



FAIR WORK
AUSTRALIA

23 May 2012

Mr. Stephen Eedy
Eddy Partners Pty Ltd CPA's

email: Stephen@eddypartners.com.au
cc: dsmith@asu.asn.au

Dear Mr Eedy

Financial report for the Australian Municipal, Administrative, Clerical and Services Union for the year ended 30 June 2011

I acknowledge receipt of your emails dated 8, 10 and 18 May 2012 seeking further clarification in relation to the auditor's report to the above financial report. Your emails were sent in response to our letter of 29 February.

Fair Work Australia aims to assist registered organisations and auditors to meet their financial reporting and auditing obligations as prescribed by the *Fair Work (Registered Organisations) Act 2009* (the RO Act), its regulations, the Reporting Guidelines and the rules of the organisation. Our comments to date have not intended to suggest that Eddy Partners Pty Ltd CPA's (Eddy Partners) have failed in their duties. I acknowledge that Eddy Partners, as auditors of the Australian Municipal, Administrative, Clerical and Services Union's national fund, appear to have made all reasonable efforts to properly discharge their duties and responsibilities under the RO Act.

However, given the exchange of correspondence noted above, the manner in which two of these responsibilities, namely to whom an audit report of a national reporting unit should be addressed and the entity to which the audit report should refer, and, secondly, the appropriate wording of an audit opinion, is not clear.

Having considered your correspondence, the provisions of the RO Act, its regulations, the Reporting Guidelines and the rules of the registered organisation, the Delegate to the General Manager of Fair Work Australia has determined to file the financial report for the year ended 30 June 2011. No further action is required in relation to the financial report. However the Delegate makes the following recommendations regarding future audit reports. The Delegate invites your views on these recommendations.

1) Addressee(s) of the Audit Report and to what entity the Audit report should refer

Section 242 of the RO Act provides that where an organisation is divided into branches, each branch is regarded as a separate reporting unit. Subsection 242(5) also provides that so much of an organisation as would not be included in any Branch is taken to be a reporting unit.

The union's rules provide for a national fund which is 'vested in the Union' but which is under the control and custody of the National Executive (rule 21). The national fund is not included in any Branch and therefore the Union is taken to be a reporting unit. Although the National Executive has control over the national fund, the fund is vested in the Union which is much more than the National Executive.

However, as you have pointed out, the total funds of the Union include more than just the national fund, and therefore to refer to the financial report of the Union may mislead members and any other readers of the financial report of the national fund. Your correspondence also explains that the scope of the

financial report, which was addressed to members of the National Executive of the organisation, was so prepared as the national reporting unit has no members of its own to which it directly reports.

After considering the legislation as a whole, it is unclear to whom a financial report should be addressed and to what entity the auditor's report should refer in the case of a national body which has no specific members. As the RO Act refers to the entity as a 'reporting unit', the Delegate suggests future audit reports regarding the national fund should refer to the 'National Reporting Unit' and should be addressed to the 'National Reporting Unit.'

2) Audit Opinion

In relation to the auditor's opinion, which refers to the financial position of the National Executive, you advise that the opinion was so prepared as a reference to the organisation would suggest that the audit opinion was in relation to the whole of the organisation rather than the distinct National Reporting Unit. Again, the Delegate suggests that, for the reasons outlined above, the opinion should refer to the General Purpose Financial Report of the National Reporting Unit.

Also the opinion given for the year ended 30 June 2011 appears to be limited to the financial position and financial performance of the National Reporting Unit. The opinion required under section 257(5) of the RO Act is not so limited and should relate to the general purpose financial report in its entirety.

With regard to the recommended form of words opinion proffered in February, I agree that the phrase 'other mandatory requirements' is not necessary.

While the Delegate does not insist that the wording set out below must be used, it is recommended for future audit opinions (assuming that the auditor is of this opinion) because it satisfies the requirements of section 257(5) of the RO Act. In particular it satisfies the requirements of the Act because it is not limited to the financial position and financial performance of the National Reporting Unit, nor does it suggest that the funds are those of the National Executive. The Delegate therefore recommends the following wording for use in future audit opinions.

In our opinion the general purpose financial report of the National Reporting Unit is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

As stated above, we invite your views on these recommendations.

Yours sincerely,



Larry Powell
Organisations, Research and Advice



FAIR WORK
AUSTRALIA

29 February 2012

Mr. Stephen Eedy
Eddy Partners Pty Ltd CPA's

email: Stephen@eddypartners.com.au
cc: dsmith@asu.asn.au

Dear Mr Eedy

Financial report for the Australian Municipal, Administrative, Clerical and Services Union for the year ended 30 June 2011

I acknowledge receipt of your email dated 16 January 2012 seeking clarification to matters raised in our letter of 5 January 2012 in relation to the above financial report

As stated in your letter, where an organisation is divided into branches, each branch is regarded as a separate reporting unit (section 242 of the *Fair Work (Registered Organisations) Act 2009*) and, accordingly, no general purpose financial report is prepared for the organisation as a whole.

Section 242 also provides that so much of an organisation as would not be included in any branch is taken to be a reporting unit (subsection 242(5)). Rule 21(c) of the Australian Municipal, Administrative, Clerical and Services Union's rules provides for the establishment of a national fund. The national fund is not included in any branch and therefore the national body is taken to be a reporting unit. Although the union's rules provides that the national fund is under the control and custody of the National Executive (rule 21), the National Executive controls and has custody of the funds on behalf of the organisation (*Bacon v O'Dea* (1989) 88 ALR 486). The audit report may have been requested by the National Executive, however such an engagement is made on behalf of the organisation.

I appreciate your point that members are likely to be confused if the GPFR claimed to represent the financial position and other matters of the entire organisation. However it is erroneous to suggest that the GPFR represents the financial position and other matters of a committee elected to represent the interests of members. Some other organisations choose to make the distinction clear to members by identifying the reporting unit as the national office of the organisation. However the audit report is to be addressed to *all* members as the funds belong to the organisation in its entirety.

Yours sincerely,

Larry Powell
Organisations, Research and Advice



FAIR WORK
AUSTRALIA

5 January 2012

Mr David Smith
National Secretary
Australian Municipal, Administrative, Clerical and Services Union

Email: dsmith@asu.asn.au

Dear Mr Smith

Financial report for the Australian Municipal, Administrative, Clerical and Services for the year ended 30 June 2011 (FR2011/2740)

I acknowledge receipt of the financial report of the Australian Municipal, Administrative, Clerical and Services Union for the year ended 30 June 2011. The documents were lodged with Fair Work Australia on 30 November 2011.

I direct your attention to the following comments concerning the above report and the financial reporting obligations under the Fair Work (Registered Organisations) Act 2009 'the RO Act'. Please note that these matters are generally advised for assistance in the preparation of future financial reports. With the exception to item 1 no further action is required in respect of the subject documents.

1. Auditor's Report

Scope

Paragraph 27 of Australian Auditing Standard 700 (ASA 725) requires the auditor's report to be addressed as required by the circumstances of the engagement, in this case, the organisation. I note that the auditor's report is addressed to the members of the National Executive of the organisation. The auditor's report should be addressed to the members of the organisation.

The scope of the auditor's report refers to the general purpose financial report 'GPFR' of the National Executive of the organisation. Such reference should be to the 'GPFR' of the organisation.

The opinion expressed by the auditor in their report has not fully met the requirements of the Act. The opinion refers to the financial position of the National Executive. Such opinion should be in relation to the general purpose financial report of the organisation. A suitable form of wording would be as follows

'In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the Fair Work (Registered Organisations) Act 2009.'

You are requested to arrange for the auditor to prepare a fresh opinion that fully meets the requirements of the Act and lodge such in this office.

2. Committee of Management Statement

As the financial report is in relation to the organisation rather than a branch of the organisation the reference to 'rules of the branch' appearing in paragraphs (e)(ii) and (iii) is superfluous.

Paragraph (e)(iii) should also refer to the Fair Work (Registered Organisations) Regulations 2009.

3. Cash Flow Statement

Notes to the Cash Flow Statement

Reporting Guideline 15 states that 'where another reporting unit of the organisation is the source of cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit concerned'. This is in addition to the requirement to disclose capitation fees to the national office (Reporting Guideline 11(b)) sustentation fees received from branches (Reporting Guideline 10(b)). In future years please ensure that cash flows to and from the national office/any branches, are disclosed in the notes to the cash flow statement.

Should you wish to discuss any of the matters raised in this letter, I may be contacted on (03) 8661 7993 or by email at larry.powell@fwa.gov.au.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'L Powell'.

Larry Powell
Organisations, Research and Advice



A•S•U

File/Our Ref: DS:MP:14.1
32.1

Your Ref:
Please quote in reply

30 November, 2011

The Manager
Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001

**Australian
Services
Union**

Dear Sir/Madam,

National Office
Melbourne & Sydney

**Re: Australian Municipal, Administrative, Clerical and Services Union
• Financial Statement**

All correspondence to:

Ground Floor
116 Queensberry St
Carlton South VIC 3053

In accordance with Section 268 of the Fair Work (Registered Organisations) Act 2009, sub-sections (a), (b) and (c), attached are the financial statements of the Australian Municipal, Administrative, Clerical and Services Union for the year ending 30th June, 2011, including my certificate as the National Secretary.

T: (03) 9342 1400
F: (03) 9342 1499
E: info@asu.asn.au
W: www.asu.asn.au

Yours faithfully,

National Secretary
David Smith

DAVID SMITH
National Secretary

Assistant National Secretaries
Greg McLean
Linda White

Tel: +61 3 9342 1401
Mobile: 0419 644 238
E-mail: dsmith@asu.asn.au

Encl.

CC: Craig Burgess
Matthew Gibbon

**Australian Municipal, Administrative, Clerical & Services Union
("Australian Services Union")**

NATIONAL EXECUTIVE

DESIGNATED OFFICER'S CERTIFICATE

I, **David Smith**, being the **National Secretary** of the **National Executive** of the **Australian Municipal, Administrative, Clerical & Services Union**, certify:

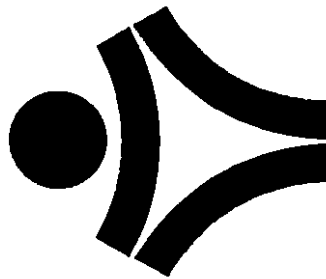
1. that the documents lodged herewith are copies of the full report referred to in section 268 of the Fair Work (Registered Organisations) ACT 2009;
2. that the concise report was provided to members on the **20th October, 2011**;
3. that the full report was presented to a meeting of the Committee of Management of the reporting unit on the **23rd November, 2011**, in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signature: 

Date: 30/11/11

**AUSTRALIAN SERVICES UNION
NATIONAL EXECUTIVE
ABN 28 519 971 998**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30TH JUNE 2011**



Eddy Partners
Accountants



Level 8, 501 LaTrobe Street,
Melbourne, Victoria 3000.
PO Box 13105, Law Courts,
Melbourne, Victoria 8010.
Telephone: (03) 9602 5177
Facsimile: (03) 9602 5766

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE
ABN 28 519 971 998**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30TH JUNE 2011**

National Office:

Ground Floor
116-124 Queensberry Street
Carlton South, Vic. 3053
Tel (03) 9342-1400
Fax (03) 9342-1499

National Secretary: David Smith

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**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2011**

	Note	2011 \$	2010 \$
INCOME			
Capitation Fees	2	2,860,799	2,632,261
Investment Income	3	97,744	68,078
Property Rental Income	4	129,419	101,781
Sale of Promotional Goods		55,638	41,719
Airlines Division Costs Recovered		17,026	76,881
Conference & Other Sponsorships		52,500	26,000
Award Modernisation Share of Funds		60,000	-
Grants & Specific Purpose Income	5	179,226	200,401
Gain on Disposal of Motor Vehicle		5,928	-
Other Income	6	71,468	21,996
Total Income		3,529,748	3,169,117
LESS EXPENDITURE			
Accounting & Taxation		11,320	11,060
Affiliation Fees		383,338	365,641
Airline Division Expenses		17,026	76,881
Auditors' Remuneration	7	19,980	19,500
Bank Charges		3,144	2,665
Computer Expenses	8	32,968	39,924
Depreciation	9	80,191	68,249
Donations		49,990	5,696
Electricity & Gas		12,045	8,057
Grant & Specific Purpose Costs	10	179,957	196,213
Insurance		8,777	9,208
Interest Expense		2,853	3,352
Legal Costs		122,084	60,916
Meeting and Conference Expenses		186,030	67,319
Motor Vehicle Expenses	11	70,405	61,418
Northern Territory Expenses		6,000	6,000
Office Expenses		10,794	10,329
Postage & Despatch		9,677	7,529
Printing & Stationery		44,760	44,456
Projects - Special		47,995	61,524
Property Expenses		79,418	61,710
Publicity & Promotional Goods		76,042	62,694
Rent - Sydney Office		29,750	29,750
Repairs & Maintenance		5,276	4,516
Resources & Library		31,739	34,919
Salaries, Wages & On-Costs	12	1,864,239	1,636,048
Staff Training		500	3,166
Telephone & Teleconferencing		50,671	51,631
Travelling & Accommodation		145,713	115,995
Total Expenditure		3,582,682	3,126,366
OPERATING SURPLUS OR (LOSS) FOR YEAR BEFORE EXTRAORDINARY ITEMS		(52,934)	42,751

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2011**

	Note	2011 \$	2010 \$
LESS EXTRAORDINARY ITEMS			
Super Guarantee Shortfall Payments		157,432	-
Less: Deducted from Branch Funds		(157,432)	-
Provision Written-Back	13	(307,200)	357,019
OPERATING SURPLUS OR (LOSS) AFTER EXTRAORDINARY ITEMS		254,266	(314,268)
Accumulated Funds - Beginning of Year		2,978,641	3,292,909
Transfers to or from Reserves	14	-	-
ACCUMULATED FUNDS 30TH JUNE 2011		3,232,907	2,978,641

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**BALANCE SHEET
AS AT 30TH JUNE 2011**

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash assets	16	580,810	745,494
Receivables	17	936,557	568,493
Investments	18	1,238,692	1,171,848
Other assets	19	74,005	59,103
TOTAL CURRENT ASSETS		<u>2,830,064</u>	<u>2,544,938</u>
NON-CURRENT ASSETS			
Receivables	17	100,000	118,805
Investments	18	222,528	500,839
Property, plant and equipment	20	1,492,848	1,490,497
TOTAL NON-CURRENT ASSETS		<u>1,815,376</u>	<u>2,110,141</u>
TOTAL ASSETS		<u>4,645,440</u>	<u>4,655,079</u>
CURRENT LIABILITIES			
Payables	21	613,109	358,579
Other Liabilities	22	139,912	650,048
Employee Leave Entitlements	23	581,663	601,295
TOTAL CURRENT LIABILITIES		<u>1,334,684</u>	<u>1,609,922</u>
NON-CURRENT LIABILITIES			
Other Liabilities	22	19,277	7,815
Employee Leave Entitlements	23	9,745	9,874
TOTAL NON-CURRENT LIABILITIES		<u>29,022</u>	<u>17,689</u>
TOTAL LIABILITIES		<u>1,363,706</u>	<u>1,627,611</u>
NET ASSETS		<u>3,281,734</u>	<u>3,027,468</u>
MEMBERS FUNDS			
Reserves	14	48,827	48,827
Accumulated Funds	15	3,232,907	2,978,641
TOTAL EQUITY		<u>3,281,734</u>	<u>3,027,468</u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2011**

	General Reserve \$	Accum Funds \$	Total \$
Balance at 1 July 2010	48,827	2,978,641	3,027,468
Surplus/(Deficit) for year	-	254,266	254,266
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2011	48,827	3,232,907	3,281,734
	<hr/>	<hr/>	<hr/>
Balance at 1 July 2009	48,827	3,292,909	3,341,736
Surplus/(Deficit) for year	-	(314,268)	(314,268)
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2010	48,827	2,978,641	3,027,468
	<hr/>	<hr/>	<hr/>

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011 \$	2010 \$
Cash Flows From Operating Activities		
Gross Receipts from Operating	4,056,425	3,248,268
Bank Interest Received	86,932	52,611
Gross Operating Payments	(4,771,151)	(3,357,796)
Net cash provided by (used in) operating activities	(627,794)	(56,917)
Cash Flows From Financing Activities		
Hire Purchase Loan Proceeds	42,436	18,026
Tasmania Branch Loan Repayments	41,112	38,042
Proceeds from Redemption of Units	278,378	47,802
Proceeds from Disposal of Assets	42,050	-
Leave Liability Transfers Inwards	122,956	-
Hire Purchase Loan Repayments	(25,621)	(13,363)
Leave Liability Transfers Outwards	(10,976)	-
Branch Transfers In (Airlines)	51,864	-
Branch Transfers In (Equal Pay)	115,825	-
Branch Transfers In (Super Trust)	4,627	169,972
Net cash provided by financing activities	662,651	260,479
Cash Flows from Investing Activities		
Payment for Plant & Equipment	(141,666)	(72,483)
Goods & Services Tax Refund	8,969	-
Investment in AFI Pte Ltd	-	(4,386)
Advances to Branches	-	(17,714)
Net cash provided by (used in) investing activities	(132,697)	(94,583)
Net increase (decrease) in cash held	(97,840)	108,979
Cash Held 1st July 2010	1,917,342	1,808,363
Cash Held 30th June 2011	1,819,502	1,917,342

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2011**

	Note	2011 \$	2010 \$
Notes to the Statement of Cash Flows			
Reconciliation of Cash			
Cash at the end of financial period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Cash on Hand		2,746	1,789
Cash at Bank - General Account		245,781	424,863
Cash at Bank - National Airlines		23,688	33,550
Cash at Bank - Retail Account		46,084	27,566
Cash at Bank - Grant (FWEIP)		-	52,285
Cash at Bank - Grant (JSA)		-	10,973
Cash at Bank - Equal Pay Case		45,011	22,891
Cash at Bank - Reserve Account		217,500	171,577
Term Deposit - Leave Entitlements		585,000	685,000
Members Equity Savings Account		638,393	460,201
Term Deposit - Stabilisation Fund		15,299	26,647
		1,819,502	1,917,342
Reconciliation of Net Cash provided by Operating Activities to the Surplus/(Deficit) for the Year			
Operating Surplus/(Deficit) for Year		254,266	(314,268)
Add Non-Cash Items:			
Gain on Disposal of Motor Vehicles		(5,928)	-
Investment Market Value Increase		(67)	(86)
Depreciation & Amortisation		94,265	75,264
Conference Provision		(9,034)	-
Accrued Leave		(131,743)	(52,094)
Other Items		(307,200)	357,019
Changes in Assets and Liabilities:			
Decrease (Increase) in Debtors		(347,951)	(93,773)
Decrease (Increase) in Prepayments		(14,902)	4,098
Increase (Decrease) in Payables		219,934	(102,608)
Change in Unspent SACS Funds		(179,574)	69,531
Change in Unspent Grant Funds		(60,000)	-
Change in Unspent Super Trust Funds		(122,836)	-
Change in Unspent Airline Council Funds		(17,024)	-
		(627,794)	(56,917)
Cash flows from operations		(627,794)	(56,917)

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

1 Statement of Significant Accounting Policies

This financial report is a general purpose financial report of the National Executive ("National Executive") being a reporting unit of the Australian Municipal Administrative Clerical and Services Union ("the Union") as defined in Sec 242 of the Fair Work (Registered Organisations) Act 2009.

The accounts of the National Executive have been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations and the reporting and disclosure requirements of the Fair Work (Registered Organisations) Act 2009.

The following is a summary of the material accounting policies adopted by the National Executive in the preparation of the financial statements which, unless otherwise stated, have been consistently applied:-

(a) Basis of Accounting

The accounts have been prepared on the basis of historical costs and do not take into account changing money values or, except where otherwise stated, current valuations of investments and other non-current assets.

Income and expenditure of the National Executive has been brought to account on an accruals basis of accounting so as to match income for the period with the expenditure incurred in earning that income.

(b) Recognition of Income

Income including income from capitation fees, interest on investments and property rentals is recognised in the accounts at the fair value value of the consideration received or receivable.

Income from the supply of goods or services including reimbursements is recognised at the point of delivery of those goods or services, or as and when the reimbursed expense is incurred.

Income from grants and specific-purpose funding from branches is recognised on an accruals basis as and when the terms, conditions, or other obligations of the grant or funding is fulfilled or otherwise satisfied with the unexpended portion of any grant or branch funding shown as a liability.

(c) Employee Leave Entitlements

Provision has been made in the accounts for employee leave entitlements in the form of accrued annual and long service for all employees on the basis of their terms of employment and wage rate prevailing at year-end.

In the case of long service leave, the accrual has been calculated for all employees by reference to their periods of service and current wage rates as an approximation of estimated future cash flows.

Where an employee has transferred from a branch, any liability pertaining to prior service with the branch is brought to account in the calculation of leave entitlements together with any associated accrued leave transfers received during the year and/or right of indemnity from the branch.

(d) Income Tax

No provision has been made in the accounts for income tax on the basis that the National Executive is exempt under Section 50-15 of the Income Tax Assessment Act 1997.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

(e) Property, Plant & Equipment

Each class of property, plant and equipment is carried at historical cost less, where applicable any accumulated depreciation. With the exception of income-producing properties which are held for investment purposes, and freehold land, the following assets have been depreciated over their estimated effective lives at the following rates -

Buildings	2.5% Prime Cost
Office Furniture & Equipment	10% to 100% Prime Cost & Diminishing Value
Motor Vehicles	Purchased pre 1/7/08 18.75% DV, post 1/7/08 25% DV

(f) Unexpended Branch Funds

Funds raised by levies collected from other reporting units are held in trust by the National Office and allocated to the selected activities and projects as provided for by their respective resolutions by the National Executive. As levies are collected by the National Executive they are transferred to the respective provision account and held in trust for future allocation.

(g) Leased Assets

Leases of assets, where substantially all the risk and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to National Office are classified as finance leases and are brought to account as an asset of the National Office with a corresponding liability equal to the present value of the minimum lease payments, including any guaranteed residual values, with lease payments allocated between a reduction in lease liability and the lease interest for the period, and the asset amortised over its estimated effective life.

Lease payments for operating leases, where substantially all the risk and benefits remain with the lessor, are brought to account as an expense of National Executive in the periods in which they are incurred.

(h) Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year information and other disclosures.

(i) Goods & 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 the assets or as part of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(j) Investments

Except for units in managed funds which are measured at their year-end market value, all non-current investments are measured at historical cost less any required provision for diminution in value. The carrying amount of investments is reviewed annually by the National Executive to ensure that it is not in excess of the recoverable amount. The recoverable amount is assessed from the quoted redemption value at balance date. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

(k) Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272, which reads -

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

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011 \$	2010 \$
2 Capitation Income		
C&S Qld C&A Branch	219,082	188,907
Nth Qld C&A Branch**	14,707	14,852
NSW & ACT Services Branch	344,980	328,415
Queensland Services Branch**	372,907	344,474
SA & NT Branch	178,993	168,816
Tasmanian Branch*	63,123	55,700
Tax Officers Branch	26,418	24,443
Victorian Private Sector Branch	143,429	139,161
Vic. Authorities & Services Branch*	533,220	489,034
Western Australian Branch	149,472	128,210
NSW LGCAEAU Branch	112,970	107,681
NSW LGCAEAU - MEU	701,498	642,568
	<hr/>	<hr/>
Total Capitation Income	2,860,799	2,632,261
	<hr/>	<hr/>
* Merged w.e.f. 11/05/11 to form Victorian & Tasmanian Authorities & Services Branch		
** Merged w.e.f. 04/02/11 to form Queensland (Services & Northern Administration) Branch		
3 Investment Income		
Bank Interest Received	82,293	52,611
Interest - Tasmanian Branch	1,788	2,383
Trust Distributions Received	13,663	13,084
	<hr/>	<hr/>
Total Investment Income	97,744	68,078
	<hr/>	<hr/>
4 Property Rental Income		
Vic & Tas A & S Branch	71,725	37,871
Barton ACT Property	44,184	42,345
Tax Officers Branch	3,567	3,601
Other Tenants	9,943	17,964
	<hr/>	<hr/>
Total Rental Income	129,419	101,781
	<hr/>	<hr/>
5 Grant & Specific-Purpose Income		
Grant - Fair Work Program	-	68,573
Grant - Job Skills Program	21,392	98,607
Branch Funding - Equal Pay Case	157,834	33,221
	<hr/>	<hr/>
Grant & Specific-Purpose Income	179,226	200,401
	<hr/>	<hr/>
6 Other Income		
Cost Recoveries & Other Income	(38,468)	(21,996)
Branch Contribution to Donations	(33,000)	-
	<hr/>	<hr/>
Total Other Income	(71,468)	(21,996)
	<hr/>	<hr/>
7 Auditors' Remuneration		
Auditing of the Accounts	13,800	13,500
Statutory Report Disclosures	3,800	3,500
Auditing of Government Grant	2,380	2,500
	<hr/>	<hr/>
Auditors' Remuneration	19,980	19,500
	<hr/>	<hr/>

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011 \$	2010 \$
8 Computer Expenses		
Computer Leasing	-	12,402
Expenses & Consultants	32,968	27,522
	<u>32,968</u>	<u>39,924</u>
9 Depreciation Expense		
Furniture & Equipment	49,591	38,349
Building	28,980	28,589
Library	1,620	1,311
	<u>80,191</u>	<u>68,249</u>
10 Grant & Specific Purpose Costs		
Fair Work Grant Expenses	-	66,076
JSA Grant Expenses	21,711	96,916
Legal & Other Costs - Equal Pay Case	158,246	33,221
	<u>179,957</u>	<u>196,213</u>
11 Motor Vehicle Expenses		
Running Costs	39,089	36,613
Operating Lease Rentals	29,038	28,327
Depreciation & Amortisation	14,074	7,015
Less: Employee Car Contribution	(11,796)	(10,537)
	<u>70,405</u>	<u>61,418</u>
12 Salaries, Wages & On-Costs		
 Holders of Office:		
Salaries, Allowances & Salary-Sacrifice Benefits	428,292	327,632
Employer Superannuation	49,044	45,352
 Employees:		
Salaries, Allowances & Salary-Sacrifice Benefits	1,171,129	1,003,281
Employer Superannuation	138,554	116,631
 Other Costs:		
Temporary Staff, Reception, etc	75,997	94,357
Fringe Benefits Tax	16,902	14,945
Payroll Tax	73,845	70,597
Workers Compensation	16,081	15,347
Leave Accrued	(131,743)	(52,094)
Recruitment & Relocation	26,138	-
	<u>1,864,239</u>	<u>1,636,048</u>
Total Salaries, Wages & On-Costs		

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$
13 Extraordinary Items		
Provision for Guaranteed Superannuation Benefits	(357,019)	357,019
Less: Contribution Made to Superannuation Reserve A/c	49,819	-
	(307,200)	357,019

National Executive together with other reporting units or branches of the Union were a party to a Participation Agreement which expired on 30th June 2011 whereby the Union guaranteed minimum superannuation benefits for qualifying officers and employees.

On the basis that the guarantee may have required a superannuation payment to be made prior to its expiration, provision had been made in the accounts of the previous year for that part of the estimated total liability pertaining to National Executive officers and employees.

Save for a contribution of \$49,819 towards actual shortfall payments of \$157,432 required to be made by the Union under the terms of the guarantee for the financial year part of which may be refunded in the next financial year, the unused balance of the provision has been written-back to Accumulated Funds.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$
14 Reserves		
General Reserve	48,827	48,827
	<hr/>	<hr/>
There were no transfers to or from reserves during the year.		
15 Accumulated Funds		
Accumulated Funds 1st July 2010	2,978,641	3,292,909
Surplus/(Deficit) for Year	254,266	(314,268)
	<hr/>	<hr/>
Accumulated Funds 30th June 2011	3,232,907	2,978,641
	<hr/>	<hr/>
16 Cash Assets		
Cash on Hand	2,746	1,789
Cash at Bank - General Account	245,781	424,863
Cash at Bank - National Airlines	23,688	33,550
Cash at Bank - Retail Account	46,084	27,566
Cash at Bank - Grant (FWEIP)	-	52,285
Cash at Bank - Grant (JSA)	-	10,973
Cash at Bank - Equal Pay Case	45,011	22,891
Cash at Bank - Reserve Account	217,500	171,577
	<hr/>	<hr/>
	580,810	745,494
	<hr/>	<hr/>
17 Receivables		
CURRENT		
Debtors - Other	69,333	54,859
Debtors - Branches	848,407	472,510
Loan - Vic & Tas A & S Branch	18,817	41,124
	<hr/>	<hr/>
	936,557	568,493
	<hr/>	<hr/>
NON-CURRENT		
Equity Loan - Vic & Tas A & S Branch	100,000	100,000
Loan - Tasmanian Branch	-	18,805
	<hr/>	<hr/>
	100,000	118,805
	<hr/>	<hr/>

Current Receivables

Current receivables are on 30-day terms. No provision for impairment was considered necessary in relation to any particular account as at balance date.

Loan - Vic. & Tas. Authorities & Services Branch

With effect from 11th May 2011, the merged Victorian & Tasmanian Authorities & Services branch assumed liability for the equity loan previously advanced to the Tasmanian Branch, such loan on interest-free terms repayable from proceeds of any disposal of freehold property owned by the Branch at 265 Macquarie Street, Hobart, unless otherwise repaid from other sources.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$
18 Investments		
CURRENT		
Term Deposit - Leave Entitlements	585,000	685,000
Members Equity Savings Account	638,393	460,201
Term Deposit - Stabilisation Fund	15,299	26,647
	1,238,692	1,171,848
NON-CURRENT		
Unlisted Shares & Units:-		
AFI Pte Ltd at Cost (60,000 Ord Shares of S\$1 FP)	41,334	41,334
ACTU Member Connect at Cost (78,272 \$1 Units Pd to \$0.40)	17,848	17,848
Managed Funds:-		
Units - Challenger Mortgage Fund	163,346	441,657
	222,528	500,839
19 Other Assets		
CURRENT		
Prepayments		
Prepaid Expenses	37,002	26,682
Promotional Stock for Resale	37,003	32,421
	74,005	59,103

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$
20 Property, Plant and Equipment		
Land and Buildings		
Land & Building at Cost	1,619,648	1,619,648
Less: Accumulated Depreciation	643,613	614,633
	976,035	1,005,015
Investment Property at Cost	282,751	282,751
	282,751	282,751
Total Land and Buildings	1,258,786	1,287,766
Motor Vehicles at Cost	73,654	46,334
Less: Accumulated Depreciation	14,990	22,706
	58,664	23,628
Furniture & Equipment at Cost	429,806	382,300
Less: Accumulated Depreciation	277,704	228,113
	152,102	154,187
Resource Library	56,610	56,610
Less: Accumulated Depreciation	33,314	31,694
	23,296	24,916
Total Plant and Equipment	234,062	202,731
Total Property, Plant and Equipment	1,492,848	1,490,497

Land & Buildings - 116-124 Queensberry Street, Carlton South

National Office has a one-third interest in office premises situated at 116-124 Queensberry St Carlton South with the Victorian & Tasmanian Authorities & Services Branch which has the remaining two-thirds. The property is stated in the accounts at historical cost and was independently valued at \$7,830,000 on the 24th June 2011 by WBP Property Group based upon the Direct Comparison Approach and Income Approach. National Office's one-third interest is therefore \$2,610,000. National Office is responsible for insuring the building, the amount of cover on a replacement basis being \$6,175,000.

Investment Property - Unit 6, 40 Brisbane Avenue, Barton, ACT

National Office has a one-half share in office premises known as Unit 6, 40 Brisbane Avenue, Barton, ACT and is stated in the accounts at historical cost, the NSW United Services Branch having the other one-half share. The market value of the property was independently assessed at \$840,000 on 14th August 2008 by CB Richard Ellis, National Office's share being \$420,000. As the property is held for investment purposes for which National Office is entitled to one half of the rental income and one-half any capital growth, it is not depreciated. Insurance cover on the building is the responsibility of the body corporate.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$
21 Payables		
CURRENT		
Legal Fees Payable	50,522	29,772
Creditor - Branches	125,958	100,144
Goods & Services Tax Payable	35,006	38,383
Other Creditors & Accruals	401,623	190,280
	613,109	358,579
22 Other Liabilities		
CURRENT		
Hire Purchase Loan - Computers	20,304	14,951
Unspent National Airlines Funds	37,622	2,743
Unspent Airlines Stabilisation A/c	15,000	15,000
Provision for National Conference	-	9,034
Unspent Funds (Equal Pay Case)	-	21,329
Unspent Grant (Award Modernisation)	-	60,000
Unspent Branch Funds (Super Reserve)	66,986	169,972
Provision - Superannuation Guarantee	-	357,019
	139,912	650,048
NON-CURRENT		
Hire Purchase Loans - Computers	19,277	7,815
	19,277	7,815
23 Employee Leave Entitlements		
CURRENT		
Annual Leave Payable - Officers	69,615	58,963
Annual Leave Payable - Other	72,371	95,468
Long Service Payable - Officers	245,762	208,669
Long Service Payable - Other	193,915	238,195
	581,663	601,295
NON-CURRENT		
Long Service Payable - Other	9,745	9,874
	9,745	9,874
Aggregate employee entitlement liability	591,408	611,169
Number of employees at year end	17	15

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$
24 Capital and Leasing Commitments		
Hire Purchase Commitments		
Hire purchase contracts capitalised in the financial statements:		
Payable		
Not later than one year	23,922	17,042
Later than one year but not later than five years	20,620	8,530
	<u>44,542</u>	<u>25,572</u>
Less: Future Finance Charges	4,961	2,806
	<u>39,581</u>	<u>22,766</u>
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable		
Not later than one year	26,255	83,278
Later than one year but not later than five years	27,495	79,720
	<u>53,750</u>	<u>162,998</u>
Capital Expenditure Commitments		
Contracted for:		
Purchase of Car Parks	180,000	-
	<u>180,000</u>	<u>-</u>
Payable		
Not later than one year	180,000	-
	<u>180,000</u>	<u>-</u>

During the year, National Executive accepted an offer for the purchase and transfer of twelve car park spaces to be assigned to Unit 6 40 Brisbane Avenue Barton. One-half of the amount payable by National Office at settlement will be recharged to the NSW United Services Union in accordance with joint ownership of the property.

25 Contingent Liabilities

A liability exists in relation to debts incurred by other branches (or reporting units) of the Union for which National Executive may become liable under the rules of the organisation.

No provision for such liability is considered necessary on the basis that each branch is able to pay its own debts as and when they fall due from its own resources whether current income or reserves.

Apart from the above, the National Executive is not aware of any contingent liability at balance date, the effect of which would be material in relation to these financial statements.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$

26 Events Subsequent to Reporting Date

No event has arisen subsequent to balance date, the effect of which may be material in relation to the financial statements.

27 Economic Dependence

The principal source of income for National Office is capitation fees from its constituent branches and, accordingly, National Office is economically dependent on the ability of those branches to continue to service the needs of its members on industrial and workplace matters.

28 Segment Reporting

The principal activity of National Executive is to service and support the needs of its state-based branches and their respective members on a range of industrial and workplace matters. These activities may be geographically segregated as follows -

New South Wales	40.9%
Victoria	23.9%
Queensland	20.8%
South Australia & NT	6.4%
Western Australia	4.9%
Tasmania	2.1%
Other	1.0%
Total	100.0%

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

2011 2010
\$ \$

29 Related Party Transactions

(a) Office-Holders & Branches

The following persons held office in National Office for all or part of the financial year and together with each branch of the organisation as set out below are deemed to be a related party for financial reporting purposes:-

Office-Holders -

Henrietta Moran, Paul Slape, Linda White, Greg McLean, Julie Bignell, Margaret Dale, Sally McManus, David Smith, Katrine Hildyard, Jeff Lapidos, Peter Chaplin, Ingrid Stitt, Sean Kelly, Russell Atwood, Brian Parkinson, Jeanine Orzani, John Phillips, Jeff Williams, Ben Kruse, Wayne Wood, David Leydon, Michael Flinn, Ruth McFarlane, Ian Steel, Stephen Birney, Graeme Kelly, Michael Rizzo, Kath Nelson, Paul O'Neill.

Related Branches -

NSW Local Government Clerical Administrative Energy Airlines & Utilities Branch
NSW & ACT (Services) Branch
Victorian & Tasmanian Authorities & Services Branch
(formerly Victorian Authorities & Services Branch)
Victorian Private Sector Branch
Queensland (Services & Northern Administrative) Branch
(formerly Queensland Services Branch)
Central & Southern Queensland Clerical & Administrative Branch
North Queensland Clerical & Administrative Branch
(merged with Queensland (Services & Northern Administration) Branch 4th February 2011)
South Australian & Northern Territory Branch
Western Australia Branch
Tasmanian Branch
(merged with Victorian & Tasmanian Authorities & Services Branch 11th May 2011)
Taxation Officers Branch

Special Responsibilities -

National President	Henrietta Moran	01/07/10 to 30/06/11
National Vice-Pres.	Julie Bignell	01/07/10 to 30/06/11
National Secretary*	Paul Slape	01/07/10 to 11/03/11
National Secretary*	David Smith	11/03/11 to 30/06/11
Asst Nat Secretary*	Linda White	01/07/10 to 30/06/11
Asst Nat Secretary*	Greg McLean	01/07/10 to 30/06/11

* *Remunerated positions*

(b) Transactions With Office-Holders

The aggregate amount of remuneration paid by National Office during the year to elected officers entitled to be remunerated under the Rules of the organisation (including unused annual leave and long service leave owing at balance date to retired elected officers) was the amount as set out in Note 11 of these accounts.

Other related party transaction was the one-off purchase by the retired National Secretary of the motor vehicle previously provided to him under the terms and conditions of his employment at the time. Amount received by the National Office from the former office-holder as independently assessed as to its market value was \$26,000 including goods and services tax.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

	2011	2010
	\$	\$

There were no other transactions between National Office and officers during the year other than those related to their membership of or employment with their associated branch and on terms no more favourable than those for which it would be reasonable to expect would have been adopted by the parties dealing at arms-length.

(c) Branch Transactions

The following transactions occurred during the year between National Office and its constituent branches:-

Revenue Account: Capitation fees, interest received on loans, sale of promotional goods, expense and other re-charges received from or paid to branches, and superannuation guarantee shortfall payments - details of which are disclosed in the Statement of Income and Expenditure.

Capital Account: Branch loan repayments, leave liability inter-branch transfers, special-purpose funding advances (equal pay case, airline division costs, and superannuation guarantee reserve) - the total amount of which is disclosed in the Statement of Cash Flows.

No other transactions occurred during the year between National Office and its constituent branches.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
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**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

In accordance with sec. 254 of the **Fair Work (Registered Organisations) Act 2009** ("the Act"), the Committee of Management report follows:

Principal Activities

- A. Following the introduction of the Fair Work Act and an increasingly unified National IR System in July 2009 and December 2010, substantial additional work continued into 2010/11 as a direct result. This work was as follows:
- The provision of advice and support to ASU Branches regarding issues arising from the phasing in of Modern Awards and the application of Transitional Awards.
 - Supporting or opposing applications to vary Modern Awards.
 - Preparation of submissions and appearances before Fair Work Australia regarding the termination of Modernisable Instruments/pre reform Federal and State Awards that the ASU were once responsible for creating and maintaining.
 - Preliminary work on identifying which Enterprise Awards relevant to the ASU should be converted into Modern Awards.
 - Preliminary preparation for the review of Modern Awards in 2012.
- B. Also arising from the introduction of the Fair work Act and the Western Australian Government not referring IR Powers to the Commonwealth, the ASU National Office provided substantial practical support to the Western Australian Branch of the ASU to resolve difficult problems. The steps required to resolve these problems follow:
- The resurrection of two associated State Unions – the Western Australian Rail Way Officers Union (WAROU) and Western Australian Municipal Clerical and Services Union (WAMACSU), which were in danger of being deregistered.
 - The amalgamation of WAROU and WAMACSU into a new state counterpart State Union, the Western Australian Services Union (WASU).
 - The expansion of the rules of WASU to cover Local Government and Social and Community Services Employees.
 - The making of six new State Awards in WAIRC in March 2011 to cover employees of non national System employers in Local Government and Social and Community Services.
- C. The ASU National Office also coordinated two other amalgamations affecting Branches as follows:
- The Victorian Authorities and Services Branch with the Tasmanian Branch on the 11th May, 2011.
 - The Queensland Services Branch with the North Queensland Clerical and Administrative Branch on the 4th February, 2011.
- D. The "Equal Work, Equal Pay" remuneration test case continued before Fair Work Australia. A favourable interim decision was issued by the full bench on 16th May 2011 and further dates for further hearings and conciliation are set for September and October, 2011. Discussions regarding funding of the anticipated pay increases in a further decision have been proceeding with the Federal Government. The finalisation of this historic landmark case is anticipated before the end of 2011. As part of the process associated with this test case in FWA, the ASU varied the operative dates for pay rates to transition to the Social, Community, Home Care and Disability Services Industry Award to February, 2012.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
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**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2011 (CONTINUED)**

Principal Activities (continued)

- E. The ASU Project Officer Julie Kun completed a report in August, 2010, titled "*Employment Services: Not Just a Job*". This project was funded by the Australian Federal Government Department of Education Employment and Workplace Relations (DEEWR). The purpose of the project was to investigate issues relating to the migration of workers from Job Network providers to Job Services Australia and the attraction and retention of a skilled workforce.

These activities referred to above were in addition to the continuing principal activities of the National Executive of the Union during the year which may be summarised as follows:

1. Administration of the Union in accordance with the National Rules of the Union; including meeting reporting requirements imposed by the Act with respect to registered organisations; convening of meetings of the National Executive of the Union in accordance with its Rules and implementing decisions made by the National Executive.
2. In accordance with decisions of the National Executive, developing and implementing industry work plans developed by National and Branch Officials to give effect to activities considered by Branches and their members to be important in protecting and advancing the interests of members employed in all of the Union's industry sectors.
3. Maintaining the national finances and assets of the Union in accordance with the Union's rules.
4. Assisting and coordinating membership organising and recruitment campaigns in conjunction with Branches.
5. Maintaining Federal Awards and national agreements which affect members in more than one Branch of the Union and, in particular, maintaining the safety net of award wages and conditions in Federal Awards as allowed under the Fair Work Act as amended from time to time.
6. Negotiating national Enterprise Agreements and processing FWA approval applying to members in more than one Branch in major industries and coordinating similar activities undertaken by Branches as required.
7. Providing an industrial advocacy and representation service with regard to national industrial matters and relationships with major employers.
8. Acting as national spokesperson on behalf of the Union with regard to national issues and major national employer matters.
9. Providing advice and assistance to Branches of the Union with regard to industrial matters and disputes generally, industrial relations legislation, occupational health and safety, workers compensation, superannuation and other issues of national significance.
10. Managing national campaigns on behalf of the national union, Branches and members on particular issues and in particular industry sectors.
11. Developing and delivering training for Branch Officials and employees as requested, including with regard to Right of Entry provisions of the current Act.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
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**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2011 (CONTINUED)**

Principal Activities (continued)

12. Maintaining the Union's national and international affiliations, for example to the ACTU and to International Trade Union Federations. Attendance at meetings convened by the ACTU and at relevant international meetings.
13. Representation on the ACTU Executive, OHS & Workers Compensation Committee and ACTU Indigenous Committee.
14. Maintaining the Union's relationships with the Federal Government, political parties and other relevant industry and interest groups and lobbying in accordance with the aims and objectives of the Union, its Branches and members.
15. Representation of the skills and training needs of members through participation in a wide range of Industry Skills Councils and in other bodies and forums with responsibility for vocational education and training.
16. Maintaining a national communications strategy including the collection and dissemination of information relevant to Branches including through the maintenance of the ASU National Net website and by other means.
17. Providing a national purchasing scheme for Branches with regard to telecommunications and other services as well as campaign and other materials through the ASU Shop.
18. Providing research and information services to Branches on request and in accordance with industry work plans.
19. Maintaining the special interest groups established by the National union and promoting and advancing their interests, e.g., women workers, gay and lesbian workers, as well as indigenous members and young workers.
20. Operating special industry forums as determined by the Rules and decisions of the National Executive, e.g., National Airlines Division Council (NADC) as well as convening meetings of Branches, Branch Secretaries and other representative groups of Officials in particular sectors, e.g., Local Government, energy, water, rail, SACS and private sector clerical.
21. Maintaining and amending the Union's national and Branch rules, as required, and objecting, where necessary and appropriate to changes to the Rules of other registered organisations in the interests of the Union and its members.

Changes in principal activities

There have been no changes in the principal activities of the National Executive of the Union over the reporting period other than those imposed by the terms of the Fair Work Act.

Operating Result

The operating result of the organisation for the year ended 30th June 2011 was surplus of \$254,266 (2010: \$314,286 deficit). No provision for tax was necessary as the organisation is considered exempt.

Significant Changes

There was no significant change in the financial affairs of the organisation during the year.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2011 (CONTINUED)**

Rights of Members

All members have the right to resign from the Union in accordance with National Rule 32 – Resignation, of the Union Rules (and Section 174 of the Act); namely, by providing written notice addressed and delivered to the Secretary of the Branch.

Superannuation Office-holders

The following Officers'/Members' of the organisation are Directors of companies that are trustees of superannuation funds which require one or more of their Directors to be a member of a registered organisation:

<u>Officer/Member:</u>	<u>Trustee Company:</u>	<u>Name of Entity / Scheme:</u>	<u>Position:</u>
Michael O'Sullivan	CARE Super Pty Ltd	CARE Super	Director
Kate Wood	CARE Super Pty Ltd	CARE Super	Director
Michael Want	CARE Super Pty Ltd	CARE Super	Director

Other Prescribed Information

In accordance with Regulation 159 of the **Fair Work (Registered Organisations) Regulations 2009:**

- (a) The number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the RAO Schedule and who are taken to be members of the registered organisation under sec. 244 of the RAO Schedule was 111,256 across eleven Branches.
- (b) The number of persons who were at the end of the financial year employees of the organisation including both full-time and part-time employees measured on a full-time equivalent basis was 15.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2011 (CONTINUED)**

Other Prescribed Information (continued)

The successful transition of the holder of the position of ASU National Secretary occurred following the resignation of Paul Slape and the election of David Smith became effective on the 11th March, 2011.

- (c) The names of those who have been members of the Committee of Management of the organisation at any time during the financial year and the periods for which he or she held office were:

Name	Position	Period From	Period To
Henrietta Moran	National President	1/07/2010	30/06/2011
Julie Bignell	National Vice-President	1/07/2010	30/06/2011
Paul Slape	National Secretary	1/07/2010	11/03/2011
David Smith	National Secretary	11/03/2011	30/06/2011
	National Executive Representative	1/07/2010	11/03/2011
Linda White	Assistant National Secretary	1/07/2010	30/06/2011
Greg McLean	Assistant National Secretary	1/07/2010	30/06/2011
Ruth McFarlane	National Executive Representative	1/07/2010	30/06/2011
Sally McManus	National Executive Representative	1/07/2010	30/06/2011
Michael Flinn	National Executive Representative	1/07/2010	30/06/2011
Ben Kruse	National Executive Representative	1/07/2010	23/07/2010
Graeme Kelly	National Executive Representative	23/07/2010	30/06/2011
Stephen Birney	National Executive Representative	1/07/2010	30/06/2011
Margaret Dale	National Executive Representative	1/07/2010	4/02/2011
Jeanine Orzani	National Executive Representative	1/07/2010	4/02/2011
Kath Nelson	National Executive Representative	11/03/2011	30/06/2011
Katrine Hildyard	National Executive Representative	1/07/2010	30/06/2011
Ian Steel	National Executive Representative	1/07/2010	30/06/2011
Sean Kelly	National Executive Representative	1/07/2010	13/04/2011
John Phillips	National Executive Representative	1/07/2010	13/04/2011
Jeff Lapidos	National Executive Representative	1/07/2010	30/06/2011
Peter Chaplin	National Executive Representative	1/07/2010	30/06/2011
Ingrid Stitt	National Executive Representative	1/07/2010	30/06/2011
David Leydon	National Executive Representative	1/07/2010	30/06/2011
Brian Parkinson	National Executive Representative	1/07/2010	30/06/2011
Michael Rizzo	National Executive Representative	1/07/2010	13/04/2011
Russell Atwood	National Executive Representative	13/04/2011	30/06/2011
Jeff Williams	National Executive Representative	1/07/2010	31/08/2010
Paul O'Neill	National Executive Representative	31/08/2010	30/06/2011
Wayne Wood	National Executive Representative	1/07/2010	30/06/2011

Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management:


National Secretary


Date

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

COMMITTEE OF MANAGEMENT STATEMENT

On 18th of October 2011 the National Executive of the Australian Services Union passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2011:

The National Executive declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation and the rules of the branch; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of FWA; and
 - (vi) there has been compliance with any order for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) In relation to recovery of wages activity there has been no such activity undertaken by the reporting unit.

For Committee of Management:

David Smith

Title of Office Held:

National Secretary

Signature:



Date:

18/10/11

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE NATIONAL EXECUTIVE
OF AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
("NATIONAL EXECUTIVE")**

Scope

We have audited the accompanying general purpose financial report of the National Executive of the Australian Municipal Administrative Clerical & Services Union ("National Executive") for the year ended 30th June 2011 comprising Statement of Income and Expenditure, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Notes to the Financial Statements and Committee of Management Statement. The National Executive committee of management is responsible for the preparation and presentation of the financial report and the information it contains. We have performed an independent audit of this financial report in order to express an opinion on it to the members of the National Executive.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with statutory requirements so as to present a view which is consistent with our understanding of the National Executive financial position and performance as represented by the results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion –

- (a) the financial report is properly drawn up so as to present fairly the financial position of the National Executive as at 30th June 2011 and its performance for the year ended on that date; and
- (b) the financial report is in accordance with the provisions of the Fair Work (Registered Organisations) Act 2009 and Australian Accounting Standards.

Signed at Melbourne this 18th day of October 2011

**Eddy Partners
Accountants & Auditors**



David James Eddy, CPA
Registered Company Auditor
Holder of a Current Public Practice Certificate

**Eddy Partners
Accountants & Auditors
Level 8, 501 Latrobe Street
Melbourne, Victoria 3000
Tel. 9602-5177 Fax. 9602-5766**