



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
(FR2013/510)

MR ENRIGHT

MELBOURNE, 25 JULY 2014

Reporting unit's financial affairs encompassed by associated State body

On 4 July 2014 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 Branch) for a certificate stating that the financial affairs of the Branch 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 2013.

On 4 July 2014, the Branch lodged a copy of the audited accounts of the Association with the Fair Work Commission.

I am satisfied that the Association:

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

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 Branch 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 Branch 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
Branch and has been provided to the members of the Branch with copies of the
accounts.

I am satisfied that the financial affairs of the Branch in respect of the financial year ending 31 December 2013, 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

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25 June 2014

The General Manager
Tribunal Services and Organisations
Fair Work Commission
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.565 of the *Industrial Relations Act (Qld) 1999*, by publishing the Reports on the Reporting Unit & Associations website (www.cmsolutions.org.au).
- 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



Australian Community Services Employers Association

Operating Report for year ended 31 December 2013 – 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, 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 756.

Number of Employees

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

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

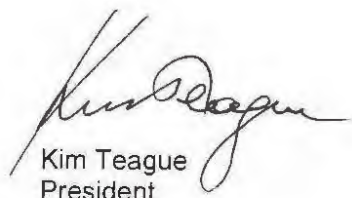


Designated Officer's Certificate or other Authorised Officer

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 *25th June 2014*; and
- that the full report was presented to a *general meeting of members* of the reporting unit on *25th June 2014*; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.


Kim Teague
President

25/06/2014
Date:



**AUSTRALIAN COMMUNITY SERVICES EMPLOYER'S ASSOCIATION
QUEENSLAND UNION OF EMPLOYERS
Trading as Community Management Solutions
ABN: 68 150 310 815**



**Annual Financial Statements
for the year ended 31 December 2013**

Presented at the Annual General Meeting

ANNUAL REPORT
for the year ended 31 December 2013

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Postal Address: PO Box 3060
NEWSTEAD QLD 4006

Registered Office: Unit 4, 113 Breakfast Creek Rd
NEWSTEAD QLD 4006

Telephone: +61 7 3852 5177

Facsimile: +61 7 3852 5188

Email: info@cmsolutions.org.au

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 2013

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 2013

I am pleased to report that on the back of the success of 2012 we have had yet another successful year. We have recorded a strong financial result with our total income remaining steady despite a difficult economic environment.

Many changes have occurred in 2013 including the sale of our premises at Jeays St, Bowen Hills and the leasing of our new, larger premises at Newstead. This relocation brought about its own challenges and the team did a great job in relocating and settling in with minimal disruption.

We changed our name to Community Management Solutions, and with the additional services of a new marketing resource, have redesigned the look and feel of all our publications, both hard copy and on-line. Our website has been revamped to reflect these changes and the new image has been positively received by our members.

We have re-introduced seminars for our members on a variety of topics, and these have been very well attended, and have increased direct benefits to our members as well as increased their sense of belonging.

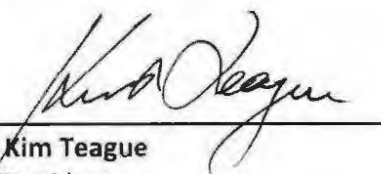
We were successful in further cementing our working relationship with the Gowrie and added an additional 17 members through their network of early childhood services.

Our staff members continue to provide quality professional support to members from an increasingly broad range of sectors. We continue to represent our members in a range of jurisdictions, and have had significant wins on behalf of members, including a matter before the Fair Work Ombudsman where our representation resulted in a saving to a member of \$80,000.

In addition, we have been actively involved with the Pay Equity Child Care Case before the Fair Work Commission, advocating on behalf of the interests of our members.

April 2015 provides us with an opportunity to celebrate our successes as it marks the 40th anniversary of the establishment of our organisation in its original form, the "Pre School Employers Association", a Union of Employers which was first registered on 27 April 1975. The Board's strategic planning remains an ongoing process, and will help to set the direction of the organisation for future years.

In closing, the Board wishes to take this opportunity to thank Charles Hardy and his dedicated team for the way in which Community Management Solutions has been managed, and for producing an excellent result in 2013.



Kim Teague
President

TREASURER'S REPORT
For the year ended 31 December 2013

2013 was a year of change for ACSEA. The sale of the long held property at Bowen Hills, the move to the new premises at Breakfast Creek and the launch of ACSEA's new trading name, Community Management Solutions ("CMS") to name a few, have laid strong foundations for ACSEA's financial future. The sale of our office and associated fittings at Jeays Street, Bowen Hills, resulted in a profit of \$256,527. This, combined with our solidly performing operating revenues has provided ACSEA with a profit of \$272,116.

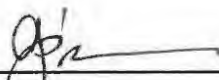
Income sourced from ACSEA's members and investments continues to improve. However, other revenue sources declined. The current year's focus is on growing our membership base and the services provided to members.

The move to larger premises was required to accommodate the increase in staff numbers and to assist with the future growth of ACSEA and the services being provided to members. At this stage ACSEA is leasing premises, which itself is a challenge to manage due to the increased costs associated with leasing a larger floor space. However, the staff and the Board are dedicated to ensuring that all avenues are explored to minimise costs in the running of the organisation.

Due to the sale of our property and the continued patronage of our members, ACSEA's total assets at 31 December 2013 are \$1,767,877, up from \$1,341,925 at 31 December 2012. ACSEA's remaining debt with the ANZ Bank was repaid during the year. The net assets of the organisation increased at an even stronger rate than total assets, from \$657,753 at 31 December 2012 to \$929,869 at 31 December 2013, up 41%.

The profit achieved by ACSEA is a combination of support by members, the efficient operation of the staff and the dedication of the Board to the growth of ACSEA. The profit gained is reinvested into ACSEA and directed back to the members of ACSEA in numerous ways, including providing members with an ever growing list of services offered by ACSEA, expansion of our website, regular communications to members and alliances with partners who can provide discounts and other services to our members.

In closing, I would like to thank Charles Hardy and his team for their efforts and dedication to ACSEA.



Jennifer O'Brien
Treasurer

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
REVENUE			
Member fees		575,752	568,001
Services rendered income		694,183	711,842
Manuals and awards sales income		37,957	74,527
Interest and investment income	2	25,313	18,431
Profit on disposal of property, plant & equipment		256,527	-
Other revenue		7,764	3,805
TOTAL REVENUE		1,597,495	1,376,606
EXPENDITURE			
Auditors remuneration	5	10,222	10,686
Brokerage & stamp duty		2,499	1,218
Depreciation expense		47,720	39,500
Employee benefit expenses		938,242	852,112
Finance costs	3	3,032	2,146
Insurance expense		13,650	13,145
Legal and consulting fees		81,977	67,901
Loss on disposal of plant & equipment		-	401
Membership, subscriptions & seminars		9,071	11,306
Operating lease expenses	3	15,843	11,865
Occupancy costs		54,011	26,701
Other expenses		36,566	65,605
Postage, printing, stationery & office supplies		107,503	104,648
Unrealised loss on financial assets held for trading		3,076	28,842
Project & recoverable costs		28,814	45,111
TOTAL EXPENDITURE		1,352,225	1,281,187
OTHER INCOME			
Net gain on disposal of investments		26,846	13,366
TOTAL OTHER INCOME		26,846	13,366
PROFIT BEFORE INCOME TAX		272,116	108,785
Income tax expense		-	-
PROFIT AFTER INCOME TAX		272,116	108,785
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		272,116	108,785

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Note	2013 \$	2012 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,357,873	457,972
Trade and other receivables	7	89,678	78,938
Financial assets	8	222,991	369,029
Other current assets	9	18,225	49,487
TOTAL CURRENT ASSETS		<u>1,688,767</u>	<u>955,426</u>
NON CURRENT ASSETS			
Property, plant and equipment	10	79,110	386,499
TOTAL NON CURRENT ASSETS		<u>79,110</u>	<u>386,499</u>
TOTAL ASSETS		<u>1,767,877</u>	<u>1,341,925</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	365,351	225,602
Borrowings	12	-	5,143
Provisions	13	82,115	83,637
Other current liabilities	14	386,741	368,808
TOTAL CURRENT LIABILITIES		<u>834,206</u>	<u>683,190</u>
NON CURRENT LIABILITIES			
Provisions	13	3,801	982
TOTAL NON CURRENT LIABILITIES		<u>3,801</u>	<u>982</u>
TOTAL LIABILITIES		<u>838,007</u>	<u>684,172</u>
NET ASSETS		<u>929,869</u>	<u>657,753</u>
EQUITY			
Retained earnings		929,869	657,753
TOTAL EQUITY		<u>929,869</u>	<u>657,753</u>

The accompanying notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	Retained earnings \$	Total \$
Balance at 1 January 2012		548,968	548,968
Total comprehensive income			
Profit attributable to members		108,785	108,785
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>108,785</u>	<u>108,785</u>
Closing balance at 31 December 2012		<u>657,753</u>	<u>657,753</u>
Total comprehensive income			
Profit attributable to members		272,116	272,116
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>272,116</u>	<u>272,116</u>
Closing balance at 31 December 2013		<u><u>929,869</u></u>	<u><u>929,869</u></u>

The accompanying notes form part of these financial statements

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,551,977	1,511,922
Dividends received		4,673	5,430
Interest received		20,640	13,001
Payments to suppliers and employees		(1,201,604)	(1,308,836)
Finance costs paid		(3,032)	(2,146)
GST paid		<u>(153,613)</u>	<u>(90,686)</u>
Net cash provided by operating activities	21	219,041	128,685
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of plant & equipment		(46,003)	(54,572)
Proceeds from sale of plant & equipment		562,199	91
Payments for investments		(163,780)	(261,928)
Proceeds from sale of investments		<u>333,588</u>	<u>74,165</u>
Net cash used in investing activities		686,004	(242,244)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		<u>(5,143)</u>	<u>105</u>
Net cash provided by/(used in) financing activities		(5,143)	105
Net increase/(decrease) in cash held		899,902	(113,454)
Cash & cash equivalents at the beginning of the financial year		<u>457,971</u>	<u>571,425</u>
Cash & cash equivalents at the end of the financial year	6	<u><u>1,357,873</u></u>	<u><u>457,971</u></u>

The accompanying notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

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, 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 (trading as Community Management Solutions) 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 18th June 2014.

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 2013**

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 2013**

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).

(e) 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.

(f) 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.

(g) 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 2013**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(h) 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 2013**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(h) 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.

(i) 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.

(j) Finance costs

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

(k) 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.

(l) 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.

(m) Comparative figures

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

(n) 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 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(o) 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.

	2013 \$	2012 \$
NOTE 2: Interest and investment income		
Interest received	20,640	13,001
Dividends received	4,673	5,430
	<u>25,313</u>	<u>18,431</u>
NOTE 3: Expenditure		
Profit before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Interest and finance charges on financial liabilities not at fair value through profit and loss	3,032	2,146
<i>Rental expense relating to operating leases</i>		
Minimum lease payments	<u>15,843</u>	<u>11,865</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 \$	2012 \$
NOTE 4: Key management personnel compensation		
The totals of remuneration recorded in the financial statements for key management personnel (KMP) of the Association are as follows:		
Short term employee benefits	151,965	141,723
Long term employee benefits	<u>20,795</u>	<u>18,301</u>
	<u>172,760</u>	<u>160,024</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	9,522	9,936
- other services	<u>700</u>	<u>750</u>
	<u>10,222</u>	<u>10,686</u>
NOTE 6: Cash and cash equivalents		
Cash at bank	1,145,863	367,150
Cash at bank - held in trust	211,310	90,122
Cash on hand	<u>700</u>	<u>700</u>
	<u>1,357,873</u>	<u>457,972</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>1,357,873</u>	<u>457,972</u>
Other comments:		
Note : The "cash at bank - held in trust" relates to funds received from payroll and/or bookkeeping clients which is held and used on their behalf for their payroll and/or bookkeeping activities. Refer to Note 11 for the corresponding liability.		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 \$	2012 \$
NOTE 7: Trade and other receivables		
Trade receivables	92,678	103,431
Less: Provision for doubtful debts	<u>(3,000)</u>	<u>(24,493)</u>
	<u>89,678</u>	<u>78,938</u>
<i>Credit risk</i>		
Refer to Note 22 for assessment of credit risk.		
NOTE 8: Financial assets		
Financial assets held for trading:		
- other investments	-	199,339
- shares in listed corporations at market value	<u>222,991</u>	<u>169,690</u>
	<u>222,991</u>	<u>369,029</u>
Other investments is comprised of a short term bank bill with an investment term of one month. It is re-invested on a monthly basis.		
NOTE 9: Other current assets		
Prepayments	6,594	6,764
Sundry receivables	<u>11,631</u>	<u>42,723</u>
	<u>18,225</u>	<u>49,487</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
NOTE 10: Property, plant and equipment		
Strata title office		
At cost	-	403,769
Accumulated depreciation	-	(103,448)
	<u>-</u>	<u>300,321</u>
Furniture and equipment		
At cost	56,387	72,937
Accumulated depreciation	(27,905)	(42,607)
	<u>28,482</u>	<u>30,330</u>
Computer equipment		
At cost	123,644	102,105
Accumulated depreciation	(73,015)	(46,257)
	<u>50,628</u>	<u>55,848</u>
Total cost	180,030	578,811
Total accumulated depreciation	(100,920)	(192,312)
Total property, plant and equipment	<u>79,110</u>	<u>386,499</u>

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year:

	Strata title office	Furniture and equipment	Computer equipment	Total
	\$	\$	\$	\$
Opening balance at 1 January 2012	313,266	35,004	23,648	371,918
Additions	-	5,034	49,539	54,573
Disposals at written down value	-	(375)	(117)	(492)
Depreciation expense	(12,945)	(9,333)	(17,222)	(39,500)
Closing balance at 31 December 2012	<u>300,321</u>	<u>30,330</u>	<u>55,848</u>	<u>386,499</u>
Additions	-	21,255	24,748	46,002
Disposals at written down value	(291,277)	(12,508)	(1,887)	(305,672)
Depreciation expense	(9,044)	(10,595)	(28,080)	(47,719)
Carrying amount at 31 December 2013	<u>0</u>	<u>28,481</u>	<u>50,628</u>	<u>79,110</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
NOTE 11: Trade and other payables		
Unsecured liabilities:		
Trade payables	23,399	6,354
Liability - Funds held in trust	211,310	90,122
Other payables	130,641	129,126
	<u>365,351</u>	<u>225,602</u>
NOTE 12: Borrowings - secured		
Current		
Bank loan	<u>-</u>	<u>5,143</u>
The loan facility was repaid and settled during the financial year ended 31 December 2013.		
NOTE 13: Provisions		
Current		
Employee entitlements- long service leave	40,204	34,065
Employee entitlements- annual leave	41,911	49,572
	<u>82,115</u>	<u>83,637</u>
Non-current		
Employee entitlements- long service leave	<u>3,801</u>	<u>982</u>
Number of employees (full time equivalents)	10.42	10.35
NOTE 14: Other current liabilities		
Membership fees received in advance	<u>386,741</u>	<u>368,808</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

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 2013 amounted to \$2,499 (2012: \$1,218). All transactions were carried on normal commercial terms and conditions.

Mr K Teague is partner of Cooper Grace Ward Lawyers who act on behalf of the association. Total fees invoiced during the financial year ended 31 December 2013 were \$3,982 (2012:\$ 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 2013 were \$2,380 (2012: \$8,949).

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 L 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	2013	2012
Number of members at 31 December	756	792
	2013	2012
	\$	\$

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	33,029	11,893
- between 12 months and 5 years	58,711	21,027
	<u>91,740</u>	<u>32,920</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

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 4 to 6 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 2013

	2013	2012
	\$	\$
NOTE 21: Cash flow information		
Reconciliation of net cash from operating activities to profit after income tax		
Profit after income tax	272,116	108,785
<i>Non-cash flows in profit:</i>		
Loss/(profit) on disposal of property, plant & equipment	(256,527)	401
Depreciation	47,720	39,500
Gain on sale of investments	(26,846)	(13,366)
Unrealised loss on financial assets held for trading	3,076	28,842
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in trade and other receivables	7,194	13,400
(Increase)/decrease in other current assets	31,262	(2,160)
Increase/(decrease) in trade and other payables	145,841	(83,111)
GST clearing	(6,092)	19,842
Increase/(decrease) in provisions	1,297	16,552
Net cash provided by operating activities	<u>219,041</u>	<u>128,685</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 2013.

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 2013**

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 2012.

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 2013

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:

	2013		2012	
	Gross \$	Impaired \$	Gross \$	Impaired \$
Not past due - current	67,094	-	74,197	-
Past due 0-30 days	8,327	-	4,740	-
Past due 31-60 days	-	-	-	-
Past due more than 60 days	17,256	3,000	24,493	24,493
	<u>92,678</u>	<u>3,000</u>	<u>103,430</u>	<u>24,493</u>

A portion of the past due receivables more than 60 days at 31 December is impaired because it is expected that the balance will not 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 2013

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 2013

	Carrying amount	Contractual cashflows	<1 year	1-5 years
Trade and other payables	365,351	365,351	365,351	-
Borrowings	-	-	-	-
	<u>365,351</u>	<u>365,351</u>	<u>365,351</u>	<u>-</u>

As at 31 December 2012

	Carrying amount	Contractual cashflows	<1 year	1-5 years
Trade and other payables	225,602	225,602	225,602	-
Borrowings	5,143	5,143	5,143	-
	<u>230,745</u>	<u>230,745</u>	<u>230,745</u>	<u>-</u>

(iv) Interest rate risk

The Associations 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 2013

	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	2.45%	1,357,173	-	-	700	1,357,873
Trade and other receivables		-	-	-	89,678	89,678
Financial assets held for trading		-	-	-	222,991	222,991
Total financial assets		<u>1,357,173</u>	<u>-</u>	<u>-</u>	<u>313,368</u>	<u>1,670,541</u>
Financial liabilities						
Trade and other payables		-	-	-	365,351	365,351
Borrowings	0.00%	-	-	-	-	-
Total financial liabilities		<u>-</u>	<u>-</u>	<u>-</u>	<u>365,351</u>	<u>365,351</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

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

As at 31 December 2012

	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	2.20%	457,272	-	-	700	457,972
Trade and other receivables		-	-	-	78,938	78,938
Financial assets held for trading		-	-	-	369,029	369,029
Total financial assets		457,272	-	-	448,667	905,939
Financial liabilities						
Trade and other payables		-	-	-	225,602	225,602
Borrowings	7.99%	5,143	-	-	-	5,143
Total financial liabilities		5,143	-	-	225,602	230,745

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 2013.

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 (trading as "Community Management Solutions")
PO Box 3060
NEWSTEAD QLD 4006


The Association started trading as "Community Management Solutions" during 2013

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 2013 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 756. There were nil non financial members.

Signed at Brisbane this 18th day of June 2014.



Jennifer O'Brien
Treasurer

INFORMATION TO BE PROVIDED TO MEMBERS

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

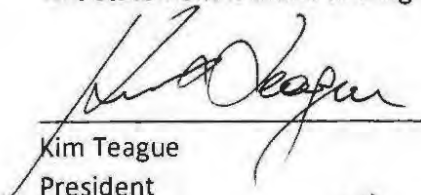
- 1 Application may be made to the Association by a member of the Association or by the Industrial Registrar at the request of a member of the Association for such prescribed information in relation to the Association as is specified in the application in such manner and within such time as is prescribed.
- 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

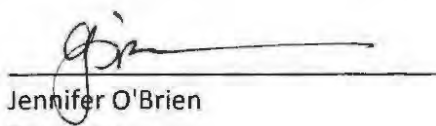
STATEMENT BY BOARD OF MANAGEMENT

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 26 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
 - The financial records of the Association have been kept, and maintained in 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 as the case may be; and
 - A copy of the financial statements of the Association for the year ended 31 December 2013, 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


Jennifer O'Brien
Treasurer

Signed at Brisbane this 18th day of June 2014.

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 2013, 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 preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Queensland Industrial Relations Act 1999 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 2013, and its financial performance and its cash flows 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 Queensland Industrial Relations Act 1999; 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: 18 June 2014