



11 February 2016

Ms Natalie Lang  
Branch Secretary  
Australian Municipal, Administrative, Clerical and Services Union  
New South Wales and ACT (Services) Branch  
Level 1, 39-47 Renwick Street  
Redfern NSW 2016

By e-mail: [info@asu.org.au](mailto:info@asu.org.au)

Dear Ms Lang

**Australian Municipal, Administrative, Clerical and Services Union  
New South Wales and ACT (Services) Branch  
Financial Report for the year ended 30 June 2015 - FR2015/225**

I acknowledge receipt of the amended financial report for the year ended 30 June 2015 for the Australian Municipal, Administrative, Clerical and Services Union, New South Wales and ACT (Services) Branch (ASU-NSWS). The financial report was lodged with the Fair Work Commission (FWC) on 11 February 2016.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4685 or by email at [ken.morgan@fwc.gov.au](mailto:ken.morgan@fwc.gov.au)

Yours sincerely

Ken Morgan  
Financial Reporting Advisor  
Regulatory Compliance Branch

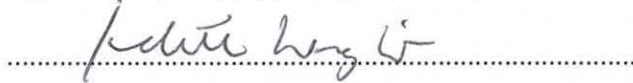
Australian Municipal, Administrative, Clerical and Services Union – New South Wales and  
ACT (Services Branch)  
*s.268 Fair Work (Registered Organisations) Act 2009*

**CERTIFICATE BY BRANCH SECRETARY**  
**Certificate for the period ended 30<sup>th</sup> June 2015**

I, Judith Wright, being the Acting Branch Secretary of the Australian Municipal,  
Administrative, Clerical and Services Union – New South Wales and ACT (Services Branch)  
certify:

- that the documents lodged herewith are copies of the full report for the Australian Municipal, Administrative, Clerical and Services Union – New South Wales and ACT (Services Branch) for the period ended 30 June 2015 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 10<sup>th</sup> February 2016; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 10<sup>th</sup> February 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer: Judith Wright

Title of prescribed designated officer: Acting Branch Secretary

Dated: 10<sup>th</sup> February 2016

**AUSTRALIAN SERVICES UNION NSW  
AND ACT (SERVICES) BRANCH  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2015**

## **AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**

### **OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2015**

In accordance with the Fair Work (Registered Organisations) Act 2009 ("the Act"), your Branch Executive presents the following report.

#### **Principal Activities**

The principal activity of the Branch during the year was that of a branch of a registered trade union. Those activities included but were not limited to representing members before Fair Work Commission, negotiating Enterprise Agreements, providing legal advice relating to Workers Compensation, representing members with individual and collective grievances, provision of industrial advice, provision of training, provision of union publications, protection of members' health and safety at work, promoting the interests of the members and improvement of living standards and quality of life for members.

The results of the Branch's principal activities were to improve the wages and conditions of employment of the Branch membership and to uphold members' industrial rights.

#### **Results**

The Branch's principal activities resulted in a net deficit for the financial year of \$54,145 (2014: net deficit of \$102,449).

#### **Significant changes in the Branch's Financial Affairs**

There was no significant change in the financial affairs of the Branch.

#### **Rights of Members – Manner of Resignation**

All members have a right to resign in accordance with rule 32 of the Union's Registered Rules and section 174(1) of the Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair work (Registered Organisations) Act 2009, a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

#### **Superannuation Fund Office Holders**

No officer or member of the Branch is a trustee of a superannuation entity or a director of a company that is a trustee of a superannuation fund where the criteria for the officer or member being the trustee or a director is that the officer or member is an officer or member of the union.

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**

**OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2015 (cont'd)**

**Other Prescribed Information**

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

- (a) the number of persons who, at the end of the financial year, were recorded in the register of members and who are taken to be members of the Branch was 11,532.
- (b) the number of persons who were, at the end of the financial year, employees of the Branch (including both full-time and part-time employees measured on a full-time equivalent basis) was 40.
- (c) the names of those who have been members of the Branch Executive at any time during the financial year and the periods for which he or she held office were:

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Narelle Clay	1 July 2014 – 30 June 2015
Deputy Branch President 1	Robert McLean	1 July 2014 – 30 June 2015
Deputy Branch President 2	John Maher	1 July 2014 – 9 April 2015
Deputy Branch President 2	Zlatko Djurdjevic	9 April 2015 – 30 June 2015
Vice President SACS	Maree McDermott	1 July 2014 - 9 April 2015
Vice President (SACS)	Lyn Bevington	9 April 2015 – 30 June 2015
Vice President (Water & Ports)	Paul Muller	1 July 2014 – 30 June 2015
Vice President (Transport)	Robert Hucker	1 July 2014 – 30 June 2015
Vice President (Hunter Water)	Peter Hull	9 April 2015 – 30 June 2015
Vice President (Private Sector Industries Group)	Laura Sharp	1 July 2014 – 4 September 2014
Vice President (Private Sector Industries Group)	Antony Steel	9 April 2015 – 30 June 2015
Branch Secretary	Sally McManus	1 July 2014 – 9 April 2015
Branch Secretary	Natalie Lang	9 April 2015 – 30 June 2015
Treasurer	Geoffrey Fuller	1 July 2014 – 9 April 2015
Treasurer	Michael Talone	9 April 2015 – 30 June 2015
Deputy Secretary	Natalie Lang	1 July 2014 – 9 April 2015
Deputy Secretary	Judith Wright	9 April 2015 – 30 June 2015
Executive Member (SACS)	Lyn Bevington	1 July 2014 - 9 April 2015
Executive Member (SACS)	Mary Waterford	1 July 2014 - 9 April 2015
Executive Member (SACS)	Pauline Gallagher	1 July 2014 - 9 April 2015
Executive Member (SACS)	Danna Nelse	1 July 2014 – 30 June 2015
Executive Member (SACS)	Jorge Segovia	1 July 2014 – 30 June 2015
Executive Member (SACS)	Nadia Saleh	9 April 2015 – 30 June 2015
Executive Member (SACS)	Ned Lambley	9 April 2015 – 30 June 2015
Executive Member (SACS)	Lisa Smajlov	9 April 2015 – 30 June 2015
Executive Member (SACS)	Maralyn Schofield	1 July 2014 – 30 June 2015
Executive Member (SACS)	Kerry Fairlie	9 April 2015 – 30 June 2015
Executive Member (SACS)	Suzanne Van Opdorp	9 April 2015 – 30 June 2015
Executive Member (Water & Port)	Anne Barlow	1 July 2014 – 30 June 2015
Executive Member (Water & Port)	Jeremy Evans	1 July 2014 – 30 June 2015
Executive Member (Private Sector Industries Group)	Antony Steel	1 July 2014 - 9 April 2015
Executive Member (Private Sector Industries Group)	Chris Turnbull	9 April 2015 – 30 June 2015
Executive Member (Private Sector Industries Group)	Paul Rowe	9 April 2015 – 30 June 2015
Executive Member (Water)	Neil Gordon	9 April 2015 – 30 June 2015

## AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

### OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2015 (Continued)

<u>Position</u>	<u>Name</u>	<u>Period</u>
Executive Member (Transport)	Zlatko Djurdjevic	1 July 2014 – 9 April 2015
Executive Member (Transport)	Mark Coleman	1 July 2014 – 30 June 2015
Executive Member (Transport)	Natalie Noyeaux	9 April 2015 – 30 June 2015

#### Officers and Employees Who are Directors of a Company or a Member of a Board

Pursuant to section 37 of Reporting Guidelines apply for the purpose of section 253 of the RO Act 2009, the following officers and employees are directors of a company or a member of a board:

There are no officers or employees that are directors of a company or members of a board.

#### Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management.



Natalie Lang  
Branch Secretary

12<sup>th</sup> November 2015

## AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

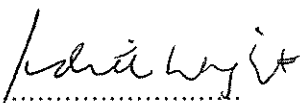
### BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 10<sup>th</sup> February 2016, the Branch Committee of Management of the Australian Services Union NSW and ACT (Services) Branch (the reporting unit) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 30 June 2015.

The Branch Committee of Management declares that in relation to the GPFR of the reporting unit for the year ended 30 June 2015:

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Commission;
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the branch for the 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; and
- e) during the financial year ended 30 June 2015 and since the end of the financial year:
  - (i) meetings of the Branch 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 branch have been managed in accordance with the rules of the organisation and the rules of the branch; and
  - (iii) the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
  - (iv) the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and national office of the organisation; and
  - (v) no information has been sought in any request of a member of the Branch or the General Manager of Fair Work Commission under section 272 of the RO Act; and
  - (vi) no order for inspection of the financial records has been made by the Commission under section 273 of the RO Act.
- f) In relation to recovery of wages activity – no recovery of wages activity has been undertaken in the year.

Signed for and on behalf of the Branch Committee of Management



.....  
Judith Wright  
**Acting Branch Secretary**

10<sup>th</sup> February 2016

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>INCOME</b>			
Membership Fees		5,359,956	4,908,314
Interest Income	4(a)	270	311
Other Income		340,372	99,023
Gain on Disposal of Non-Current Asset	4(f)	-	10,000
Administration Fee – ASU of NSW		50,000	140,000
Administration Fee – WEF		20,000	40,000
Contribution from ASU NSW in connection with archiving		86,570	81,127
Contribution from ASU NSW in connection with salaries		-	150,000
		<u>5,857,168</u>	<u>5,428,775</u>
<b>EXPENDITURE</b>			
<b>Depreciation</b>			
Furniture and Fittings		1,959	3,248
Computer Equipment		82,733	86,935
Motor Vehicles		<u>35,615</u>	<u>43,392</u>
		<u>120,307</u>	<u>133,575</u>
<b>Employee Benefits Expense</b>			
Salaries and Allowances	13		
- Officials		316,131	238,123
- Employees		2,602,648	2,683,629
Annual Leave		206,826	223,949
Long Service Leave		70,368	77,547
Fringe Benefits Tax		28,755	29,888
Superannuation		336,441	313,664
Other employee expenses		6,823	6,636
Workers Compensation		<u>33,799</u>	<u>27,349</u>
		<u>3,601,791</u>	<u>3,600,785</u>
<b>Other Expenses</b>			
Bank Charges		48,726	48,488
Affiliation Fees to political parties	21	81,536	115,187
Capitation Fees to ASU National Office	5(a)	399,116	388,626
Campaigns		82,204	109,660
Contributions to ASU of NSW Welfare and Emergency Fund		20,800	20,800
Delegates		19,022	14,474
Donations	5(b)	3,559	4,350
Equipment Expense		103,595	95,951
Insurance - PI and Journey		145,285	51,126
Meetings	5(g)	49,596	44,456
Membership fees written off		88,499	-
Motor Vehicle Expense		97,057	87,938
Office Supplies		<u>40,962</u>	<u>31,308</u>
Balance carried forward		<u>1,179,957</u>	<u>1,012,364</u>



**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2015 (cont'd)**

	Note	2015 \$	2014 \$
Balance brought forward		1,179,957	1,012,364
Payroll Tax		185,568	153,374
Postage		22,919	27,772
Printing		111,409	70,800
Professional Fees	12	38,359	63,526
Property Expenses		38,919	87,072
Provision for Membership fees in arrears		260,283	-
Relief Staff		29,842	74,547
Stationery		14,262	18,561
Telephone		166,708	129,988
Travel Expense		140,988	157,762
Transcripts		-	1,098
		<u>2,189,214</u>	<u>1,796,864</u>
<b>TOTAL EXPENDITURE</b>		<u>5,911,312</u>	<u>5,531,224</u>
<b>NET (DEFICIT)/SURPLUS FOR THE YEAR</b>		<u>(54,145)</u>	<u>(102,449)</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(54,145)</u>	<u>(102,449)</u>

(The accompanying notes form part of these financial statements.)

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	103,176	58,320
Trade and Other Receivables	7	705,459	939,271
Investments	8	<u>7,879</u>	<u>7,720</u>
Total Current Assets		<u>816,514</u>	<u>1,005,311</u>
<b>Non-Current Assets</b>			
Plant and equipment	9	<u>138,460</u>	<u>222,916</u>
Total Non-Current Assets		<u>138,460</u>	<u>222,916</u>
<b>TOTAL ASSETS</b>		<u>954,974</u>	<u>1,228,227</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	10	653,688	831,228
Provision for Employee Entitlements	11	<u>467,807</u>	<u>490,685</u>
Total Current Liabilities		<u>1,121,495</u>	<u>1,321,913</u>
<b>Non-Current Liabilities</b>			
Payables	10	<u>32,052</u>	<u>50,743</u>
Total Non-Current Liabilities		<u>32,052</u>	<u>50,743</u>
<b>TOTAL LIABILITIES</b>		<u>1,153,547</u>	<u>1,372,656</u>
<b>NET LIABILITIES</b>		<u>(198,574)</u>	<u>(144,429)</u>
<b>ACCUMULATED DEFICIT</b>		<u>(198,574)</u>	<u>(144,429)</u>

(The accompanying notes form part of these financial statements.)

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	Accumulated Deficit	Total
		\$	\$
<b>Balance at 30 June 2013</b>		(41,980)	(41,980)
<b>Other Comprehensive Income</b>			
Net Deficit for the Year		<u>(102,449)</u>	<u>(102,449)</u>
<b>Total Comprehensive Income</b>		<u>(102,449)</u>	<u>(102,449)</u>
<b>Balance at 30 June 2014</b>		<u>(144,429)</u>	<u>(144,429)</u>
<b>Other Comprehensive Income</b>			
Net Deficit for the Year		<u>(54,145)</u>	<u>(54,145)</u>
<b>Total Comprehensive Income</b>		<u>(54,145)</u>	<u>(54,145)</u>
<b>Balance at 30 June 2015</b>		<u>(198,574)</u>	<u>(198,574)</u>

**OTHER FUNDS OR ACCOUNTS**

Prescribed disclosure – There are no other funds or accounts operated in respect of compulsory levies raised by the Branch, or voluntary contributions collected from members of the reporting unit.

(The accompanying notes form part of these financial statements.)

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Members		4,949,452	5,286,134
Payments to Suppliers and Employees		(5,425,988)	(5,480,246)
Other Receipts		496,942	139,023
Interest Paid		(7,898)	(7,387)
Interest Received		<u>270</u>	<u>311</u>
<b>NET CASH (UTILISED IN)/PROVIDED BY OPERATING ACTIVITIES</b>	18(b)	<u>(12,778)</u>	<u>(62,165)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for Purchase of Property, Plant & Equipment	9	(35,849)	(79,781)
Proceeds from Sale of Property, Plant & Equipment		-	10,000
Payments for Purchase of Investments		<u>(161)</u>	<u>(185)</u>
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>		<u>(36,010)</u>	<u>(69,966)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease finance repayments		(32,796)	(38,182)
Proceeds of new lease financing		-	44,112
Net Payments to Australian Services Union of NSW		-	(76,085)
Net Receipts from Australian Services Union of NSW		<u>100,884</u>	<u>-</u>
<b>NET CASH (USED IN) BY FINANCING ACTIVITIES</b>		<u>68,088</u>	<u>(82,015)</u>
<b>NET (DECREASE)/INCREASE IN CASH HELD</b>		44,856	50,115
<b>CASH AT BEGINNING OF FINANCIAL YEAR</b>		<u>58,320</u>	<u>108,435</u>
<b>CASH AT END OF FINANCIAL YEAR</b>	18(a)	<u>103,176</u>	<u>58,320</u>

(The accompanying notes form part of these financial statements.)

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the Fair Work (Registered Organisations) Act 2009.

The financial report of the Australian Services Union NSW & ACT (Services) Branch for the year ended 30 June 2015 was authorized for issue in accordance with a resolution of the branch Council on the 12 November 2015.

**Basis of Preparation**

The financial report is for the Australian Services Union NSW and ACT (Services) Branch, and in accordance with the Fair Work (Registered Organisations) Act 2009 the Branch is a reporting unit. The Australian Services Union is an organisation registered under the Fair Work (Registered Organisations) Act 2009. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the branch are not subject to the Corporations Act 2001. The branch is not a profit entity.

The financial report has been prepared on the accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

The following is a summary of the significant accounting policies adopted by the Branch in the preparation of the financial report.

**GOING CONCERN**

As at 30 June 2015, the Branch had net liabilities of \$198,574 (2014: \$144,429) and its current liabilities exceeded its current assets by \$304,981 (2014: \$316,602). The Branch is reliant on the financial support of a related Union, the Australian Services Union of NSW. The Australian Services Union of NSW has resolved to provide ongoing financial support in order for the Australian Services Union NSW and ACT (Services) Branch to meet its debts as and when they fall due. The committee of management having regard to the above support resolved to prepare the accounts on a going concern basis

For financial support received refer to Note 15.

Australian Services Union NSW & ACT (Services) Branch did not provide any financial support to any other entities during the financial year.

**RECOVERY OF WAGES ACTIVITY**

The Branch has not undertaken recovery of wages activity and has not derived revenues for the financial year in respect of such activity. There is no financial information associated with this type of activity that must be disclosed as an additional financial report as required by section 253(2) (c) of the RO Act.

## AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

#### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### (a) Revenue

Contributions are accounted for on an accrual basis and are recorded as revenue in the year to which it relates.

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

All revenue is stated net of the amount of Goods and Services Tax (GST).

##### (b) Income Tax

No provision for Income Tax is necessary as Industrial Trade Unions are exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997.

##### (c) Property, Plant and Equipment

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

###### Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Branch commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Furniture & Fixtures	20%
Computer Equipment	25% - 33.3%
Motor Vehicles	20% - 33.3%

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

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the statement of comprehensive income in the year that the item is derecognised.

###### Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Where an asset is acquired by means of a finance lease, the asset is capitalized at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognized at the same time and for the same amount. The discount rate used is the interest rate implicit in the lease. Leased assets are amortized over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets. Rental revenue from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease

are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

## AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

#### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### (d) Impairment

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the statement of comprehensive income for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. For the purpose of assessing value in use of assets not held primarily to generate cash, this represents depreciated current replacement cost, as the Branch is a not-for-profit organisation.

##### (e) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on costs.

Other employee benefits payable later than one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. In the case of Long Service Leave this results in an amount not materially different to that achieved by discounting future cash flows.

Contributions are made by the Branch to employee superannuation funds and are charged as expenses when incurred.

##### (f) Investments

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date, which is the date on which the entity commits to purchase, or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

###### Available-for-sale financial assets

Investments, which are classified as available for sale, are measured at fair value. Unrealised gains or losses on these investments are recognised directly to equity in the Available-for-Sale Investment Reserve until the investment is sold or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported for that asset is included in the statement of comprehensive income.

##### (g) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables on the statement of financial position are shown inclusive of GST.

## AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

#### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

##### (h) Accounting Standards Issued But Not Yet Effective

There has been no accounting standards issued which could have a financial impact on the financial report in future periods and which are not yet effective.

##### (i) Comparatives

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

##### (j) New Australian Accounting Standards

###### Adoption of New Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year except for the following standards, which have been adopted for the first time this financial year:

- AASB 10 Consolidated Financial Statements redefines the concept of control. AASB 10 replaces the consolidation requirements of SIC-12 Consolidation—Special Purpose Entities and AASB 127 Consolidated and Separate Financial Statements and is effective for not-for-profit entities with annual periods beginning on or after 1 January 2014.
- AASB 11 Joint Arrangements sets out a new framework for the accounting for joint ventures, including removal of the option to use proportionate consolidation.
- AASB 12 Disclosures of Interests in Other Entities is a disclosure standard that includes all of the disclosure requirements for subsidiaries, joint arrangements, associates and consolidated and unconsolidated structured entities. As a result of adopting this Standard, additional disclosures on reporting unit associates have been included in Note 6E.

###### Future Australian Accounting Standards Requirement

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the reporting unit.

#### 2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### (a) Critical accounting estimates and assumptions

The Branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. The membership due in arrears is \$260,283 which has been fully provided.

##### (b) Critical judgements in applying the Branch's accounting principles

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.



**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)**

**3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK COMMISSION**

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 of the Fair Work (Registered Organisations) Act 2009 which read as follows:-

- (1) A member of a reporting unit, or the General Manager of Fair Work Commission, 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).

	2015 \$	2014 \$
<b>4. INCOME</b>		
(a) Capitation fees	-	-
(b) Levies	-	-
(c) <b>Interest</b>		
Deposit	270	311
Loans	-	-
(d) <b>Rental revenue</b>		
Properties	-	-
Other	-	-
(e) <b>Grants or donations</b>		
Grants	-	-
Donations	-	-
(f) <b>Net gains from sale of assets</b>		
Plant and equipment	-	10,000
<b>5. EXPENSES</b>		
(a) <b>Capitation fees</b>		
ASU National Office	399,116	388,626
(b) <b>Grants or donations</b>		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less (Non Political)	759	2,050
Total paid that exceeded \$1,000 (Political)	2,800	2,300
	<u>3,559</u>	<u>4,350</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

	2015 \$	2014 \$
(c) <b>Compulsory levy</b>	-	-
(d) <b>Fees</b> Employer payroll deduction	-	-
(e) <b>Allowances</b> Allowance for conference/meeting	-	-
(f) <b>Penalties</b> Penalties under RO Act	-	-
(g) <b>Meetings</b>		
Conferences	6,875	6,354
Functions	42,721	38,102
	<u>49,596</u>	<u>44,456</u>
<b>6. Cash on Hand</b>		
Petty Cash	1,100	1,100
Cash at bank	<u>102,076</u>	<u>57,220</u>
	<u>103,176</u>	<u>58,320</u>
<b>7. TRADE AND RECEIVABLES</b>		
<b>Current</b>		
Receivables from reporting units:		
- ASU of NSW	474,828	575,712
Membership in Arrears	260,536	88,499
Provision for Membership in Arrears	(260,536)	-
Trade Debtors	172,037	163,016
Sundry Debtors	43,801	12,364
Prepayments	<u>14,794</u>	<u>99,680</u>
	<u>705,459</u>	<u>939,271</u>
<b>8. INVESTMENTS</b>		
(Non Public Investments)		
<b>Cash and Cash Equivalents</b>		
At Call Deposits – Credit Unions	<u>7,879</u>	<u>7,720</u>
<b>9. PLANT AND EQUIPMENT</b>		
Furniture and Fixtures – at cost	17,262	13,711
Less: Accumulated Depreciation	<u>(12,768)</u>	<u>(10,806)</u>
	<u>4,494</u>	<u>2,905</u>
Computer Equipment – at cost	706,211	673,910
Less: Accumulated Depreciation	<u>(635,032)</u>	<u>(552,300)</u>
	<u>71,179</u>	<u>121,610</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

9. PLANT AND EQUIPMENT (cont'd)

	Note	2015 \$	2014 \$
Motor Vehicles – at cost		36,127	36,127
Less: Accumulated Depreciation		<u>(36,127)</u>	<u>(35,436)</u>
		-	691
Leased Motor Vehicles – at cost		187,548	187,548
Less: Accumulated Amortisation		<u>(124,763)</u>	<u>(89,838)</u>
		<u>62,785</u>	<u>97,710</u>
Total Plant and Equipment		<u>138,460</u>	<u>222,916</u>

MOVEMENTS IN CARRYING AMOUNTS

Reconciliations of the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:

	Furniture and Fittings \$	Computer Equipment \$	Motor Vehicles \$	Leased Motor Vehicles \$	Total \$
Balance at 1 July 2014	2,905	121,610	691	97,710	222,916
Additions	3,548	32,301	-	-	35,849
Disposals	-	-	-	-	-
Write back	-	-	-	-	-
Depreciation	<u>(1,959)</u>	<u>(82,732)</u>	<u>(691)</u>	<u>(34,925)</u>	<u>(120,307)</u>
Balance at 30 June 2015	<u>4,494</u>	<u>71,179</u>	<u>-</u>	<u>62,785</u>	<u>138,460</u>

10. PAYABLES

Current

Trade creditors and accruals		422,436	314,740
ASU National Office		103,393	213,409
Australian Labor Party NSW		1,500	55,549
GST Payable		71,818	127,820
Membership Fees in Advance		35,851	86,915
Lease Liability	20	18,690	32,795
Legal fees accrual		-	-
Employer Payroll deductions		<u>-</u>	<u>-</u>
		<u>653,688</u>	<u>831,228</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

		2015	2014
		\$	\$
<b>Non-Current</b>			
Lease Liability	20	<u>32,052</u>	<u>50,743</u>
<b>11. PROVISION FOR EMPLOYEE ENTITLEMENTS</b>			
<b>Office holders</b>			
Annual Leave		35,808	48,107
Long Service Leave		44,142	93,083
Separations and redundancies		-	-
Other		-	-
		<u>79,950</u>	<u>141,190</u>
<b>Employees other than office holders</b>			
Annual Leave		234,193	201,966
Long Service Leave		153,664	147,529
Separations and redundancies		-	-
Other		-	-
		<u>387,857</u>	<u>349,495</u>
		<u>467,807</u>	<u>490,685</u>
<b>12. PROFESSIONAL SERVICES</b>			
Remuneration of Auditor for:			
Audit of the financial report		23,100	27,000
Preparation of the financial report		<u>3,250</u>	<u>6,500</u>
		26,350	33,500
Legal Fees			
Litigation		-	-
Other legal matters		<u>12,009</u>	<u>19,786</u>
Total		<u>38,359</u>	<u>63,526</u>
<b>13. REMUNERATION DISCLOSURES</b>			
Employee expenses related to holders of office			
- wages and salaries;		236,119	238,123
- superannuation;		27,650	27,286
- leave and other entitlements expense		68,921	63,903
- separation and redundancies; and		80,012	-
- other employee expenses		<u>28,755</u>	<u>29,888</u>
Total		<u>441,457</u>	<u>329,012</u>

## AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

#### 13. REMUNERATION DISCLOSURES (cont'd)

	2015	2014
	\$	\$
Employee expenses related to employees (other than holders of offices)		
- wages and salaries;	2,573,298	2,683,629
- superannuation;	308,791	286,378
- leave and other entitlements expense;	208,273	237,593
- separation and redundancies; and	29,350	58,740
- Other employee expense	-	-
Total	<u>3,119,712</u>	<u>3,266,340</u>

#### 14. SUPERANNUATION

All employees of the Branch are entitled to benefits from a superannuation plan on retirement, disability or death. The Branch participated in a defined contribution plan. The benefits provided under this plan are based on accumulated contributions and earnings for each employee. The Branch's liability is limited to paying the contributions to the plan.

#### 15. RELATED PARTIES

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

##### (a) Transactions with officers of the Union

Remuneration is disclosed in Notes 13 and 17.

There have been no other transactions between officers and the union other than those relating to their membership of the union and the reimbursement by the union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

##### (b) Transactions with a Related Entity

###### Financial support received

As stated in Note 1, The Branch has received and is reliant on the ongoing financial support from an associated union, the Australian Services Union NSW, in order for the Branch to meet its debts as and when they fall due. There are no terms and conditions that have been formalised between the branch and the Australian Services Union NSW. The details of the support provided is set out in the financial statements and notes as detailed below.

- (i) Amounts receivable from the Australian Services Union of NSW are disclosed at Note 7 of the accounts.
- (ii) Administration fees received from the Australian Services Union of NSW are disclosed as income in the statement of comprehensive income and in the cash flow statement.

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)**

**15. RELATED PARTIES (cont'd)**

- (iii) Capitation Fees paid to the ASU National office are disclosed as other expenses in the statement of comprehensive income
- (iv) Amounts payable to the ASU National office are disclosed at Note 10 of the accounts.

**Acquisition Amalgamations and restructures**

There are no acquisitions, amalgamations or restructures that took place in the current financial year or the previous financial year.

**Payments to a former related party**

No payments have been made during the reporting period to a former related party of the branch, where the liability was incurred during the period in which a related party relationship existed.

**16. ADMINISTRATION PROVIDED BY ANOTHER ENTITY**

The branch does not receive any administration support (work or services) from other entities.

**17. KEY MANAGEMENT PERSONNEL COMPENSATION**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	305,040	302,026
Annual leave accrued	35,808	48,107
Performance bonus	-	-
	<hr/>	<hr/>
	340,848	350,133
<b>Post-employment benefits:</b>		
Superannuation	27,650	27,286
<b>Other long-term benefits:</b>		
Long-service leave	44,142	93,083
<b>Termination benefits:</b>	<hr/>	<hr/>
	80,012	-
<b>Total</b>	<hr/>	<hr/>
	492,652	470,502

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)**

18. CASH FLOW INFORMATION	2015	2014
	\$	\$
(a) For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks and other financial institutions.		
Cash on Hand - Petty Cash	1,100	1,100
Cash at bank	<u>102,076</u>	<u>57,220</u>
	<u>103,176</u>	<u>58,320</u>
(b) Reconciliation of cash flow from operations with operating result		
<b>(Deficit) / Surplus</b>	(54,145)	(102,449)
<b>Non-Cash flows in surplus</b>		
Depreciation	120,307	133,575
Transfer Administration Fee – ASU of NSW	-	(371,127)
Transfer ASU of NSW Welfare and Emergency Fund	-	20,800
<b>Change in Assets &amp; Liabilities</b>		
Decrease/(Increase) in Sundry Debtors and Advances to Officers and Employees	132,928	119,639
(Decrease)/Increase in Payables	(163,435)	294,316
(Decrease)/Increase in Provision for Employee Entitlements	<u>(22,878)</u>	<u>20,080</u>
<b>Cash flow from operations</b>	<u>(12,778)</u>	<u>(62,165)</u>

**19. FINANCIAL RISK MANAGEMENT**

(a) *General objectives, policies and processes*

The branch is exposed to risks that arise from its use of financial instruments. This note describes the branch's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the branch's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

19. FINANCIAL RISK MANAGEMENT (cont'd)

The branch's financial instruments consist mainly of deposits with banks, sundry debtors and payables. The main risks the branch is exposed to through its financial instruments are credit risk and liquidity risk (other price risk and foreign currency risk).

The branch committee of management has overall responsibility for the determination of the branch's risk management objectives and policies and whilst retaining ultimate responsibility for them, the branch committee of management makes investment decisions after considering advice received from advisors.

(b) *Credit Risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the branch.

There is no concentration of credit risk with respect to current and non-current receivables.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	Note	2015 \$	2014 \$
Cash and cash equivalents			
- Cash at Bank	6	102,076	57,220
- At Call Deposits	8	7,879	7,720
		<u>109,955</u>	<u>64,940</u>

The cash and cash equivalents are held in high quality Australian financial institutions.

Sundry Debtors - Current	7	43,801	12,364
Membership Receivable	7	172,037	163,016
ASU of NSW	7	474,828	575,712
Total loans and receivables		<u>690,666</u>	<u>751,095</u>

There has been no history of default and all receivables are likely to be repaid within the expected terms.



AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

19. FINANCIAL RISK MANAGEMENT (cont'd)

(c) *Liquidity Risk*

Liquidity risk is the risk that the branch may encounter difficulties raising funds to meet commitments associated with financial instruments.

The branch is exposed to this risk as at 30 June 2015, it had \$111,055 (2014: \$66,040) of cash and cash equivalents to meet these obligations as they fall due. Total liabilities at 30 June 2015 totalled \$1,153,547 (2014: \$1,372,656). The branch relies on the ongoing financial support of the Australian Service Union of NSW as disclosed at Note 15 to the accounts.

(d) *Interest Rate Risk*

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

30 June 2015	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Interest Rate Maturing		Non Interest Bearing \$	Total \$
			Within 1 Year \$	1 to 5 Years \$		
<b>Financial Assets</b>						
Cash assets	1.00%	102,076	-	-	1,100	103,176
Receivables	N/A	-	-	-	705,459	705,459
Investments	1.10%	7,879	-	-	-	7,879
<b>Total Financial Assets</b>		109,955	-	-	706,559	816,514
<b>Financial Liabilities</b>						
Payables	11.67%	-	18,690	32,052	634,998	685,740
<b>Net Financial Assets (Liabilities)</b>		109,955	(18,690)	(32,052)	71,561	130,774
<b>30 June 2014</b>						
	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Interest Rate Maturing Within 1 Year \$	1 to 5 Years \$	Non Interest Bearing \$	Total \$
<b>Financial Assets</b>						
Cash assets	1.88%	57,220	-	-	1,100	58,320
Receivables	N/A	-	-	-	939,271	939,271
Investments	2.05%	7,720	-	-	-	7,720
<b>Total Financial Assets</b>		64,940	-	-	940,371	1,005,311
<b>Financial Liabilities</b>						
Payables	11.67%	-	32,795	50,743	798,433	881,971
<b>Net Financial Assets (Liabilities)</b>		64,940	(32,795)	(50,743)	141,938	123,340

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

19. FINANCIAL RISK MANAGEMENT (cont'd)

Sensitivity Analysis

	Carrying Amount	+1.50% (150 basis points) Profit	-1.50% (150 basis points) Loss
	\$	\$	\$
<b>2015</b>			
Cash and Cash Equivalents	102,076	1,531	(1,531)
<b>2014</b>			
Cash and Cash Equivalents	57,220	858	(858)

	Notes	2015 \$	2014 \$
<b>20. COMMITMENTS</b>			
<b>Lease Commitments</b>			
<b>Payable</b>			
- Not later than 12 months		23,237	32,718
- Between 12 Months and 5 Years		<u>35,843</u>	<u>69,820</u>
		<u>59,080</u>	<u>102,538</u>
Less future finance charges		<u>(8,338)</u>	<u>(19,000)</u>
Present Value of Minimum lease payments		<u>50,742</u>	<u>83,538</u>
Current Liability	10	18,690	32,795
Non Current Liability	10	<u>32,052</u>	<u>50,743</u>
		<u>50,742</u>	<u>83,538</u>

At 30 June 2015, the Branch had 4 motor vehicle finance lease commitments (2014: 8) which all expire at different points of time with the latest being August 2018. The implicit interest rates on the leases vary between 8.15% and 14.96%.

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)**

**21. AFFILIATION FEES**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Unions NSW	20,568	59,235
Labour Councils	6,952	6,300
Australian Labor Party	54,016	49,007
Other	-	645
	<u>81,536</u>	<u>115,187</u>

**22. REGISTERED OFFICE**

The registered office and principal place of business of the branch is:  
Level 1  
39 to 47 Renwick Street  
Redfern NSW 2016





**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION OF NSW & ACT (SERVICES) BRANCH**

We have audited the accompanying financial report of Australian Services Union of NSW & ACT (Services) Branch ("the Entity"), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Branch Committee of Management.

*Branch Committee of Management and Branch Secretary's Responsibility for the Financial Report*

The Branch Committee of Management and Branch Secretary of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards*, the *Fair Work (Registered Organisations) Act 2009* and all requirements of Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*. This responsibility includes such internal controls as the Branch Committee of Management and Branch Secretary determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 of the financial report that gives a true and fair view 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 Branch Committee of Management, as well as evaluating the overall presentation of the financial report.

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

*Independence*

In conducting our audit, we have complied with the independence requirements of the *Accounting Professional and Ethical Standards Board*.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION OF NSW & ACT (SERVICES)***Opinion*

In our opinion the financial report of Australian Services Union NSW & ACT ( Services) Branch:

- (i) presents fairly, in all material respects, the entity's financial position as at 30 June 2015 and of its performance and cash flows for the year then ended; and
- (ii) complies with *Australian Accounting Standards*;
- (iii) complies with requirements of *Fair Work (Registered Organisations) Regulations 2009* and *Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009*; and
- (iv) as part of the audit of the financial statement, we have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

*Emphasis of Matter*

Without modifying our opinion, we draw attention to the statement by the members of the management committee that the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate when the branch has negative net assets and current liabilities amounting to \$198,574 and \$ 304,981 respectively. These conditions, along with other matters as disclosed in Note 1 and Note 13(b) indicate the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore, the entity may not be able to realise its assets and discharge its liabilities in the normal course of the business.

*Report on the recovery of wages activity*

The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the *Fair Work Act 2009 (Registered Organisations)*. Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the committee of management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.



*Auditors Opinion on the recovery of wages activity*

Based upon the management statements referred to above, in our opinion in relation to the recovery of wages activity, the financial report of Australian Services Union NSW & ACT (Services) Branch presents fairly all reporting guidelines in the General Manager, including:

- (i) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- (ii) any donations or other contributions deducted from recovered money

*Other Matter*

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia.

Dated at Sydney the 10<sup>th</sup> day of February 2016.

ESV Accounting and Business Advisors



Tim Valtwies  
Partner