



FAIR WORK
AUSTRALIA

CERTIFICATE

Fair Work (Registered Organisations) Act 2009

s.269(2)(a) - *Reporting unit's financial affairs encompassed by associated State body*

Australian Community Services Employers Association, Union of Employers (FR2011/2917)

AILSA CARRUTHERS

MELBOURNE, 6 SEPTEMBER 2012

Reporting unit's financial affairs encompassed by associated State body

[1] On 6 July 2012 an application was made under s.269(2)(a) of the *Fair Work (Registered Organisations) Act 2009* (the Act) by the Australian Community Services Employers Association, Union of Employers (the Organisation) for a certificate stating that the financial affairs of the Organisation are encompassed by the financial affairs of the Australian Community Services Employers Association, Queensland Union of Employers (the Association), an associated State body, in respect of the financial year ending 31 December 2011.

[2] On 6 July 2012, the Organisation lodged a copy of the audited accounts of the Association with Fair Work Australia.

[3] I am satisfied that the Association:

- is registered under the *Industrial Relations Act 1999 (Qld)*, a prescribed State Act; and
- is, or purports to be, composed of substantially the same members as the Organisation; and
- has, or purports to have, officers who are substantially the same as designated officers in relation to the Organisation; and
- is an associated State body.

[4] I am further satisfied that:

- the Association has in accordance with prescribed State legislation, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members and lodged the accounts with the relevant State authority;
- any members of the Organisation who are not also members of the Association have been provided with copies of the accounts at substantially the same time as the members of the Organisation who are members of the Association; and
- a report under s.254 of the Act has been prepared in respect of those activities of the Organisation and has been provided to the members of the Organisation with copies of the accounts.

[5] I am satisfied that the financial affairs of the Organisation in respect of the financial year ending 31 December 2011, are encompassed by the financial affairs of the Association and I certify accordingly under s.269(2)(a) of the Act.

DELEGATE OF THE GENERAL MANAGER
FAIR WORK AUSTRALIA

Printed by authority of the Commonwealth Government Printer

<Price code A, Print number 528866 >



20th June 2012

Australian Community Services Employers Association

Operating Report for year ended 31 December 2011 – s254

Principal Activities

The principal activities of the Association is represent employers and persons (other than employees who carry on business in or in connection with the provision of community services, and to procure the registration of the Association as an organisation of employers under the relevant industrial legislation and to also procure the registration or recognition of the Association in any manner permitted by law to enable the Association to better represent of the Association In any manner permitted by law to enable the Association to better represent the industrial interests and the Interests generally, of its members and any person eligible to be a member s254(2)(a)

Significant Changes

There were no significant changes in the nature of the Association's principal activities during the reporting period. s254(2)(a)

Manner of Resignation

Members may resign from the Association in accordance with Rule 9.

Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254(2)(d)

Two members of the Board, plus Executive Officer held positions of director of a superannuation entity of Queensland Independent Education and Care Super (QIEC Super).

Number of members

The number of persons who, at the end of the reporting period, were recorded on the Register of Members of the Association was 831.

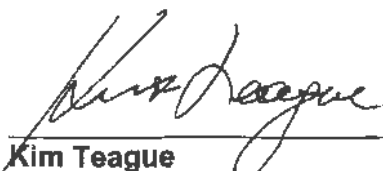
Number of Employees

The number of persons who were, at the end of the reporting period, employees of the Association was ten.

Members of Board of Management

The persons who held office as members of the Board of Management of the Association during the reporting period are:

| | |
|----------------|------------------|
| President | Kim Teague |
| Vice President | Deborah Ponting |
| Secretary | Allan Fazldeen |
| Treasurer | Jennifer O'Brien |
| Board Member | Barry Bicknell |
| Board Member | Laurie Moloney |



Kim Teague
ACSEA - President

Date: 27th August 2012

20th June 2012

The General Manager
Attn Mr Kevin Donnellan
Tribunal Services and Organisations
Fair Work Australia
GPO Box 1994
Melbourne VIC 3001

Dear Sir

**SUBJECT: APPLICATION PURSUANT TO s.269 OF THE FAIR WORK
(REGISTERED ORGANISATIONS) ACT 2009**

The Australian Community Services Employers Association, Union of Employers makes application, pursuant to s.269 of Fair Work (Registered Organisations) Act 2009.

RELIEF SOUGHT

- That the Registrar issue a certificate stating that the financial affairs of the reporting unit are encompassed by the financial affairs of the associated State body.
- That the Reporting Unit is taken to have satisfied Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009

Grounds AND REASONS

S.269 applies to the Australian Community Services Employers Association, Union Of Employers (hereinafter referred to as "Reporting Unit") on the following basis:

1. The Australian Community Services Employers Association Queensland Union of Employers (hereinafter referred to as the "associated State body") is registered as an industrial organisation under the *Industrial Relations Act (Qld) 1999*.
2. The associated State body is composed of substantially the same members as the Reporting Unit.
3. The officers of the associated State body are the same as the officers of the Reporting Unit.

The Reporting Unit is taken to have satisfied Part 3 of Chapter 8 of the Act on the following basis:

- a. The associated State body has, in accordance with the *Industrial Relations Act (Qld) 1999*, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members, and lodged the audited accounts with the Registry of the Queensland Industrial Relations Commission and
- b. A copy of the audited accounts are attached hereto (See Attachment 1);

- c. All members of the Reporting Unit and the associated State body, at substantially the same time, have been provided a copy of the audited accounts, free of charge, in accordance with s.585 of the *Industrial Relations Act (Qld) 1999*, by publishing the Reports on the Reporting Unit & Associations website (www.acsea.org).
- d. All members of the Reporting Unit have been provided with a copy of the Operating Report by publishing on the Reporting Unit and the Associated State Body's Web Site.
- e. A copy of the Operating Report is attached hereto (see Attachment 2)

The Australian Community Services Employers Association, Union of Employers, submits that based on the grounds and reasons stated herein and the supporting documentation, the Branch satisfies s.269 and consequently seeks the relief as sought in this application.

If you have any queries with regard to this application or seek further supporting evidence, please contact this office.

Yours faithfully

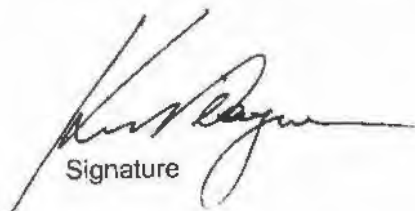


Kim Teague
ACSEA - President

Designated Officer's Certificate or other Authorised Officer*s268 Fair Work (Registered Organisations) Act 2009*

I *Kim Teague* being the *President* of the *Australian Community Services Employers Association, Union of Employers* certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the *full report*, was provided to members on *20th June 2012*; and
- that the full report was presented to a *general meeting of members* of the reporting unit on *20th June 2012*; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.



Signature

Date: *20/06/2012*



**AUSTRALIAN COMMUNITY SERVICES EMPLOYER'S ASSOCIATION
QUEENSLAND UNION OF EMPLOYERS
ABN: 68 150 310 815**

**Annual Financial Statements
for the year ended 31 December 2011**

Presented at the 38th Annual General Meeting

ANNUAL REPORT

For the year ended 31 December 2011

CONTENTS

| | Page Number |
|---------------------------------------|-------------|
| Board of Management | 3 |
| President's Report | 4 |
| Treasurer's Report | 5 |
| Statement of Comprehensive Income | 6 |
| Statement of Financial Position | 7 |
| Statement of Changes in Equity | 8 |
| Statement of Cash Flows | 9 |
| Notes to the Financial Statements | 10 |
| Certificate of Accounting Officer | 27 |
| Information to be provided to members | 28 |
| Statement by Board of Management | 29 |
| Independent Auditor's Report | 31 |

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Telephone: +61 7 3852 5177

Facsimile: +61 7 3852 5188

Email: info@acsea.org

Registration: The Association is registered as an Industrial Union of Employers under the provisions of the Industrial Relations Act 1999 and Fair Work Act 2009.

BOARD OF MANAGEMENT
For the year ended 31 December 2011

| | |
|----------------|----------------------------------|
| President | Kim Teague |
| Vice President | Deborah Ponting |
| Secretary | Allan Fazldeen |
| Treasurer | Jennifer O'Brien |
| Board Members | Barry Bicknell Laurie Moloney |

PRESIDENTS REPORT

For the year ended 31 December 2011

My report for 2009 and 2010 was one of doom and gloom with particular reference to the Global Financial Crisis and its impact upon all of us including ACSEA. I am pleased to report that 2011 has been one of ACSEA's best years from a financial results position since formation more than 35 years ago. This is, in a sense, to be expected given the organisation continues to grow and continues to expand the services it provides to its members. However it is in no small part due to the hard work and dedication of ACSEA staff and to our members continued support and requests for increased and additional services. You can refer to the Treasurer's report as to the excellent financial position ACSEA finds itself in and the excellent financial performance of ACSEA during 2011.

During 2011, ACSEA:

- (a) Increased the number of workplace investigations it undertook on behalf of members;
- (b) Saw an increase in the number of general protection claims (as opposed to unfair dismissals where it advised its members);
- (c) Assisted members in transitioning to modern awards;
- (d) Tendered for a number of government contracts in the areas ACSEA is active in (and was successful in many of them);
- (e) Increase the number of audits it undertook for P&C's and other members (which increased from 2 in 2010, and 22 in 2011) and I am pleased to advise that this number continues to increase in 2012;
- (f) Undertook renovations of its premises to accommodate additional staff members particularly an increase in HR and financial services staff numbers;
- (g) Continues to actively represent and advocate our members interests with the Office of Early Education and Care;
- (h) Continued to provide advice to our membership base in relation to the Fair Work Act; and
- (i) Increased the number of members to whom it provided bookkeeping and payroll services.

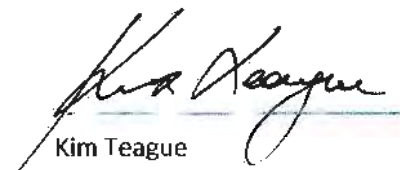
The Board is hopeful that you, our membership are more than satisfied with the services we are providing to you. We also hope that the services we provide continue to expand not only in the range but also in the number of members to whom those services are provided.

The Board has determined that there is a need to update our website and we will be working on this this year. We request that you visit our website from time to time to check out the results. The intent is always to provide better and more focussed services to you, our members.

We thank you, our valued members, for your continued support.

Finally on behalf of the Board, I want to take this opportunity to thank Charles Hardy, our executive officer, and the ACSEA team for the excellent work that they have provided to our members during this reporting period and for the excellent financial result in 2011.

We intend to continue to provide excellent service to our members.



Kim Teague
President

TREASURER'S REPORT
For the year ended 31 December 2011

2011 has seen one of our best financial results since formation, where the ACSEA reported a net profit of \$127,819. The strong result is a direct reflection of an improvement in income, particularly from services provided to members.

A number of initiatives were undertaken by the management team of the ACSEA during the year. For example, forming business alliances with like minded service organisations, to provide improved services and savings to members.

The substantial increase in service income continues to be very welcome. With this increased revenue, we have also seen a growth in ACSEA employee numbers, mainly in the employment of casual accounting and auditing staff. This in turn is reflected in the increased employee costs and costs for the payroll and bookkeeping services. In early 2011 the ACSEA undertook renovations to provide additional seating and improved working conditions for its staff. The ACSEA will continue to look at the issue of accommodations in 2012, with further growth expected in staff numbers.


Our investment income is marginally improving, and whilst not as high as in prior years, the ACSEA continues to maintain a similar level of share holdings, with a market value of \$196,743 at 31 December 2011. This compares to the value of shares held at 31 December 2010 of \$234,493.

Cash held at 31 December 2011 is \$571,425, which is higher than prior years, due to an increase in the amount of cash held on behalf of members for the payroll and bookkeeping functions performed by the ACSEA.

The loan balance at 31 December 2011 is steady at \$5,038, following a substantial repayment during the 2010 year.

As in every year since formation, the ACSEA continues to reinvest its earnings into maintaining and improving service offerings to its members. 2012 will see ACSEA reinvesting some of its earnings in upgrading its server. In 2012 ACSEA also expects to continue its strong growth in service offerings to its members, particularly in the field of finance service offerings, such as providing members assistance with bookkeeping, audit and payroll services.

In closing, I would like to thank Charles Hardy and his team for their good work and dedication to ACSEA which created the significant profit result for 2011.


Jennifer O'Brien
Treasurer

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2011**

| | Note | 2011 \$ | 2010 \$ |
|--|------|-----------------------|----------------------|
| REVENUE | | | |
| Member fees | | 566,634 | 529,455 |
| Services rendered income | | 613,029 | 249,382 |
| Manuals and awards sales income | | 41,288 | 48,760 |
| Interest and investment income | 2 | 11,217 | 6,549 |
| Other revenue | | 890 | 7,704 |
| TOTAL REVENUE | | <u>1,233,057</u> | <u>841,850</u> |
| EXPENDITURE | | | |
| Auditors remuneration | 5 | 15,320 | 13,700 |
| Brokerage & stamp duty | | 2,258 | 7,254 |
| Depreciation expense | | 34,755 | 26,665 |
| Employee benefit expenses | | 696,587 | 487,717 |
| Finance costs | 3 | 1,211 | 2,072 |
| Insurance expense | | 10,696 | 9,931 |
| Legal and consulting fees | | 67,769 | 78,191 |
| Loss on disposal of plant & equipment | | 528 | 5,092 |
| Membership & subscriptions | | 15,427 | 16,899 |
| Operating lease expenses | 3 | 8,749 | 7,856 |
| Occupancy costs | | 21,536 | 16,777 |
| Other expenses | | 45,005 | 38,871 |
| Postage, printing, stationery & office supplies | | 101,231 | 102,061 |
| Unrealised loss on financial assets held for trading | | 49,596 | 18,885 |
| Project & recoverable costs | | 49,757 | 192 |
| TOTAL EXPENDITURE | | <u>1,120,425</u> | <u>832,163</u> |
| OTHER INCOME | | | |
| Net gain on disposal of investments | | 15,187 | 43,676 |
| TOTAL OTHER INCOME | | <u>15,187</u> | <u>43,676</u> |
| PROFIT BEFORE INCOME TAX | | <u>127,819</u> | <u>53,363</u> |
| Income tax expense | | - | - |
| PROFIT AFTER INCOME TAX | | <u>127,819</u> | <u>53,363</u> |
| OTHER COMPREHENSIVE INCOME | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR | | <u><u>127,819</u></u> | <u><u>53,363</u></u> |

The accompanying notes form part of these financial statements

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011**

| | Note | 2011 \$ | 2010 \$ |
|--------------------------------------|------|-------------------------|----------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 6 | 571,425 | 355,759 |
| Trade and other receivables | 7 | 131,806 | 15,412 |
| Financial assets | 8 | 196,743 | 234,493 |
| Other current assets | 9 | 47,326 | 4,847 |
| TOTAL CURRENT ASSETS | | <u>947,300</u> | <u>610,511</u> |
| NON CURRENT ASSETS | | | |
| Property, plant and equipment | 10 | 371,919 | 366,463 |
| TOTAL NON CURRENT ASSETS | | <u>371,919</u> | <u>366,463</u> |
| TOTAL ASSETS | | <u>1,319,219</u> | <u>976,974</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 11 | 288,870 | 141,682 |
| Borrowings | 12 | 5,038 | 5,785 |
| Accruals | 13 | 35,970 | 37,898 |
| Other current liabilities | 14 | 408,276 | 347,343 |
| TOTAL CURRENT LIABILITIES | | <u>738,155</u> | <u>532,708</u> |
| NON CURRENT LIABILITIES | | | |
| Provisions | 13 | 32,096 | 23,116 |
| TOTAL NON CURRENT LIABILITIES | | <u>32,096</u> | <u>23,116</u> |
| TOTAL LIABILITIES | | <u>770,251</u> | <u>555,824</u> |
| NET ASSETS | | <u>548,968</u> | <u>421,150</u> |
| EQUITY | | | |
| Retained earnings | | 548,969 | 421,150 |
| TOTAL EQUITY | | <u>548,969</u> | <u>421,150</u> |

The accompanying notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2011**

| | Note | Retained earnings \$ | Total \$ |
|--|------|------------------------------|------------------------------|
| Balance at 1 January 2010 | | 367,787 | 367,787 |
| Total comprehensive income | | | |
| Profit attributable to members | | 53,363 | 53,363 |
| Total other comprehensive income for the year | | - | - |
| Total comprehensive income for the year | | <u>53,363</u> | <u>53,363</u> |
| Closing balance at 31 December 2010 | | <u>421,150</u> | <u>421,150</u> |
| Total comprehensive income | | | |
| Profit attributable to members | | 127,819 | 127,819 |
| Total other comprehensive income for the year | | - | - |
| Total comprehensive income for the year | | <u>127,819</u> | <u>127,819</u> |
| Closing balance at 31 December 2011 | | <u><u>548,969</u></u> | <u><u>548,969</u></u> |

The accompanying notes form part of these financial statements

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011**

| | Note | 2011 \$ | 2010 \$ |
|---|------|-------------|------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 1,383,591 | 863,159 |
| Dividends received | | 2,934 | 2,425 |
| Interest received | | 8,283 | 4,124 |
| Payments to suppliers and employees | | (1,067,374) | (852,934) |
| Finance costs paid | | (1,211) | (2,072) |
| GST paid | | (71,656) | (39,068) |
| Net cash provided by(used in) operating activities | 21 | 254,567 | (24,366) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for purchase of plant & equipment | | (41,495) | (38,285) |
| Proceeds from sale of plant & equipment | | - | 6,582 |
| Investments | | (124,658) | (344,114) |
| Proceeds from sale of investments | | 127,999 | 398,987 |
| Net cash provided by (used in) investing activities | | (38,154) | 23,170 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings | | (747) | (43,994) |
| Net cash used in financing activities | | (747) | (43,994) |
| Net increase/(decrease) in cash held | | 215,666 | (45,190) |
| Cash & cash equivalents at the beginning of the financial year | | 355,759 | 400,949 |
| Cash & cash equivalents at the end of the financial year | 6 | 571,425 | 355,759 |

The accompanying notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, the Associations Incorporation Act 1981, and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Industrial Relations Act 1999 and the Fair Work (Registered Organisations) Act 2009. The financial report covers Australian Community Services Employer's Association Queensland Union of Employers as an individual entity. The Australian Community Services Employer's Association Queensland Union of Employers is an association incorporated in Queensland, Australia under the Queensland Industrial Relations Act 1999. The association is also registered under the Fair Work (Registered Organisations) Act 2009 Federally.

The financial report was authorised for issue by Jennifer O'Brien on behalf of the board of management on 20th MAY 2012.

Basis of preparation

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

Reporting basis and conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(a) Property, Plant and Equipment

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

Furniture and equipment

Furniture and equipment are measured on the cost basis, less depreciation and impairment losses.

The carrying amount of furniture and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant and Equipment (Continued)

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to the association commencing from the time the asset is held ready for use.

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

| Class of assets | Depreciation rate |
|-----------------------------------|--------------------------|
| Strata Title Office | 2.50% |
| Furniture, fittings and equipment | 10-25% |
| Computer equipment | 25% |

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's 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 statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

(b) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

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

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(d) Revenue and other income

Membership revenue

The Association recognises membership revenue on an accruals basis. Members who do not renew their registration are removed from the association's register.

Interest revenue

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

Dividend revenue

Dividend revenue is recognised when the Association has established that it has a right to receive a dividend.

Service revenue

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Gains on disposal of financial assets

Gains from the disposal of financial assets is recognised as other income in the period in which the financial asset is disposed of.

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

(f) Trade and other receivables

Sales made on credit are included in "Trade Debtors" and are recorded at the balance due less any provision for impairment for amounts estimated to be un-collectable. Trade debtor amounts are due within 30 days of invoice.

The organisation by its nature and location has a concentration of credit risk in that all of its trade debtors are due from customers in Queensland who operate in the education and child care industry.

(g) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(h) Impairment of assets

At each reporting date, the Association reviews the carrying values of its tangible 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 statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(i) Financial instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

(i) Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: *Recognition and Measurement of Financial Instruments*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the statement of comprehensive income in the period in which they arise.

(ii) Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

(iii) Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the Association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged or significant decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(i) Financial instruments (Continued)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(j) 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

(k) Finance costs

All finance costs are recognised in the statement of comprehensive income in the period in which they are incurred.

(l) Income tax

The Association is incorporated under the Industrial Relations Act 1999 and as such is exempt from Income Tax under section 50-15 of the Income Tax Assessment Act 1997.

(m) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(n) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(o) Critical accounting estimates and judgements

The board evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group. There were no key adjustments during the year which required accounting estimates or judgments.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(p) Change in accounting policy

- (i)** Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December year end. The Association's assessment of the impact of these new standards is that they have no effect on the accounting policies of the association.

| | 2011 | 2010 |
|---|--------|-------|
| | \$ | \$ |
| NOTE 2: Interest and investment income | | |
| Interest received | 8,283 | 4,124 |
| Dividends received | 2,934 | 2,425 |
| | 11,217 | 6,549 |

NOTE 3: Expenditure

Profit before income tax includes the following specific expenses:

Finance costs

| | | |
|---|-------|-------|
| Interest and finance charges on financial liabilities not at fair value through profit and loss | 1,211 | 2,072 |
|---|-------|-------|

Rental expense relating to operating leases

| | | |
|------------------------|-------|-------|
| Minimum lease payments | 8,749 | 7,856 |
|------------------------|-------|-------|

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

| | 2011 | 2010 |
|--|----------------|----------------|
| | \$ | \$ |
| NOTE 4: Key management personnel compensation | | |
| The totals of remuneration paid to key management personnel (KMP) of the Association during the year are as follows: | | |
| Short term employee benefits | 147,639 | 127,047 |
| Long term employee benefits | 13,510 | 8,969 |
| | <u>161,149</u> | <u>136,016</u> |

Other KMP transactions

For details of other transactions with KMP, refer to Note 15: Related party transactions.

NOTE 5: Auditors' remuneration

Remuneration of the auditor of the association for:

| | | |
|---------------------------------|---------------|---------------|
| - auditing the financial report | 14,220 | 11,200 |
| - other services | 1,100 | 2,500 |
| | <u>15,320</u> | <u>13,700</u> |

NOTE 6: Cash and cash equivalents

| | | |
|------------------------------|----------------|----------------|
| Cash at bank | 412,056 | 282,812 |
| Cash at bank - held in trust | 158,827 | 72,455 |
| Cash on hand | 542 | 492 |
| | <u>571,425</u> | <u>355,759</u> |

Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

| | | |
|---------------------------|----------------|----------------|
| Cash and cash equivalents | <u>571,425</u> | <u>355,759</u> |
|---------------------------|----------------|----------------|

Other comments:

Note : The "cash at bank - held in trust" relates to funds received from payroll & bookkeeping clients & held & used on their behalf for their payroll & bookkeeping activities. Refer to Note 11 for the corresponding liability.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

| | 2011 | 2010 |
|---|----------------|----------------|
| | \$ | \$ |
| NOTE 7: Trade and other receivables | | |
| Trade receivables | <u>131,806</u> | <u>15,412</u> |
| <i>Credit risk</i> | | |
| Refer to note 22 for assessment of credit risk. | | |
| NOTE 8: Financial assets | | |
| Financial assets held for trading | | |
| - shares in listed corporations at market value | <u>196,743</u> | <u>234,493</u> |
| NOTE 9: Other current assets | | |
| Prepayments | - | 1,705 |
| Sundry receivables | <u>47,326</u> | <u>3,142</u> |
| | <u>47,326</u> | <u>4,847</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

| | 2011 \$ | 2010 \$ |
|---|------------|------------|
| NOTE 10: Property, plant and equipment | | |
| Strata title office | | |
| At cost | 403,769 | 387,139 |
| Accumulated depreciation | (90,503) | (78,249) |
| | 313,266 | 308,890 |
| Furniture and equipment | | |
| At cost | 68,585 | 57,645 |
| Accumulated depreciation | (33,582) | (23,341) |
| | 35,003 | 34,304 |
| Computer equipment | | |
| At cost | 52,869 | 41,773 |
| Accumulated depreciation | (29,219) | (18,504) |
| | 23,649 | 23,269 |
| Total cost | 525,223 | 486,557 |
| Total accumulated depreciation | (153,304) | (120,094) |
| Total property, plant and equipment | 371,919 | 366,463 |

Movements in carrying amounts

Movement in the carrying amounts for each class of

| | Strata title office \$ | Furniture and equipment \$ | Computer equipment \$ | Total \$ |
|--|------------------------------|-------------------------------------|-----------------------------|----------------|
| Opening balance at 1 January 2010 | 320,141 | 26,425 | 19,951 | 366,517 |
| Additions | - | 23,649 | 14,636 | 38,285 |
| Disposals at written down value | - | (8,453) | (3,221) | (11,674) |
| Depreciation expense | (11,251) | (7,317) | (8,097) | (26,665) |
| Closing balance at 31 December 2010 | 308,890 | 34,304 | 23,269 | 366,463 |
| Additions | 16,630 | 11,276 | 13,589 | 41,495 |
| Disposals at written down value | - | (177) | (351) | (528) |
| Transfers at written down value | - | - | (757) | (757) |
| Depreciation expense | (12,254) | (10,399) | (12,102) | (34,755) |
| Carrying amount at 31 December 2011 | 313,266 | 35,003 | 23,648 | 371,919 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

| | 2011 | 2010 |
|--|---------|---------|
| | \$ | \$ |
| NOTE 11: Trade and other payables | | |
| Unsecured liabilities: | | |
| Trade payables | 37,039 | 27,370 |
| Liability - Funds held in trust | 158,827 | 72,455 |
| Other payables | 93,004 | 41,857 |
| | 288,870 | 141,682 |

NOTE 12: Borrowings - secured

| | | |
|----------------|-------|-------|
| Current | | |
| Bank loan | 5,038 | 5,785 |

As at 31 December 2011 the facility is only partly utilised. Interest payments are made monthly and are calculated on a variable rate which is currently 9.34%. The facility expires in December 2020.

The Facility is secured by:

Registered Mortgage over Unit 11 and Unit 12, 39 Jeays Street, Bowen Hills.

- Standard Goods and other Property Mortgage with a fixed and floating charge over all present and future assets given by the Association.

NOTE 13: Provisions

| | | |
|---|--------|--------|
| Current | | |
| Employee entitlements- annual leave | 35,970 | 37,898 |
| Non-current | | |
| Employee entitlements- long service leave | 32,096 | 23,116 |
| Number of employees (full time equivalents) | 7.71 | 7.18 |

NOTE 14: Other current liabilities

| | | |
|-------------------------------------|---------|---------|
| Membership fees received in advance | 408,276 | 347,343 |
|-------------------------------------|---------|---------|

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 15: Related party transactions

a. Related party transactions

Mr B. Bicknell is a Director of Wilson HTM (Stockbrokers) which was engaged in investing activities for the Association. The total of the brokerage fees for the year ended 31 December 2011 amounted to \$2,258 (2010: \$7,254). All transactions were carried on normal commercial terms and conditions.

Mr K Teague is partner of Cooper Grace Ward Lawyers (previously Bain Gasteen Lawyers) who act on behalf of the association. Total fees invoiced during the financial year ended 31 December 2011 were \$150 (2010:\$ 150).

Mr L Maloney is associated with Livingstones Australia who act on behalf of the Association. Total fees invoiced during the financial year ended 31 December 2011 were \$67,729 (2010: \$48,474).

b. Board members

The following members held office during the financial year:

Mr K Teague
Mrs D Ponting
Mr A Fazldeen
Mrs J O'Brien
Mr B Bicknell
Mr Laurie Moloney

No board member directly or indirectly received or is due to receive remuneration from the organisation or any related party in connection with the management of the Association.

| NOTE 16: Membership | 2011 | 2010 |
|----------------------------------|-------------|-------------|
| Number of members at 31 December | 824 | 876 |
| | 2011 | 2010 |
| | \$ | \$ |

NOTE 17: Capital and leasing commitments

a. Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable - minimum lease payments

| | | |
|---------------------------------|---------------|---------------|
| - not later than 12 months | 8,823 | 6,919 |
| - between 12 months and 5 years | 26,012 | 9,465 |
| | <u>34,834</u> | <u>16,384</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 17: Capital and leasing commitments (Continued)

The operating leases are for office related equipment including a photocopier, telephone system and postal franking machine with lease terms ranging from 6 months to 5 years.

NOTE 18: Contingent liabilities and contingent assets

There are no contingent assets or contingent liabilities at the date of this report.

NOTE 19: Events after the statement of financial position date

No events have occurred subsequent to balance date that require disclosure in this financial report.

NOTE 20: Segment reporting

The association operates predominantly in one business segment providing services to its members in areas including:

- industrial relations;
- human resources;
- workplace health and safety;
- bookkeeping and payroll services;
- audit services; and
- management and restructuring services.

These services are provided to the community based sector predominantly in Queensland.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

| | 2011 | 2010 |
|--|-----------------------|------------------------|
| | \$ | \$ |
| NOTE 21: Cash flow information | | |
| Reconciliation of net cash from operating activities to profit after income tax | | |
| Profit after income tax | 127,819 | 53,363 |
| <i>Non-cash flows in profit:</i> | | |
| Loss on disposal of plant and equipment | 528 | 5,092 |
| Depreciation | 34,755 | 26,665 |
| Gain on sale of investments | (15,187) | (43,676) |
| Unrealised (gain)/loss on financial assets held for trading | 49,596 | 18,885 |
| <i>Changes in assets and liabilities</i> | | |
| (Increase)/decrease in trade and other receivables | (55,460) | (15,263) |
| (Increase)/decrease in other current assets | (42,479) | (2,609) |
| Increase/(decrease) in trade and other payables | 136,187 | (58,633) |
| Increase/(decrease) in other current liabilities | - | (30,676) |
| GST clearing | 11,757 | 7,189 |
| Increase in provisions | 7,052 | 15,297 |
| Net cash provided by (used in) operating activities | <u>254,567</u> | <u>(24,366)</u> |

NOTE 22: Financial risk management

a. Financial risk management

The Association's financial instruments consist of deposits with banks, accounts receivables and payable, external borrowings and investments in shares in companies listed on the Australian Stock Exchange.

The Association does not have any derivative instruments at 31 December 2011.

Significant accounting policies

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis for measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 22: Financial risk management (Continued)

Financial risk exposures and management

The main risks the Association is exposed to through its financial assets and liabilities are interest rate risk, liquidity risk and credit risk. The Association's risk management program focuses on the unpredictability of the financial markets and seeks to minimise the potential adverse effects of the financial performance of the Association, by way of various measures detailed below. There have been no changes in the Financial Risk Management Strategies from 2010.

The Board of the Association analyses interest rate exposure and evaluates treasury management strategies in the context of the most recent economic conditions and forecasts.

Risk management is carried out by the board and key management personnel.

(i) Market risk

Interest rate risk

The Association is exposed to interest rate risk through its variable rate borrowings and through its cash and cash equivalents.

Cash flow sensitivity analysis for variable rate instruments

The Board of the Association have considered the impact of the disclosure requirements of AASB 7 "Financial Instruments Disclosures", most specifically paragraphs 40 – 41 and does not consider that these disclosures are necessary given the impact of any variations in the interest rates and the required disclosure thereof is not considered material.

Price risk

The Association is not exposed to any material commodity price risk.

Foreign currency risk

The Association does not have any exposures to foreign currencies at the reporting date.

(ii) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Association. The Association does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Association's maximum exposure to credit risk without taking account of the value of any collateral obtained.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 22: Financial risk management (Continued)

(ii) Credit risk (Continued)

The ageing of the Association's trade and other receivables at the reporting date was:

| | 2011 | | 2010 | |
|----------------------------|----------------|----------------|---------------|----------------|
| | Gross \$ | Impaired \$ | Gross \$ | Impaired \$ |
| Not past due - current | 71,303 | - | - | - |
| Past due 0-30 days | 6,581 | - | 15,412 | - |
| Past due 31-60 days | 4,413 | - | - | - |
| Past due more than 60 days | 49,509 | - | - | - |
| | 131,806 | - | 15,412 | - |

The balance of the past due receivables at 31 December is not impaired because it is expected that the balance of the amounts will be received in full in the normal course of business.

Collateral held as security

No collateral is held as security for any of the trade and other receivable balances.

(iii) Liquidity risk

The Association manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities and ensuring that adequate funds are maintained.

Trade payables are short-term in nature.

The Association is not exposed to any significant liquidity risk.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 22: Financial risk management (Continued)

(iii) Liquidity risk (Continued)

The table below analyses the Association's trade and other payables and borrowings into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash-flows.

As at 31 December 2011

| | Carrying amount | Contractual cashflows | <1 year | 1-5 years |
|--------------------------|--------------------|--------------------------|----------------|-----------|
| Trade and other payables | 288,870 | 288,870 | 288,870 | - |
| Borrowings | 5,038 | 5,038 | 5,038 | - |
| | <u>293,908</u> | <u>293,908</u> | <u>293,908</u> | <u>-</u> |

As at 31 December 2010

| | Carrying amount | Contractual cashflows | <1 year | 1-5 years |
|--------------------------|--------------------|--------------------------|----------------|-----------|
| Trade and other payables | 141,682 | 141,682 | 141,682 | - |
| Borrowings | 5,785 | 5,785 | 5,785 | - |
| | <u>147,467</u> | <u>147,467</u> | <u>147,467</u> | <u>-</u> |

(iv) Interest rate risk

The Association'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 rates on those financial assets and financial liabilities, is as follows:

As at 31 December 2011

| | Weighted av interest rate | Floating interest rate | | | Non interest bearing | Total |
|------------------------------------|------------------------------|------------------------|-----------|----------|-------------------------|----------------|
| | | 0-1 year | 1-5 years | >5 years | | |
| | % | \$ | \$ | \$ | \$ | \$ |
| Financial assets | | | | | | |
| Cash and cash equivalents | 2.99% | 412,056 | - | - | 542 | 412,598 |
| Trade and other receivables | | - | - | - | 131,806 | 131,806 |
| Listed shares | | - | - | - | 196,743 | 196,743 |
| Total financial assets | | <u>412,056</u> | <u>-</u> | <u>-</u> | <u>329,091</u> | <u>741,147</u> |
| Financial liabilities | | | | | | |
| Trade and other payables | | - | - | - | 288,870 | 288,870 |
| Borrowings | 8.89% | 5,038 | - | - | - | 5,038 |
| Total financial liabilities | | <u>5,038</u> | <u>-</u> | <u>-</u> | <u>288,870</u> | <u>293,908</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

**NOTE 22: Financial risk management (Continued)
(iv) Interest rate risk (Continued)**

As at 31 December 2010

| | Weighted av interest rate | Floating Interest rate | | | Non interest bearing | Total |
|------------------------------------|------------------------------|------------------------|-----------|----------|-------------------------|----------------|
| | | 0-1 year | 1-5 years | >5 years | | |
| | % | \$ | \$ | \$ | \$ | \$ |
| Financial assets | | | | | | |
| Cash and cash equivalents | 3.22 | 355,267 | - | - | 492 | 355,759 |
| Trade and other receivables | | - | - | - | 15,412 | 15,412 |
| Listed shares | | - | - | - | 234,493 | 234,493 |
| Total financial assets | | 355,267 | - | - | 250,397 | 605,664 |
| Financial liabilities | | | | | | |
| Trade and other payables | | - | - | - | 141,682 | 141,682 |
| Borrowings | 9.34 | 5,785 | - | - | - | 5,785 |
| Total financial liabilities | | 5,785 | - | - | 141,682 | 147,467 |

b. Net fair values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of financial position and in the notes to the financial statements.

c. Capital risk management

The Association manages its capital to ensure that it will be able to continue as a going concern and maximise the return to the Association to enable it to provide its ongoing services to its members. The maximisation of the return is achieved through the optimisation of its financial assets, debt and equity.

The capital structure consists of debt, cash and cash equivalents, investments in companies listed on the Australian Stock Exchange and retained earnings. The Association's board reviews the composition of the capital structure on a regular basis to ensure that an optimal return is generated.

This strategy remains unchanged from 31 December 2010.

NOTE 23: Association details

The registered office and principal place of business of the Association is:
 Australian Community Services Employers Association Qld
 Union of Employers
 "Rockton"
 Suite 11/39 Jeays Street
 BOWEN HILLS QLD 4006

CERTIFICATE OF ACCOUNTING OFFICER

I, the undersigned, being the Officer responsible for keeping the accounting records of the above-named Union hereby certify that as at 31 December 2011 in my opinion.

- 1 The accounts show a true and fair view of the financial affairs of the Australian Community Services Employer's Association as at the end of the financial year;
- 2 A record has been kept of all moneys paid by, or collected from, members of the industrial organisation and all moneys so paid or collected have been credited to the bank accounts to which those moneys are to be credited, in accordance with the rules of the Australian Community Services Employers Association, Queensland Union of Employers;
- 3 Before any expenditure was incurred by the Association, approval of the incurring of the expenditure was obtained in accordance with the rules of the Association;
- 4 No payment was made from a special account for a purpose other than the purpose for which the account was operated and, if any such payment was so made, it was approved under the rules of the association;
- 5 All loans or other financial benefits granted to persons holding office or employees in the Australian Community Services Employers Association Queensland, Union of Employers were allowed under the rules of the Association;
- 6 The register of members of the Australian Community Services Employers Association, Queensland Union of Employers was kept in accordance with the relevant Acts; and
- 7 The number of financial members was 876. There were nil non financial members.

Signed at Brisbane this ^{24th} day of May 2012.

Jennifer O'Brien
Treasurer



INFORMATION TO BE PROVIDED TO MEMBERS

The accounts have been prepared under Part 12 of the Industrial Relations Act 1999:

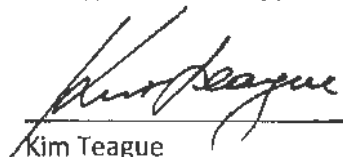
- 1 Application may be made to the Association by a member of the Association or by the Industrial Registrar at the request of a member of the Association for such prescribed information in relation to the Association as is specified in the application in such manner and within such time as is prescribed.
- 2 On application under (1) above, the Association is to make available to the applicant such prescribed information as is specified in the application in such manner and within such time as is prescribed.
- 3 If the Industrial Registrar is an applicant, the Registrar is to provide to the member at whose requests the application was made all information made available to the Registrar

STATEMENT BY BOARD OF MANAGEMENT

We the undersigned, being two members of the Board of the above named Association do state on behalf of the Board and in accordance with a resolution of the Board, that in relation to the general purpose financial report(GPFR) as set out on pages 6 to 25 that in its opinion:


- 1 The financial statements and notes comply with the Australian Accounting Standards.
- 2 The financial statements and notes comply with the reporting guidelines of the Industrial Relations Act
- 3 The financial statements and notes give a true & fair view of the financial performance, financial position and cash flows of the Association for the year for which they relate.
- 4 During the financial year to which the general purpose financial report relates and since the end of that year:-
 - Meetings of the Committee of Management were held in accordance with the rules of the Association; and
 - The financial affairs of the Association have been managed in accordance with rules of the Association; and
accordance with the requirements of the Industrial Relations Act & Regulations
 - The financial records of the Association have been kept in a consistent manner and
 - During the financial year to which the financial report relates, there have been no instances where Association records or other documents (not being documents containing information made available to a member of the Association under section 556 of the Act),or copies of those records or other documents, or copies of the rules of the Association , have not been furnished , or made available , to members of the Association in accordance with the Industrial Relations Regulations and rules of the Association a the case may be; and
 - A copy of the financial statements of the Association for the year ended 31 December 2010, and the auditors' report thereon was provided free of charge to members and presented to an annual general meeting of members of the Association within the time required by section 565 of the Act
 - In the Boards opinion the Association was solvent for the whole year and there are reasonable grounds to believe that the Association will be able to pay its debts when they become due and payable.

This statement is made and signed in accordance with a resolution of the Board of Management by:



Kim Teague
President

Dated this ^{29th} day of May 2012 at Brisbane.



Jennifer O'Brien
Treasurer

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE BOARD OF AUSTRALIAN COMMUNITY SERVICES EMPLOYER'S ASSOCIATION
QUEENSLAND UNION OF EMPLOYERS**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2011 there have been:

- i. no contraventions of the auditor independence requirements in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



Moore Stephens



MJ McDonald
Director

Date – 8th May 2012

Brisbane, Queensland

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN COMMUNITY SERVICES EMPLOYER'S ASSOCIATION
QUEENSLAND UNION OF EMPLOYERS**

Report on the Financial Report

We have audited the accompanying financial report of Australian Community Services Employers Association, Queensland Union of Employers, which comprises the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Board Members Responsibility for the Financial Report

The Board members are responsible for the provision of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Associations Incorporation Act 1981 and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 Board Members, 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.

Independence

In conducting our audit, we have complied with the Independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion:

- a) the financial report gives a true and fair view of the financial position of Australian Community Services Employer's Association, Queensland Union of Employers as at 31 December 2011, and its financial performance for the year ended on that date, and
- b) comply with Australian Accounting Standards.

Report on Other Legal and Regulatory Requirements

In our opinion, Australian Community Services Employers Association, Queensland Union of Employers:

- a) kept satisfactory accounting records for the financial year, including records of –
 - i) the sources and nature of the organisations income, including membership subscriptions and other income from members; and
 - ii) the nature of and reasons for the organisations expenditure; and
- b) the accounts for the year were properly drawn up to give a true and fair view of the organisations –
 - i) financial affairs at the end of the year; and
 - ii) income and expenditure and surplus or deficit for the year; and
- c) the accounts for the year were prepared under the Associations Incorporation Act 1981; and
- d) there was no deficiency, failure or shortcoming (an accounting deficiency) for a matter mentioned in paragraphs (a) to (c); and
- e) information and explanations required from the organisation's officers or employers were given.



Moore Stephens
Chartered Accountants



Mike McDonald
Director

Brisbane

Dated: 8th May 2012