloy Street, Augusta		
Land – at Cost	269,854	269,854
Buildings – at Cost	418,914	420,234
Accumulated Depreciation	(163,097)	(147,660)
	<u>525,671</u>	<u>542,428</u>
Lot 80 Mortimer Street, Kalbarri		
Land – at Cost	128,903	128,903
Buildings – at Cost	173,084	173,084
Accumulated Depreciation	(65,178)	(58,255)
	<u>236,809</u>	<u>243,732</u>
Lot 100 Dhu Street, Guilderton		
Land – at Cost	37,129	37,129
Buildings – at Cost	131,542	131,542
Accumulated Depreciation	(49,716)	(44,454)
	<u>118,955</u>	<u>124,217</u>
Chattels – Augusta Property		
Cost	105,927	89,625
Accumulated Depreciation	(69,646)	(55,489)
	<u>36,281</u>	<u>34,137</u>
Office Equipment		
Cost	1,365	-
Accumulated depreciation	(545)	-
	<u>820</u>	<u>-</u>
Chattels – Kalbarri Property		
Cost	52,780	41,806
Accumulated Depreciation	(40,599)	(36,619)
	<u>12,181</u>	<u>5,187</u>

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 9. INVESTMENT PROPERTIES (Continued)	2008 \$	2007 \$
Chattels – Guilderton Property		
Cost	15,876	12,326
Accumulated Depreciation	(9,269)	(6,916)
	6,607	5,410
Total Investment Properties	992,448	1,013,029

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 2007	Additions	Disposals	Depreciation	Carrying Amount at 30 June 2008
Land & Buildings	968,304	-	-	(31,745)	936,559
Chattels	44,725	31,834	-	(20,670)	55,889
TOTAL	1,013,029	31,834	-	(52,415)	1,013,029

(a) Amounts recognised in profit and loss for investment properties

Rental Income	164,426	157,140
Direct operating expenses from properties that generated rental income	(96,286)	(87,846)
	68,140	69,294

NOTE 10. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

Current		
Sundry Creditors	329,963	142,668
Accrued Expenses	-	-
Rent received in advance	34,075	33,180
GST	178,958	153,608
Group Tax Payable	40,633	39,477
Unexpended DOCEP Grant	-	-
Accrued Annual Leave	498,014	522,182
Memberships Paid in Advance	141,336	157,490
	1,222,979	1,048,605

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 11. BORROWINGS

	2008	2007
	\$	\$
Current		
Unsecured		
Loan from Victorian Branch LHMU	128,750	128,750
	128,750	128,750
 Non-current		
Unsecured		
Loans from Victorian Branch LHMU		
Renovation Loan	501,408	581,585
Motor Vehicle Loan	286,490	-
	787,898	581,585

The branch has two loans from the Victorian Branch of the LHMU.

- (a) The first is for the renovation of the WA branch's headquarters. The loan is for a period of 10 years, and commenced on the 15 October 2003. Repayments are 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 2008 was 7.42% (2007: 6.76%). The loan is underwritten by National Office.
- (b) The second loan is for a maximum of \$420,000 for the purpose of purchasing staff motor vehicles. The loan is for a period of 2 years, and commenced on the 6th July 2007. The loan is repayable in 2 years from the drawdown date. The branch pays interest only on the amount advanced calculated at the interest rate monthly in arrears from the drawdown date. An interest rate of 7.5% is applicable on loans advanced prior to November 2007. Loans advanced after the 1st November 2007 have an interest rate of 8%.

Amount repaid on the loans:

Principal	79,699	68,345
Interest	62,300	60,405
	141,999	128,750

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 12. PROVISIONS

	2008 \$	2007 \$
Current		
Employee benefits - Long Service Leave	124,636	124,052
	<u> </u>	<u> </u>
Non-current		
Employee benefits - Long Service Leave	102,230	64,499
	<u> </u>	<u> </u>

NOTE 13. EQUITY

	Total Equity at the beginning of the financial year	Movement	Total Equity at the end of the financial year
General Fund	2,026,859	531,724	2,558,583
Building Fund	192,156	51,440	243,596
Election Fund	276,538	26,190	302,728
TOTAL	<u>2,495,553</u>	<u>609,354</u>	<u>3,104,927</u>

NOTE 14. CASH FLOW INFORMATION

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

Profit from ordinary activities	609,354	291,277
Depreciation	207,762	217,252
Change in assets and liabilities		
(Increase) decrease in stock on hand	-	(2,087)
(Increase) decrease in sundry debtors	51,901	(66,042)
(Increase) decrease in prepayments	(6,658)	75,654
Increase (decrease) in sundry creditors & accruals	192,003	85,514
Increase (decrease) in provision for employee entitlements	38,315	(24,732)
Increase (decrease) in unexpended grants	-	(105,720)
Increase (decrease) in rent received in advance	895	(1,570)
	<u> </u>	<u> </u>
Net cash inflow from operating activities	1,093,572	469,546
	<u> </u>	<u> </u>

**LIQUOR, HOSPITALITY & MISCELLANEOUS UNION
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**NOTES TO AND FORMING PART OF THE ACCOUNTS
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(b) Credit Stand-By Arrangements

The branch has a bank overdraft facility of \$20,000 (2007: \$20,000). At 30 June 2008 and 30 June 2007 this facility was not in use.

The branch also has a contingent liability facility of \$250,000 (2007: \$250,000). As at 30 June 2008 and 30 June 2007 \$50,000 of this facility was unused. There is no interest charge on the contingent liability facility.

NOTE 15. RELATED PARTY TRANSACTIONS

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

	Office Held
DEVLIN, Georgina Wendy	Branch President
CLOVER, Phillip James	Vice President
GATICA-LARA, Leo	Vice President (Appointed 11 June 2008)
SNOW, Irene Edith	Vice President (Resigned 14 May 2008)
KELLY, David Joseph	Secretary
SMITH, Caroline	Assistant Secretary
SHAY, Kelly	Acting Assistant Secretary (Appointed 12 Sept. 2007)
LINES, Susan	Assistant Secretary (Resigned 12 September 2007)
ARTHUR, Susan	Executive Member
DE GOIS, Phyllis	Executive Member
D'ONOFRIO, Maria	Executive Member
ELLIS, Steven	Executive Member
GODFREY, Brian George	Executive Member
MANN, Leila Dawn	Executive Member
MAYBERRY, Susan	Executive Member (Resigned 14 May 2007)
O'DONNELL, Patrick	Executive Member
O'MAHONEY, Paul	Executive Member
POOL, Janice	Executive Member
SNOW, Irene Edith	Executive Member (Appointed 11 June 2008)
WRIGHT, Brian	Executive Member

There were no 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.

(b) LHMU WA Branch has a loan payable to the Victorian Branch of the LHMU. Details of this loan can be found at Note 10.

(c) The following transactions occurred with related parties:

	2008	2007
	\$	\$
Sustentation fees	999,496	928,995

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

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 16. REMUNERATION OF OFFICERS

Income paid or payable to officers during the year.	258,991	239,320
	=====	=====

NOTE 17. 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 18. CAPITAL COMMITMENTS

The Union has set up a capital budget of approximately \$417,000 for projects and other requirements as needed.

NOTE 19. 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 20. EVENTS OCCURRING AFTER BALANCE SHEET DATE

(a) Formation of LHMU Legal

As of 1 July 2008 the Union formed a new company, LHMU Legal, which is an entity under the State Union. It was set up to service workers' compensation claims for Union members which were previously outsourced to Gibson & Gibson legal Practitioners.

(b) Sale of investment property

On the 22nd October 2008 the sale of 55 Sweeney Street in Bunbury was finalised. The property was sold for \$360,000 (\$358,784 was received by the Union after expenses).

NOTE 21. GEOGRAPHICAL LOCATIONS

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

NOTE 22. EMPLOYEE NUMBERS

	2008 Numbers	2007 Numbers
Number of employees at the end of the financial year	94	98



BDO Kendalls

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ABN 79 112 284 787

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

DISCLAIMER

The additional financial data presented on the pages 30 – 32 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 2008. 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 5th day of November 2008.

BDO Kendalls Audit & Assurance (WA) Pty Ltd

BDO kendalls

**Chris Burton
Director**

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

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
Revenue		
Members – Contributions	8,665,501	8,061,381
Building Fund Levy	-	-
Interest Received	139,391	81,517
Rent Received	164,426	146,998
Sponsorship	81,500	500
Members Distress Fund	-	-
Grants- Award Updating	-	113,720
Salary reimbursements	172,130	330,551
Sale of Caps/Badges/Clothing	5,889	4,299
Shark Bay Booking Fee	-	-
Sundry Income	62,722	80,459
Surplus on Disposal of Assets	-	-
Delegates Convention	11,800	31,800
	<u>9,293,359</u>	<u>8,851,225</u>
Total Revenue		
Expenditure		
Advertising	40,830	42,944
Affiliation Fees		
ALP	61,540	58,815
Trades & Labour Council of WA	84,830	73,467
Airfares	15,592	23,567
Arbitration	3,793	3,341
Attendance Fees	3,894	1,122
Audit Fees	21,916	19,106
Badges/Caps/Union History	-	-
Bank Charges	103,749	59,827
Campaigns	63,602	48,701
Cleaning Expenses	7,519	7,412
Clothing – LHMU	-	3,520
Commissions	34,452	44,037
Computer Charges	17,904	29,214
Delegate Conference	227	23,818
Depreciation	197,361	217,252
Donations	102,012	53,370
Election Fund	-	-
	<u>759,221</u>	<u>709,513</u>

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

**INCOME AND EXPENDITURE STATEMENT (Continued)
FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
Total Brought Forward	759,221	709,513
Electricity	55,760	42,410
Freight	1,901	-5,582
Fringe Benefits Tax	13,849	4,193
Honorarium	3,573	4,042
Insurance - Excluding Vehicles	84,554	93,937
Interest on Loan	61,824	60,405
Journals & Papers Issued (inc. Postage)	72,848	90,996
Lease Payments	54,525	57,776
Legal Costs	15,005	18,956
Meeting & Conference Expenses	91,787	88,866
Motor Vehicle Expenses	14,128	-3,960
Organising Expenses	-	-
Payroll Tax	267,708	269,662
Postage	41,882	41,457
Printing & Stationery	75,821	69,131
Property	98,169	67,753
Publications & Subscriptions	-	-
Rates	65,296	63,388
Repairs & Maintenance	6,156	13,327
Salaries – Elected Officers	226,991	211,979
Salaries – Employees	4,566,851	4,819,201
Salaries – Annual leave provision	148,575	115,909
Salaries – Long service leave provision	62,991	13,509
Staff Amenities	22,449	50,700
Staff Relocation Costs	-	-
Sundry Expenses (include Office Costs)	137,722	30,924
	-----	-----
	6,949,586	6,928,492
	-----	-----

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

**INCOME AND EXPENDITURE STATEMENT (Continued)
FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
Total Brought Forward	6,949,586	6,928,492
Superannuation	609,403	594,054
Sustentation Fees - Federal Office	999,496	928,995
Telephone	92,437	70,277
Training & Education	33,083	38,130
Total Expenditure	8,684,005	8,559,948
Net Profit from ordinary activities	609,354	291,277



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: FR2008/497-[108V-WA1]

Mr David Kelly
Branch Secretary
Liquor, Hospitality and Miscellaneous Union-
Western Australian Branch
PO Box 414
SUBIACO WA 6904

Dear Mr Kelly

**Re: Financial Return - year ending 30 June, 2008
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

This is a courtesy letter to remind you of the financial reporting obligations of the abovenamed reporting unit under the *Workplace Relations Act 1996* ('the Act') for the financial year ended 30 June, 2008.

The legislative scheme set out in Chapter 8, Part 3 of the RAO Schedule is directed at ensuring that a registered organisation or a branch of such an organisation discharges obligations of accountability to its members in relation to its financial affairs through proper and regular disclosure of financial information. The various steps of the financial reporting requirements must be carried out within the time-scales prescribed by the legislation so as to ensure the relevance of the financial information provided to the members. A copy of the time-scale provisions is attached for your information.

Now that the financial year has ended, it is timely that you put in train the various steps of the financial reporting requirements. We recommend you and your accountant/auditor refer to the following documents on the Commission's website where a new site has been created dealing with:

- RAO Fact sheets - These Fact Sheets explain the requirements of the RAO Schedule - many of them deal with financial reporting matters.
- Financial Reporting Sample Documents – Sample Committee of Management's Statement, Designated Officer's Certificate and checklists for illustrative purposes.
- Registrar's Reporting Guidelines - The GPFR 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 Schedule and RAO Regulations

You can access these documents at: <http://www.airc.gov.au/registered/FR/information.htm>.

The Registry strongly encourages your organisation to lodge documents electronically by either:

- Sending an email with the documents attached to: orgs@air.gov.au
- Sending the documents by fax to: (03) 9655 0410

We encourage you to contact the Registry on (02) 8374 6507 or by e-mail at steve.teece@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedures but we cannot give you legal or accounting advice.

Yours sincerely

Steve Teece
(02) 8374 6507
10 July, 2008

TIMELINE/ PLANNER

Financial reporting period ending:	/ /
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Prepare financial statements and Operating Report.
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(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /
(b) The Designated Officer must sign and date the Committee of Management Statement which is then forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	

As soon as practicable after end of financial year

Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /
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*Within a reasonable time of having received the GPFR
(NB: Auditor's report must be dated on or after date of Committee of Management Statement)*

Provide full report free of charge to members – s265 The full report includes: • the General Purpose Financial Report (which includes the Committee of Management Statement); • the Auditor's Report; and • the Operating Report.	/ /

*(a) if the report is to be presented to 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.*

Present full report to:	
(a) General Meeting of Members - s266 (1),(2); or	/ /
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /

Within 6 months of end of financial year

Within 6 months of end of financial year

Lodge full report in the Industrial Registry, together with the Designated Officer's certificate – s268 #	/ /
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Within 14 days of meeting

* The full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the certificate stating that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. A non-elected official is not allowed to sign the certificate.