



THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2009

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THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY

ABN 93 047 659 794

OPERATING REPORT

Your National Council present their report on the Union and its subsidiary company for the financial year ended 30 June 2009.

The names of the officials in office at any time during the financial year and to the date of this report are:

Boyle, J	Garrett, P
Bull, P *	Horgan, L *
Bracken, K	Keane, G
Bray, I	McAleer, P
Burford, A *	McCorriston, K
Cain, C	Munday, T
Campbell, J	Newlyn, J
Carr, M	Newlyn, D
Clothier, C *	Patchett, R
Covell, L *	Rayward, L
Crumlin, P	Schleibs, D
Cushion, D	Smith, W
Deakin, J (appointed 14 Sept. 2009)	Tannock, J
Doleman, M	Williams, G
Evans, A (appointed 14 Sept. 2009)	Wood, G

* *Honorary Electorate*

Officials have been in office since the start of the financial year to the date of this report unless otherwise stated.

The consolidated deficit of the Union for the financial year amounted to \$583,300

The number of members of the reporting unit at the date of this report was 12,240.

The number of employees of the reporting unit at the end of the financial year was 65.

The right of members to resign from the organisation is set out at section 11. of the Union's rules.

No significant changes in the reporting unit's state of affairs occurred during the financial year.

The principal activities of the reporting unit during the financial year were the provision of trade union services to its members.

No significant change in the nature of these activities occurred during the year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the reporting unit in future financial years.

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
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OPERATING REPORT

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

During the financial year, all officials attended the National Council meeting with no apologies.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the economic entity.

The lead auditor's independence declaration for the year ended 30 June 2009 has been received and can be found on page 5 of the report.

In May of 2009 the Stevedoring Employees Retirement Fund (SERF) and Seafarers' Retirement Fund (SRF) merged to form the Maritime Super.

The following officials were trustees or directors of a company that acted as a trustee or alternative trustee of the the Maritime Super:

Carr, M
Crumlin, P
Doleman, M

Signed at Sydney this 2nd day of November 2009



P. CRUMLIN

Principal: David Robinson MCom BEc FCA FTIA

Level 3, 2 Bulletin Place
Circular Quay, Sydney NSW 2000

**Postal Address: GPO Box 4605
Sydney NSW 2001 Australia**

**Telephone: 02 9247 2227
Facsimile: 02 9247 8550**

E-mail: mail@harveys.com.au
Internet: www.harveys.com.au

AUDITOR'S INDEPENDENCE DECLARATION



TO THE DIRECTORS OF
THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the officials of Maritime Union of Australia.

As audit partner for the audit of the financial statements of Maritime Union of Australia for the financial year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the Corporations Act 2001 in relation to the audit and;
- (ii) Any applicable code of professional conduct in relation to the audit.

HARVEYS
Chartered Accountants

D.P. Robinson

Level 3
2 Bulletin Place
SYDNEY NSW 2000

Dated this 2nd day of November 2009

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	Consolidated		Chief Entity	
		2009 \$	2008 \$	2009 \$	2008 \$
Revenues from operating activities	3	11,506,619	10,327,575	11,506,619	10,327,575
Revenues from non-operating activities	3	(449,478)	(2,381,977)	(449,489)	(2,382,002)
Employee benefits expense	4	(5,737,963)	(5,135,992)	(5,737,963)	(5,135,992)
Depreciation and amortisation expenses	4	(602,782)	(422,691)	(602,782)	(422,691)
Other expenses from ordinary activities		(5,299,696)	(4,668,288)	(5,299,484)	(4,667,901)
Surplus/(deficit) from ordinary activities before income tax		(583,300)	(2,281,371)	(583,099)	(2,281,010)
Income tax expense relating to ordinary activities		-	-	-	-
Net surplus/(deficit) from ordinary activities after income tax attributable to members of the union		(583,300)	(2,281,371)	(583,099)	(2,281,010)
Total changes in members' equity other than those resulting from transactions with owners as owners		(583,300)	(2,281,371)	(583,099)	(2,281,010)

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY

ABN 93 047 659 794

BALANCE SHEET
AS AT 30 JUNE 2009

	Note	Consolidated		Chief Entity	
		2009 \$	2008 \$	2009 \$	2008 \$
CURRENT ASSETS					
Cash & cash equivalents	6	3,544,486	2,926,549	3,537,434	2,919,295
Trade & other receivables	7	1,012,270	1,164,065	1,011,720	1,163,516
TOTAL CURRENT ASSETS		4,556,756	4,090,614	4,549,154	4,082,811
NON-CURRENT ASSETS					
Trade & other receivables	7	126,858	246,926	141,858	261,926
Investments	8	5,797,099	6,928,784	5,797,090	6,928,775
Property, plant & equipment	9	22,804,913	21,834,151	22,804,913	21,834,151
TOTAL NON-CURRENT ASSETS		28,728,870	29,009,860	28,743,860	29,024,851
TOTAL ASSETS		33,285,625	33,100,473	33,293,014	33,107,661
CURRENT LIABILITIES					
Trade and other payables	10	1,855,203	1,294,529	1,855,203	1,294,529
Provisions	11	1,775,379	1,676,207	1,775,379	1,676,207
TOTAL CURRENT LIABILITIES		3,630,581	2,970,737	3,630,582	2,970,737
NON-CURRENT LIABILITIES					
Provisions	11	1,032,307	923,702	1,032,307	923,702
TOTAL NON-CURRENT LIABILITIES		1,032,307	923,702	1,032,307	923,702
TOTAL LIABILITIES		4,662,889	3,894,439	4,662,889	3,894,439
NET ASSETS		28,622,736	29,206,035	28,630,125	29,213,223
MEMBERS' EQUITY					
Fighting fund reserve	12	118,739	118,739	118,739	118,739
Retained surplus		28,503,996	29,087,296	28,511,386	29,094,484
TOTAL MEMBERS' EQUITY		28,622,736	29,206,035	28,630,125	29,213,223

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
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**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	Consolidated		Chief Entity	
		2009 \$	2008 \$	2009 \$	2008 \$
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts from members		11,907,582	10,784,975	11,907,582	10,784,975
Payments to suppliers and employees		(10,529,052)	(11,448,632)	(10,528,840)	(11,448,247)
Rent received		288,541	389,240	358,612	389,240
Interest received		358,612	180,100	178,828	180,074
Other receipts		178,838	216,858	288,541	216,858
Donations		25,400	37,199	25,400	37,199
Fringe benefit tax paid		(62,859)	(87,091)	(62,859)	(87,091)
Goods & services tax		(656,931)	(550,499)	(656,931)	(550,499)
Fighting fund		-	(1,093,005)	-	(1,093,005)
Income from investments		695,695	702,179	695,695	702,179
Net cash provided by/(used in) operating activities	19(b)	2,205,825	(868,677)	2,206,026	(868,317)
CASH FLOW FROM INVESTING ACTIVITIES					
Repayment of official loan		133,575	9,893	133,575	9,893
Proceeds from investments		600,000	2,080,000	600,000	2,080,000
Purchase of investments		(770,695)	(702,179)	(770,695)	(702,179)
Proceeds from sale of property, plant & equipment		95,636	450,741	95,636	450,741
Purchase of property, plant and equipment		(1,646,404)	(1,145,700)	(1,646,404)	(1,145,700)
Net cash provided by/(used in) investing		(1,587,887)	692,755	(1,587,887)	692,755
Net increase in cash held		617,937	(175,922)	618,139	(175,561)
Cash at beginning of the financial year		2,926,548	3,102,471	2,919,295	3,094,856
Cash at end of the financial year	19(a)	3,544,486	2,926,549	3,537,434	2,919,295

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
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**STATEMENT OF CHANGES IN MEMBERS' EQUITY
 FOR THE YEAR ENDED 30 JUNE 2009**

	Fighting Fund Reserve \$ (Note 12)	Retained Surplus \$	Total Equity \$
Consolidated			
At 1 July 2007	1,112,379	30,375,027	31,487,406
Net surplus/(deficit) from ordinary activities after income tax attributable to members of the union	-	(2,281,371)	(2,281,371)
Fighting Fund expensed	(993,640)	993,640	-
At 30 June 2008	118,739	29,087,296	29,206,035
Net surplus/(deficit) from ordinary activities after income tax	-	(583,300)	(583,300)
At 30 June 2009	<u>118,739</u>	<u>28,503,996</u>	<u>28,622,735</u>
Chief Entity			
At 1 July 2007	1,112,379	30,381,854	31,494,233
Net surplus/(deficit) from ordinary activities after income tax attributable to members of the union	-	(2,281,010)	(2,281,010)
Fighting Fund expensed	(993,640)	993,640	-
At 30 June 2008	118,739	29,094,484	29,213,223
Net surplus/(deficit) from ordinary activities after income tax	-	(583,099)	(583,099)
At 30 June 2009	<u>118,739</u>	<u>28,511,386</u>	<u>28,630,125</u>

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

1. CORPORATE INFORMATION

The financial report of The Maritime Union of Australia and its Subsidiary Company for the year ended 30 June 2009 was authorised for issue in accordance with a resolution of the National Council (Committee of Management) on 2 November 2009.

The financial report covers The Maritime Union of Australia as an individual chief entity and its subsidiary company as an economic entity. The Maritime Union of Australia is a trade union registered and domiciled in Australia.

2 STANDARDS AND INTERPRETATIONS ISSUED NOT YET EFFECTIVE

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Union for the annual reporting period ended 30 June 2009. The National Council have not early adopted any of these new or amended standards or interpretations. The directors have not yet fully assessed the impact of these new or amended standards (to the extent relevant to the Union) and interpretations.

Initial application of AASB 101 Presentation of Financial Statements effective for annual reporting periods beginning on or after 1 January 2009 will not affect any of the amounts recognised in the financial report, but will change the disclosures presently made in relation to the Union and its financial report. The initial application of AASB 123 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101 effective for annual reporting periods beginning on or after 1 January 2009 are not expected to have any material impact on the financial report of the Union.

a) Statement of compliance

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Corporations Act 2001* and the RAO Schedule of the Workplace Relations Act, 1996.

b) Basis of preparation

The financial statements have been prepared on the historical cost basis except for the revaluation of certain non-current assets and financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The principal accounting policies are set out below.

c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Union and its controlled entity (MUA HTS Pty Limited). Control is achieved where the Union has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

d) Income Tax

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

e) 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item or expense.

Receivables and payables in the Balance Sheet are shown inclusive of GST.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

2. STATEMENT OF ACCOUNTING POLICIES Cont'd

e) GST

Cash flows are presented in the Cashflow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

f) Information to be provided to Members or the Industrial Registrar

In accordance with the requirements of the Workplace Relations Act, 1996 the attention of members is drawn to the following sub sections of Section 272 of the RAO Schedule which read as follows:

- 1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- 2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- 3) A reporting unit must comply with an application made under subsection (1).

g) Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at their fair value (being the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Plant and equipment

Plant and equipment is measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by officials to ensure it is not in excess of the recoverable amount from those assets.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their estimated useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Class of fixed asset	Depreciation rate
Buildings at cost	0-2%
Plant and equipment	5-10%
Office Equipment	20-33%
Office Furniture	10%
Motor Vehicle	20%

Asset classes carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

2. STATEMENT OF ACCOUNTING POLICIES Cont'd

h) Investments

The entity values its investment in listed shares and managed funds based on observable market prices. Investment in unlisted shares are carried at cost.

At each reporting date the entity assesses if there has been any impairment in relation to its investment. The carrying amount of investment is reviewed annually by officials to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value of shares in listed companies or underlying net assets for other listed corporations.

i) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by the employees up to the reporting date. Employee benefits that are expected to be settled within one year with benefits arising from wages and salaries, annual leave plus related on-cost are measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash flow to be made for those benefits.

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

j) Accrued expenditure

Accruals are recognised when there is a definitive commitment and where an obligation for the Union has arisen. Usually the Union accrues for the international conferences, election expenses, legal fees, and any other payable for which the Union has an estimate. Estimates are based on past year trends and current factors which may have an impact on the Union's obligations. During the current financial year the Union accrued for union elections, international and national conferences.

k) Cash & Cash equivalents

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

l) Revenue

Revenue from member contributions is recognised on an accrual basis. These comprise of actual contributions received during the year and contributions due at reporting date.

Donations are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the balance sheet.

All revenue is stated net of the amount of goods and services tax (GST).

m) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Income Statement on a straight-line basis over the period of the lease. Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the leased term.

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

2. STATEMENT OF ACCOUNTING POLICIES Cont'd

n) **Impairment of Assets**

At each reporting date, the entity reviews the carrying value of its tangible and intangible assets to determine where 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.

o) **Critical accounting judgements and key sources of estimation uncertainty**

There were no critical judgements in the process of applying the Union's accounting policies. There are no significant key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	Consolidated		Chief Entity	
	2009 \$	2008 \$	2009 \$	2008 \$
3. Revenue				
Operating activities				
Union contributions	10,832,835	9,707,046	10,832,835	9,707,046
Donations	25,400	37,199	25,400	37,199
Consulting Fees	222,656	172,727	222,656	172,727
Rent received	358,612	353,854	358,612	353,854
Profit on sale of non-current assets	1,232	31,411	1,232	31,411
Union sales	18,456	12,740	18,456	12,740
Sundry income	47,428	12,598	47,428	12,598
	11,506,619	10,327,575	11,506,619	10,327,575
Non-operating activities				
Income from managed funds	(614,890)	(1,564,082)	(614,890)	(1,564,082)
Interest received	178,838	194,782	178,828	194,756
Management fees	(7,010)	(14,536)	(7,010)	(14,536)
Property valuations	(6,417)	(4,500)	(6,417)	(4,500)
Fighting Fund expenses	-	(993,640)	-	(993,640)
	(449,478)	(2,381,977)	(449,489)	(2,382,002)
	11,057,141	7,945,599	11,057,130	7,945,573
4. Expenses				
Depreciation for non-current assets				
buildings	147,225	-	147,225	-
plant and equipment	455,556	422,691	455,556	422,691
Total depreciation	602,782	422,691	602,782	422,691
Employee benefits				
Officers				
salaries and wages	2,235,371	2,142,867	2,235,371	2,142,867
annual leave entitlement	100,901	174,848	100,901	174,848
long service leave entitlement	76,752	(67,310)	76,752	(67,310)
superannuation contributions	333,943	331,276	333,943	331,276
	2,746,967	2,581,681	2,746,967	2,581,681
Other employees				
salaries and wages	2,335,450	2,105,777	2,335,450	2,105,777
annual leave entitlement	132,388	171,822	132,388	171,822
long service leave entitlement	120,795	(66,145)	120,795	(66,145)
superannuation contributions	338,503	318,535	338,503	318,535
staff & member training	63,859	24,321	63,859	24,321
	2,990,996	2,554,310	2,990,996	2,554,310
Total employee benefits	5,737,963	5,135,992	5,737,963	5,135,992

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	Consolidated		Chief Entity	
	2009	2008	2009	2008
	\$	\$	\$	\$
4. Expenses (cont'd)				
Other operating expenses				
Remuneration of auditors :				
- Auditing of accounts	50,880	42,000	50,880	42,000
- Other services	22,891	4,078	22,891	4,078
Legal expenses	486,324	(20,312)	486,324	(20,312)
Rates	133,070	159,292	133,070	159,292
Travelling	724,418	601,795	724,418	601,795
Affiliation fee/levies	165,965	185,218	165,965	185,218
Donation	63,971	83,131	63,971	83,131

5. Officials' Remuneration

The aggregate remuneration received by officials and relieving officials from the Union during the year:

2,746,967	2,581,681	2,746,967	2,581,681
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Number of chief entity officials whose income from chief entity or any related parties was within the following bands:

Salary Range	Salaries No.
\$0 - \$4,999	-
\$5,000 - \$9,999	-
\$10,000 - \$14,999	-
\$20,000 - \$24,999	-
\$25,000 - \$29,999	-
\$70,000 - \$74,999	-
\$75,000 - \$79,999	1
\$80,000 - \$84,999	6
\$85,000 - \$89,999	0
\$90,000 - \$94,999	12
\$95,000 - \$99,999	2
\$100,000 - \$104,999	1
\$105,000 - \$109,999	1

The names of officials of the chief entity who have held office during the financial year are:

Boyle, J	Crumlin, P	Newlyn, J
Bull, P *	Cushion, D	Newlyn, D
Bracken, K	Doleman, M	Patchett, R
Bray, I	Garrett, P	Rayward, L
Burford, A *	Horgan, L *	Schleibs, D
Cain, C	Keane, G	Smith, W
Campbell, J	McAleer, P	Tannock, J
Carr, M	McCorriston, K	Williams, G
Clothier, *	Munday, T	Wood, G
Covell, L *		

* *Honorary Electorate*

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	Consolidated		Chief Entity	
		2009 \$	2008 \$	2009 \$	2008 \$
6. Cash & Cash equivalents					
Cash at Bank		1,043,340	425,605	1,036,288	418,351
Cash on hand		1,146	944	1,146	944
Deposits at call		2,500,000	2,500,000	2,500,000	2,500,000
		<u>3,544,486</u>	<u>2,926,549</u>	<u>3,537,434</u>	<u>2,919,295</u>
7. Trade and other Receivables					
CURRENT					
Accrued contributions		603,834	595,297	603,834	595,297
Sundry receivables		408,436	568,768	407,886	568,219
		<u>1,012,270</u>	<u>1,164,065</u>	<u>1,011,720</u>	<u>1,163,516</u>
NON-CURRENT					
Amount due by subsidiary	17	-	-	15,000	15,000
Loans to officials	7(a)	126,858	246,926	126,858	246,926
		<u>126,858</u>	<u>246,926</u>	<u>141,858</u>	<u>261,926</u>
		<u>1,139,127</u>	<u>1,410,991</u>	<u>1,153,578</u>	<u>1,425,442</u>

(a) Loans to officials					
Amounts repaid during the year		133,575	9,893	133,575	9,893

No loans were advanced during the year.

There are two loans outstanding to officials at 30 June 2009 amounting to \$126,858 (2008: \$246,926).

Names of the officials (including ITF officials) who hold loans from the Union:

D Summers
M Doleman

The loans are secured by mortgage over residential property and are made on normal commercial terms and conditions.

The total interest received on loans to officials for the year was \$13,507 [2008: \$16,482].

8. Investments					
Managed funds at market value		5,780,715	6,912,586	5,780,715	6,912,586
Shares - other		16,384	16,198	16,374	16,188
Shares in subsidiary		-	-	1	1
		<u>5,797,099</u>	<u>6,928,784</u>	<u>5,797,090</u>	<u>6,928,775</u>

Managed funds at market value

Managed funds are disclosed in the financial accounts at 30 June 2009 at market value. The revaluation increment/ (decrement) of (\$1,310,584) [2008: (\$2,266,261)] has been debited to the Income Statement pursuant to Workplace Relations Regulations 2003 and the Workplace Relations Act, 1996.

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY

ABN 93 047 659 794

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

9. Property, plant and equipment

(a) Consolidated

Cost/Fair Value	Land & Buildings	Plant & Equipment	Office Equipment	Office Furniture	Motor Vehicles	Total
Balance 1 July 2008	20,461,088	499,055	982,932	598,661	915,468	23,457,205
Additions	925,855	17,953	359,640	102,124	219,014	1,624,586
Disposals	-	-	-	-	(73,818)	(73,818)
Balance at 30 June 2009	21,386,943	517,008	1,342,572	700,785	1,060,664	25,007,972
Depreciation						
Balance at 1 July 2008	-	(302,537)	(670,330)	(355,063)	(295,127)	(1,623,056)
Depreciation charges	(147,225)	(30,051)	(168,752)	(30,201)	(226,552)	(602,781)
Disposals	-	-	-	-	22,777	22,777
Balance at 30 June 2009	(147,225)	(332,588)	(839,082)	(385,264)	(498,901)	(2,203,059)
Carrying Value						
As at 30 June 2008	20,461,088	196,519	312,603	243,598	620,342	21,834,151
As at 30 June 2009	21,239,718	184,421	503,490	315,521	561,764	22,804,913

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY

ABN 93 047 659 794

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

9. Property, plant and equipment

(b) Chief

Cost/Fair Value	Land & Buildings	Plant & Equipment	Office Equipment	Office Furniture	Motor Vehicles	Total
Balance 1 July 2008	20,461,088	499,055	982,932	598,661	915,468	23,457,205
Additions	925,855	17,953	359,640	102,124	219,014	1,624,586
Disposals	-	-	-	-	(73,818)	(73,818)
Balance at 30 June 2009	21,386,943	517,008	1,342,572	700,785	1,060,664	25,007,972
Depreciation						
Balance at 1 July 2008	-	(302,537)	(670,330)	(355,063)	(295,127)	(1,623,056)
Depreciation charges	(147,225)	(30,051)	(168,752)	(30,201)	(226,552)	(602,781)
Disposals	-	-	-	-	22,777	22,777
Balance at 30 June 2009	(147,225)	(332,588)	(839,082)	(385,264)	(498,901)	(2,203,059)
Carrying Value						
As at 30 June 2008	20,461,088	196,519	312,603	243,598	620,342	21,834,151
As at 30 June 2009	21,239,718	184,421	503,490	315,521	561,764	22,804,913

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

9. Property, plant and equipment cont'd	Consolidated		Chief Entity	
	2009	2008	2009	2008
	\$	\$	\$	\$
(c) Revaluation of non-current assets				
Land and buildings are periodically revalued. Independent assessments are obtained of the fair market values of land and buildings on existing use and such assessments are used as a guide when revaluations are made. Revaluation increments and decrements are credited or charged to the Income Statement, pursuant to Workplace Relations Regulations 2003 and the Workplace Relations Act, 1996.				
Building improvements since the date of revaluation are booked at cost.				
10. Trade & other Payables				
Trade Creditors	426,531	193,057	426,531	193,057
Sundry Creditors	1,428,672	1,101,472	1,428,672	1,101,472
	<u>1,855,203</u>	<u>1,294,529</u>	<u>1,855,203</u>	<u>1,294,529</u>
11. Provisions				
CURRENT				
Employee entitlements	1,775,379	1,676,207	1,775,379	1,676,207
NON-CURRENT				
Employee entitlements	1,032,307	923,702	1,032,307	923,702
Aggregate employee benefit liability	<u>2,807,686</u>	<u>2,599,909</u>	<u>2,807,686</u>	<u>2,599,909</u>
Number of employees at year-end	<u>65</u>	<u>60</u>	<u>65</u>	<u>60</u>
12. Fighting Fund Reserve	118,739	118,739	118,739	118,739

The fighting fund has been set up to advance the defence of the Union's interest. Ongoing contributions to the fighting fund by the union will be dependant on prevailing requirements.

13. Contingent Liabilities

Estimates of the maximum amount of contingent liabilities that may become payable:	-	-	-	-
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Litigation claims

Claims for outstanding proceedings	-	-	-	-
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THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

Consolidated		Chief Entity	
2009	2008	2009	2008
\$	\$	\$	\$

14. Events subsequent to balance date

There has not arisen in the interval between the reporting date and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the officials of the union, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years.

15. Related Party Transactions

The parent entity is the Maritime Union of Australia.

There are no transactions between the parent entity and its subsidiary during the year.

The Maritime Union of Australia has made loans to the officials of the Union on normal commercial terms and are at call. The loans are secured by mortgage over residential property.

16. Segment Reporting

The economic entity operates predominantly in one business and geographical segment being trade union services in Australia.

17. Controlled Entities

Subsidiary: MUA HTS Pty Limited
Country of Incorporation: Australia
Percentage owned: 100% (2008: 100%)

18. Union Details

The national office of the Union is located at:
Maritime Union of Australia
Level 2
365-375 Sussex Street
SYDNEY NSW 2000

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

		Consolidated		Chief Entity	
		2009	2008	2009	2008
		\$	\$	\$	\$
19. Cash flow information					
(a)	Reconciliation of Cash				
	Cash at the end of the financial year as shown in the statement of cash flows is represented as:				
	Cash at bank	1,043,340	425,605	1,036,288	418,351
	Cash on hand	1,146	944	1,146	944
	Deposits at call	2,500,000	2,500,000	2,500,000	2,500,000
		<u>3,544,486</u>	<u>2,926,549</u>	<u>3,537,434</u>	<u>2,919,295</u>
(b)	Reconciliation of Cash Flow from Operations with Surplus from Ordinary Activities after Income Tax				
	Surplus/(deficit) from ordinary activities	(583,300)	(2,281,371)	(583,099)	(2,281,010)
	Non-cash flows in surplus/(deficit) from ordinary activities:				
	Depreciation	608,145	422,691	608,145	422,691
	Net (gain)/loss on disposal	(28,142)	(34,552)	(28,142)	(34,552)
	Net unrealised (gain)/loss from investments	1,310,585	2,189,075	1,310,585	2,189,075
	Net (gain)/loss from fixed assets	-	276,307	-	276,307
	Changes in assets and liabilities :				
	(Increase)/decrease in receivables	146,830	(90,077)	146,830	(90,076)
	(Increase)/decrease in accrued income	(8,537)	107,225	(8,537)	107,226
	Increase/(decrease) in payables	548,063	(740,310)	548,063	(740,309)
	Increase/(decrease) in GST	4,404	(677,647)	4,405	(677,647)
	Increase/(decrease) in provisions	207,777	(40,021)	207,777	(40,021)
	Cash flows from operations	<u>2,205,825</u>	<u>(868,677)</u>	<u>2,206,026</u>	<u>(868,317)</u>

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

20. FINANCIAL INSTRUMENTS

Interest Rate Risk

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

	Weighted Average Effective Interest Rate		Floating Interest Rates		Non-interest bearing	
	2009 %	2008 %	2009 \$	2008 \$	2009 \$	2008 \$
Consolidated						
Financial assets						
Cash at bank	5.90	6.34	3,544,486	2,926,549	-	-
Receivables	5.74	6.54	126,858	246,926	1,012,270	1,164,065
Investment	-	-	-	-	5,797,099	6,928,784
				3,173,474	6,809,369	8,092,849
Financial Liabilities						
Payables	-	-	-	-	1,855,203	1,294,529
					1,855,203	1,294,529
Chief Entity						
Financial assets						
Cash at bank	5.90	6.34	3,537,434	2,919,295	-	-
Receivables	5.74	6.54	126,858	246,926	1,026,720	1,178,516
Investment	-	-	-	-	5,797,090	6,928,775
			3,664,291	3,166,220	6,823,810	8,107,291
Financial Liabilities						
Payables	-	-	-	-	1,855,203	1,294,529
					1,855,203	1,294,529

Net Fair Values

The net fair values of listed investments have been value at the quoted market bid price at reporting date adjusted for transaction costs expected to be incurred. For other assets and other liabilities net fair value approximates their carrying value. No financial assets where the carrying amount exceeds net fair values have been written down as the principal intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed as financial liabilities in the Statement of Financial Position and in the Notes to the Financial Statements.

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY

ABN 93 047 659 794

COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

In accordance with the resolution of the National Council, we state that in the opinion of the Council:

- (a) the financial statements and notes comply with the Australian Accounting Standards and the *Corporations Act 2001*
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the accompanying financial statements and notes are drawn up so as to give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year ended 30 June 2009;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year to which the financial report relates and since the end of the year:
 - (i) meetings of the National council were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO schedule and the RAO Regulations; and
 - (iv) to the knowledge and belief of the National Council, during the financial year to which the financial report relate, there have been no instances where records of the organisation or other documents or copies of those records or other documents, have not been furnished, or made available to members of the organisation or the Registrar in accordance with section 272 of the RAO schedule; and
 - (v) the organisation has kept its records, as far as practicable, in a consistent manner.
 - (vi) with regard to funds of the organisation raised by the compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
 - (vii) No orders have been made by the Commission under section 273 of the RAO schedule during the period.

Signed at Sydney this 2nd day of November 2009



M. DOLEMAN
National Councillor



J. BOYLE
National Councillor

Principal: David Robinson MCom BEc FCA FTIA

Level 3, 2 Bulletin Place
Circular Quay, Sydney NSW 2000

Postal Address: GPO Box 4605
Sydney NSW 2001 Australia

Telephone: 02 9247 2227

Facsimile: 02 9247 8550

E-mail: mail@harveys.com.au

Internet: www.harveys.com.au



INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF
THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

Scope

We have audited the financial report of The Maritime Union of Australia for the financial year ended 30 June 2009 comprising the balance sheet, income statement, statement of changes to members equity, statement of cash flows, a summary of significant accounting policies and other explanatory notes and the committee of managers statement. The financial report includes the consolidated accounts of the economic entity comprising the Maritime Union of Australia and MUA HTS Pty Ltd, an entity it controlled during the year. The National Council (Committee of Management) is responsible for the preparation and presentation of the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the organisation.

The directors 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 *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

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

Audit Opinion

In our opinion, the general purpose financial report of The Maritime Union of Australia:

- (a) gives a true and fair view of the Union's and economic entity's financial position as at 30 June 2008 and of their performance for the year ended on that date;
- (b) complies with Accounting Standards in Australia (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and the Workplace Relations Act 1996, RAO Schedule; and
- (c) other mandatory professional reporting requirements.

HARVEYS

Chartered Accountants



D.P. Robinson

Level 3
2 Bulletin Place
SYDNEY NSW 2000

Dated this 2nd day of November 2009

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

**ITEMISED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Consolidated		Chief Entity	
	2009 \$	2008 \$	2009 \$	2008 \$
Operating income				
Union contributions	10,832,835	9,707,046	10,832,835	9,707,046
Donation	25,400	37,199	25,400	37,199
Consulting fees	222,656	172,727	222,656	172,727
Rent received	358,612	353,854	358,612	353,854
Profit on sale of non-current assets	1,232	31,411	1,232	31,411
Union sales	18,456	12,740	18,456	12,740
Sundry income	47,428	12,623	47,428	12,598
	11,506,619	10,327,601	11,506,619	10,327,575
Compensation and benefit				
Direct salaries - officials	2,235,371	2,142,867	2,235,371	2,142,867
Direct salaries - staff	2,335,450	2,105,777	2,335,450	2,105,777
Fringe benefits tax	62,859	87,091	62,859	87,091
Motor vehicle expenses	234,527	217,771	234,527	217,771
Payroll tax	290,758	290,549	290,758	290,549
Staff training	63,859	24,321	63,859	24,321
Superannuation	672,446	649,811	672,446	649,811
Provisions - employee entitlements	430,836	463,032	430,836	463,032
Temporary staff	111,047	58,816	111,047	58,816
Workers compensation insurance	58,238	59,061	58,238	59,061
	6,495,391	6,099,097	6,495,391	6,099,097
General expenses				
Audit & accountancy	73,771	46,078	73,771	46,078
Bank Charges	56,198	59,086	56,198	59,086
Consulting	-	5,940	-	5,940
Depreciation	455,556	422,691	455,556	422,691
Donation	63,971	83,131	63,971	83,131
Insurance - general	14,004	15,435	14,004	15,260
National council expenses	136,223	35,814	136,223	35,814
Office expense	37,819	54,821	37,819	54,821
Media activities	138,742	300,190	138,742	300,190
Postage and freight	58,897	52,762	58,897	52,762
Printing and stationery	168,198	132,799	168,198	132,799
Repairs and maintenance	29,762	18,581	29,762	18,581
Subscriptions, newspapers & periodicals	55,664	48,037	55,664	48,037
Sundry expenses	18,005	5,995	17,793	5,783
	1,306,810	1,281,359	1,306,598	1,280,972

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

**ITEMISED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Consolidated		Chief Entity	
	2009	2008	2009	2008
	\$	\$	\$	\$
Occupancy expenses				
Cleaning	127,953	110,398	127,953	110,398
Building depreciation	147,225	-	147,225	-
Security	33,047	32,648	33,047	32,648
Electricity	95,478	91,635	95,478	91,635
Property insurance	27,811	26,746	27,811	26,746
Property rates	133,070	159,292	133,070	159,292
Property sales/purchase costs	22,601	7,862	22,601	7,862
Rent	27,740	25,363	27,740	25,363
Repairs & maintenance	74,828	103,247	74,828	103,247
	<u>689,753</u>	<u>557,190</u>	<u>689,753</u>	<u>557,190</u>
Industrial & member services				
Affiliation fees & levies	165,965	185,218	165,965	185,218
Business expenses	86,345	90,090	86,345	90,090
Conferences - international	412,545	185,709	412,545	185,709
Conferences - national	275,591	324,982	275,591	324,982
Fares & travel	724,418	601,795	724,418	601,795
Funeral expenses	7,967	11,805	7,967	11,805
Legal expenses	486,324	(20,312)	486,324	(20,312)
Member services	80,311	57,845	80,311	57,845
Member training	21,420	17,477	21,420	17,477
Stop work meeting expenses	2,292	6,088	2,292	6,088
Union restructure	32,189	88,813	32,189	88,813
Union publications	202,075	219,081	202,075	219,081
ALP elections	4,596	-	4,596	-
	<u>2,502,040</u>	<u>1,768,592</u>	<u>2,502,040</u>	<u>1,768,592</u>
IT & telecommunications expenses				
Computer consumables	19,547	29,265	19,547	29,265
Facsimile	578	(77)	578	(77)
Internet access	78,692	81,804	78,692	81,804
IT support & Maintenance	214,001	101,331	214,001	101,331
Telephone - home	31,136	28,870	31,136	28,870
Telephone - mobile	155,836	138,153	155,836	138,153
Telephone - office	102,842	106,424	102,842	106,424
Video/Teleconference	17,626	23,629	17,626	23,629
Telephone - other	26,189	11,334	26,189	11,334
	<u>646,447</u>	<u>520,732</u>	<u>646,447</u>	<u>520,732</u>

THE MARITIME UNION OF AUSTRALIA AND ITS SUBSIDIARY COMPANY
ABN 93 047 659 794

**ITEMISED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Consolidated		Chief Entity	
	2009	2008	2009	2008
	\$	\$	\$	\$
Total operating expenses	11,640,441	10,226,970	11,640,229	10,226,583
Operating surplus/(deficit)	(133,822)	100,631	(133,610)	100,992
Non-operating income/(expenses)				
Increase/(decrease) in investments	(1,310,584)	(2,266,261)	(1,310,584)	(2,266,261)
Income from managed funds	695,695	702,179	695,695	702,179
Interest received	178,838	194,756	178,828	194,756
Management fees	(7,010)	(14,535)	(7,010)	(14,536)
Property valuations	(6,417)	(4,500)	(6,417)	(4,500)
Fighting Fund expenses	-	(993,640)	-	(993,640)
	(449,478)	(2,382,001)	(449,489)	(2,382,002)
Net surplus/(deficit)	(583,300)	(2,281,371)	(583,099)	(2,281,010)

CONSOLIDATED NET SURPLUS/(DEFICIT) - 3 YEAR COMPARATIVE & AVERAGE

Financial Year	2009	2008	2007	3 Year
Operating surplus/(deficit) before income tax	(133,822)	100,631	155,909	40,906
Non-operating income/(expenses)				
Increase/(decrease) in investments	(1,310,584)	(2,266,261)	1,069,119	(835,909)
Revaluation non current assets	-	-	6,039,607	2,013,202
Income from managed funds	695,695	702,179	414,630	604,168
Interest received	178,838	194,756	198,604	190,733
Management fees	(7,010)	(14,535)	(49,842)	(23,796)
Property valuations	(6,417)	(4,500)	(24,330)	(11,749)
Fighting Fund expenses	-	(993,640)	-	(331,213)
	(449,478)	(2,382,001)	7,647,788	1,605,436
Net surplus/(deficit)	(583,300)	(2,281,371)	7,803,697	1,646,342