



2 February 2016

Mr Richard Duffy  
Branch Secretary  
Australian Municipal, Administrative, Clerical and Services Union  
Victorian and Tasmanian Authorities and Services Branch  
1<sup>st</sup> Floor, 116-124 Queensberry Street  
Carlton South VIC 3053

By e-mail: [ibu@asuvictas.com.au](mailto:ibu@asuvictas.com.au)

Dear Mr Duffy

**Australian Municipal, Administrative, Clerical and Services Union  
Victorian and Tasmanian Authorities and Services Branch  
Financial Report for the year ended 30 June 2015 - FR2015/269**

I acknowledge receipt of the financial report for the year ended 30 June 2015 for the Australian Municipal, Administrative, Clerical and Services Union, Victorian and Tasmanian Authorities and Services Branch (ASU-VT). The financial report was lodged with the Fair Work Commission (FWC) on 21 December 2015.

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

Whilst the 2015 report has been filed the following should be addressed in the preparation of the next financial report.

**1. General Purpose Financial Report**

**Difference in figure reported in Statement of Loans, Grants and Donations (LGD) and financial report**

The ASU-VT lodged a LGD with the FWC as required under subsection 237(1) of the RO Act on 28 September 2015. The LGD figure for donations that exceeded \$1,000 was \$14,900. The figure disclosed in the financial report is \$10,500.

In future, please ensure that the figures reported in the LGD and financial statements are reported consistently.

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

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

Ken Morgan  
Financial Reporting Advisor  
Regulatory Compliance Branch

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN  
AUTHORITIES & SERVICES BRANCH**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2015**

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**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

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

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The Committee of Management presents its report on the operation of the Branch for the financial year ended 30 June 2015.

**Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year**

The principal activities of the Branch during the financial year ended 30 June 2015 was to provide industrial, professional and managerial services to members consistent with the objects of the Union and particularly the object of protecting and improving the interests of the members

**Operating Result**

The operating result of the Branch for the year ended 30<sup>th</sup> June 2015 was a deficit of (\$368,307) [2014: (\$248,298)]. No provision for tax was necessary as the Branch is considered exempt.

**Significant changes in financial affairs**

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

**Right of members to resign**

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 of which they are a member.

**Officers & employees who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee**

The following officers and/or employees of the Branch 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/Employee:</u>	<u>Trustee Company:</u>	<u>Name of Entity / Scheme:</u>	<u>Position:</u>	<u>Remuneration:</u>
Brian Parkinson	Vision Super Pty Ltd	Vision Super	Director	\$ 9,995
Russell Atwood	Vision Super Pty Ltd	Vision Super	Director	\$ 4,722
Richard Duffy	Vision Super Pty Ltd	Vision Super	Director	\$ 37,177
Wendy Phillips	Vision Super Pty Ltd	Vision Super	Director	\$ 54,750
Lisa Darmanin	HEST Australia Pty Ltd	HESTA	Director	\$ 3,623



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

**Officers & employees who are directors of a company or members of a board**

The following officers and/or employees of the Branch are directors of companies or members of boards -

<u>Officer/Employee:</u>	<u>Company/Board:</u>	<u>Principal Activity:</u>	<u>Criteria:</u>
Lisa Darmanin	Community Services & Health Industry Training Board	Overseeing the training needs of SACS industry	Nominated by Branch
	Emilys List Australia	Provide support including financial support to women candidates in federal, state, territory and local government elections	Appointed by the National Committee of Emilys List Australia
	VTHC Executive Council	Victorian Unions' peak organisation	Nominated by Branch
Igor Grattan	Primary Skills Victoria	Training Advisory Board	Nominated by Branch
Russell Atwood	VTHC Executive Council	Victorian Unions' peak organisation	Nominated by Branch
	Enterprising Results Pty Ltd	Organisational Change Projects	Private company
John O'Neill	Equip Super	Superannuation	Elected by fund members (Director)

**Number of members**

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

The number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the Branch under sec. 244 of the Fair Work (Registered Organisations) Act 2009 was 23,779.

**Number of employees**

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 64;

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

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

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**Names of Committee of Management members and period positions held during the financial year**

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

<b>Name:</b>	<b>Position:</b>	<b>Period:</b>
<b><u>Full-time Officers</u></b>		
Brian Parkinson	Branch Secretary	1/7/2014 to 25/7/2014
Richard Duffy	Branch Secretary	25/7/2014 to 30/6/2015
Russell Atwood	Branch Executive President	1/7/2014 to 25/7/2014
Lisa Darmanin	Branch Executive President	25/7/2014 to 30/6/2015
Lisa Darmanin	Assistant Branch Secretary	1/7/2014 to 25/7/2014
Igor Grattan	Assistant Branch Secretary	1/7/2014 to 25/7/2014
Richard Duffy	Assistant Branch Secretary	1/7/2014 to 25/7/2014

**Honorary Officers**

Wendy Phillips	Branch President	1/7/2014 to 30/6/2015
John O'Neill	Branch Senior Vice President	1/7/2014 to 31/3/2015
Robyn Glascott	Branch Senior Vice President	1/4/2015 to 30/6/2015
Linda Seaborn	Branch Junior Vice President	1/7/2014 to 31/3/2015
Josephine Ackerman	Branch Vice President Women	1/7/2014 to 30/6/2015
Hayley Davies	Branch Executive Youth	1/7/2014 to 31/3/2015
Nicola Callinan	Branch Executive Youth	1/4/2015 to 30/6/2015

**Committee Members**

David Andrews	Committee Member	1/7/2015 to 30/6/2015
Ann Beck	Committee Member	1/7/2014 to 30/6/2015
Dale Borthwick	Committee Member	1/7/2014 to 31/3/2015
Darren Cresswell	Committee Member	1/7/2014 to 30/6/2015
Joanna Crockett	Committee Member	1/7/2014 to 31/3/2015
Hayley Davies	Committee Member	1/7/2014 to 30/6/2015
Aaron De La Torre	Committee Member	1/7/2014 to 30/6/2015
Kim Delahey	Committee Member	1/4/2015 to 30/6/2015
Kate Evans	Committee Member	1/4/2015 to 30/6/2015
Barry Gough	Committee Member	1/7/2014 to 30/6/2015
Aiden Hume	Committee Member	1/7/2014 to 31/3/2015
David Keep	Committee Member	1/7/2014 to 31/3/2015
Raymond Lamaro	Committee Member	1/4/2015 to 30/6/2015
Sally Lanting	Committee Member	1/7/2014 to 31/3/2015
Piergiorgio Moro	Committee Member	1/7/2014 to 30/6/2015
Troy Parkinson	Committee Member	1/7/2014 to 30/6/2015
Maree Renden	Committee Member	1/7/2014 to 30/6/2015
Prescilla Schwalger	Committee Member	1/7/2014 to 27/8/2014
Liane Simko	Committee Member	1/4/2015 to 30/6/2015
Katrina Spence	Committee Member	1/4/2015 to 30/6/2015

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

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

**Disclosure statements – Remuneration and non-cash benefits of highest paid officers**

The two highest paid officers of the Branch for the disclosure period ended 30<sup>th</sup> June 2015 and the amounts of relevant remuneration paid to them and the value or form of non-cash benefits received by them is as set out in the table below:

Name of officer	Actual amount of relevant remuneration	Value of or form of non-cash benefits
Richard Duffy	\$ 150,162	\$ 5,333
Lisa Darmanin	\$ 173,080	\$ 2,519

**Disclosure statements – Officers' material personal interests**

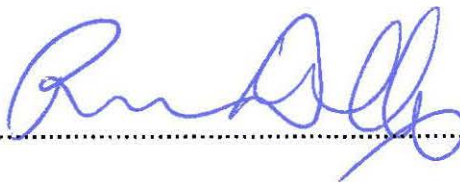
No officer of the Branch has disclosed any material personal interests that they or a relative of theirs has in a matter that relates to the affairs of the Branch in the year ended 30<sup>th</sup> June 2015.

**Disclosure by Branch of payments to related parties or declared persons**

The Branch has made total payments to the following related parties of the Branch in the year ended 30<sup>th</sup> June 2015:

Related Party	Officer	Total of payments made
Brendan Parkinson	No	\$ 85,485
Matthew Parkinson	No	\$ 78,848
Tim Atwood	No	\$ 33,690
Luke Cherry	No	\$ 103,991
Zandra Grattan-Lynch	No	\$ 42,164

Signature of designated officer: .....



Name and title of designated officer: .....

RICHARD DUFFY - BRANCH SECRETARY

Dated: .....

24/11/15



**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2015**

On the 24<sup>th</sup> November 2015 the Committee of Management of the Australian Services Union – Victorian and Tasmanian Authorities & Services Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30<sup>th</sup> June 2015:

The Committee of Management declares 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 the General Manager;
- (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; and
- (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 including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, it has been provided to the member or General Manager; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer:  .....

Name and title of designated officer: RICHARD DUFFY - BRANCH SECRETARY .....

Dated: 24/11/15 .....

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

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

	Note	2015 \$	2014 \$
<b>Revenue</b>			
Membership subscriptions		11,231,679	11,012,599
Interest		82,337	121,997
Profit on disposal of assets		-	514
Other revenue	3	430,022	310,915
<b>Total revenue</b>		<b>11,744,038</b>	<b>11,446,025</b>
<b>Expenses</b>			
Employee expenses	4	8,206,734	7,853,705
Capitation fees	4	698,869	644,867
Affiliation fees	4	232,593	220,640
Administration expenses	4	1,128,314	1,085,313
Grants or donations	4	13,943	7,574
Depreciation and amortisation	4	467,914	500,141
Legal costs	4	183,548	133,614
Audit fees		26,650	26,150
Motor Vehicle expenses		378,228	370,786
Travel expenses		250,075	301,700
Occupancy expenses		247,310	269,023
Communications expenses		171,542	187,439
Net losses from sale of assets		100,589	93,371
Impairment losses		6,036	-
<b>Total expenses</b>		<b>12,112,345</b>	<b>11,694,323</b>
<b>Profit (loss) for the year</b>		<b>(368,307)</b>	<b>(248,298)</b>
<b>Other comprehensive income</b>			
Items that will not be subsequently reclassified to profit or loss		-	-
<b>Total comprehensive income for the year</b>		<b>(368,307)</b>	<b>(248,298)</b>

The accompanying notes form part of the financial statements.

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

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

	Notes	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	1,957,607	3,235,063
Trade and other receivables	6	224,459	220,307
Other current assets	7	92,118	99,901
<b>Total current assets</b>		<b>2,274,184</b>	<b>3,555,271</b>
<b>Non-Current Assets</b>			
Trade and other receivables	6	45,562	63,787
Property, plant and equipment	8	5,290,122	5,518,934
Other investments	9	2,210,615	1,138,838
<b>Total non-financial assets</b>		<b>7,546,299</b>	<b>6,721,559</b>
<b>Total assets</b>		<b>9,820,483</b>	<b>10,276,830</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	454,686	507,090
Provisions	11	1,704,250	1,642,025
<b>Total current liabilities</b>		<b>2,158,936</b>	<b>2,149,115</b>
<b>Non-Current Liabilities</b>			
Borrowings	12	-	100,000
Provisions	11	129,335	127,196
<b>Total non-current liabilities</b>		<b>129,335</b>	<b>227,196</b>
<b>Total liabilities</b>		<b>2,288,271</b>	<b>2,376,311</b>
<b>Net assets</b>		<b>7,532,212</b>	<b>7,900,519</b>
<b>EQUITY</b>			
Accumulated Funds		7,532,212	7,900,519
<b>Total equity</b>		<b>7,532,212</b>	<b>7,900,519</b>

The accompanying notes form part of the financial statements.

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

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

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	<b>Retained earnings</b>	<b>Total equity</b>
	\$	\$
<b>Balance as at 1 July 2013</b>	8,148,817	8,148,817
Profit/(deficit) for the year	(248,298)	(248,298)
<b>Balance as at 30 June 2014</b>	<u>7,900,519</u>	<u>7,900,519</u>
<b>Balance as at 1 July 2014</b>	7,900,519	7,900,519
Profit/(deficit) for the year	(368,307)	(368,307)
<b>Balance as at 30 June 2015</b>	<u>7,532,212</u>	<u>7,532,212</u>

The accompanying notes form part of the financial statements.

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units	14B	177,548	243,448
Receipts from members		11,218,813	11,013,178
Interest		79,625	142,619
Other		289,251	220,231
<b>Cash used</b>			
Payments to Employees & Suppliers		(10,544,985)	(10,218,499)
Payment to other reporting units	14B	(1,098,429)	(1,269,302)
<b>Net cash from (used by) operating activities</b>	14A	<b>121,823</b>	<b>131,675</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of motor vehicles, furniture and equipment		112,318	132,409
Proceeds from sale of investments		-	-
<b>Cash used</b>			
Purchase of buildings – National Office	14B	-	(783,772)
Purchase of buildings		-	(274,148)
Purchase of motor vehicles, furniture and equipment		(452,009)	(674,414)
Purchase of investments		(1,077,813)	(131,738)
<b>Net cash from (used by) investing activities</b>		<b>(1,417,504)</b>	<b>(1,731,663)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Repayment of loans	14B	18,225	9,113
<b>Cash used</b>			
Loan provided	14B	-	(91,125)
<b>Net cash from (used by) financing activities</b>		<b>18,225</b>	<b>(82,012)</b>
<b>Net increase (decrease) in cash held</b>		<b>(1,277,456)</b>	<b>(1,682,000)</b>
Cash & cash equivalents at the beginning of the reporting period		3,235,063	4,917,063
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5	<b>1,957,607</b>	<b>3,235,063</b>

The accompanying notes form part of the financial statements.



**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**1. Summary of significant accounting policies**

**1a Basis of preparation of the financial statements**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Services Union – Victorian and Tasmanian Authorities & Services Branch is a not-for-profit entity.

The financial statements have been prepared on an 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 values 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.

**1b Comparative amounts**

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

**1c Significant accounting judgements and estimates**

The preparation of financial statements requires the Branch to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

**1d 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.

**Future Australian Accounting Standards Requirements**

There were no 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 Australian Services Union – Victorian and Tasmanian Authorities & Services Branch.

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**1e Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Interest revenue is recognised on an accrual basis using the effective interest method.

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

**1f Government grants**

Government grants are not recognised until there is reasonable assurance that the Australian Services Union – Victorian and Tasmanian Authorities & Services Branch will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss when the Union obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Union and the amount of the grant can be measured reliably.

**1g Gains**

**Sale of assets**

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

**1h Capitation fees and levies**

Capitation fees and levies are to be recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

**1i Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits which are expected to be settled within twelve months of the end of the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability including related on costs.

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**1i Employee benefits (continued)**

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

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

**1j Leases**

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

**1k Cash and cash equivalents**

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

**1l Financial instruments**

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**1m Financial assets**

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

***Fair value through profit or loss***

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

***Held-to-maturity investments***

Financial assets with fixed or determinable payments and fixed maturity dates that the Union has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

***Available-for-sale***

Listed shares and listed redeemable notes held by the Union that are traded in an active market are classified as available-for-sale and are stated at fair value. Dividends from available-for-sale equity instruments are recognised in profit or loss when received.

***Loans and receivables***

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

***Effective interest method***

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**1m Financial assets (continued)**

***Impairment of financial assets***

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

***Derecognition of financial assets***

The Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

**1n Financial liabilities**

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities.

***Other financial liabilities***

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

***Derecognition of financial liabilities***

The Union derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.



**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**1o Property, plant and equipment**

Property, plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation or amortisation.

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses.

**Depreciation**

The depreciable amount of property, plant and equipment (other than freehold land) is depreciated on either a straight line or diminishing value basis over their useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of asset are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Buildings	2.5%
Motor Vehicles	25%
Furniture and Equipment	7.5% - 40%

All minor purchases of assets are considered by the Committee as having a useful life relative only to the period of purchase and as such are written off during that period.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss in the statement of comprehensive income.

**1p Taxation**

The Union is exempt from income tax under Section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

**2 Events after the reporting period**

There were no events that occurred after 30 June 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Services Union – Victorian and Tasmanian Authorities & Services Branch.

**AUSTRALIAN SERVICES UNION  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**3. Other Revenue**

	2015	2014
	\$	\$
Rent Received	70,484	35,242
Grant Monies Received	-	9,127
Gain on Revaluation of Investments	-	113,446
Dividends & Distributions Received	93,939	35,216
Sundry Income	165,599	117,884
National Office Equity Loan Forgiven	100,000	-
Capitation Fees	-	-
Levies	-	-
Donations Received	-	-
Financial support from another reporting unit	-	-
	<u>430,022</u>	<u>310,915</u>

**4. Expenses**

**Employee expenses**

**Holders of office:**

Wages and salaries	310,022	574,210
Superannuation	56,990	120,508
Leave and other entitlements	(274,995)	53,844
Separation and redundancies	250,091	-
Other employee expenses	25,202	50,180
<b>Subtotal employee expenses holders of office</b>	<u>367,310</u>	<u>798,742</u>

**Employees other than office holders:**

Wages and salaries	5,681,690	5,320,633
Superannuation	991,483	841,011
Leave and other entitlements	339,359	117,553
Separation and redundancies	262,489	246,978
Other employee expenses	564,403	528,788
<b>Subtotal employee expenses employees other than office holders</b>	<u>7,839,424</u>	<u>7,054,963</u>
<b>Total employee expenses</b>	<u>8,206,734</u>	<u>7,853,705</u>

**Capitation fees**

ASU National Office	698,869	644,867
<b>Total capitation fees</b>	<u>698,869</u>	<u>644,867</u>

**AUSTRALIAN SERVICES UNION  
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**4. Expenses (continued)**

	2015 \$	2014 \$
<b>Affiliation fees</b>		
Australian Labor Party	120,441	111,427
Victorian Trades Hall Council	80,996	78,706
Ballarat Trades & Labour Council	3,136	3,136
Bendigo Trades & Labour Council	945	1,260
Geelong Trades & Labour Council	8,556	8,256
Gippsland Trades & Labour Council	1,364	1,273
Goulburn Valley Trades & Labour Council	960	873
North East Trades & Labour Council	2,452	1,533
South West Trades & Labour Council	750	1,500
Sunraysia Trades & Labour Council	932	909
Unions Tasmania	11,606	11,312
Australia Asia Worker Links	455	455
<b>Total affiliation fees</b>	<u>232,593</u>	<u>220,640</u>
<b>Administration expenses</b>		
Consideration to employers for payroll deductions	-	-
Industry Division Levy – ASU National Office	1,344	1,301
Campaign Levy – ACTU	-	42,624
Campaign Levy – VTHC	40,000	40,000
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	315,313	310,780
Other	771,657	690,608
Penalties - via RO Act or RO Regulations	-	-
<b>Total administration expenses</b>	<u>1,128,314</u>	<u>1,085,313</u>
<b>Donations</b>		
Total paid that were \$1,000 or less	3,443	6,334
Total paid that exceeded \$1,000	10,500	1,240
<b>Total donations</b>	<u>13,943</u>	<u>7,574</u>
<b>Grants</b>		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants</b>	<u>-</u>	<u>-</u>



**AUSTRALIAN SERVICES UNION  
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**4. Expenses (continued)**

	2015	2014
	\$	\$
<b>Depreciation</b>		
Depreciation		
Buildings	70,615	61,122
Motor Vehicles	272,184	286,375
Furniture and Equipment	125,115	152,644
<b>Total depreciation</b>	<u>467,914</u>	<u>500,141</u>
<b>Legal costs</b>		
Litigation	37,161	93,141
Other legal matters	146,387	40,473
<b>Total legal costs</b>	<u>183,548</u>	<u>133,614</u>
<b>Remuneration of auditors</b>		
Financial statement audit services	26,000	25,000
Other services	6,150	6,550
<b>Total remuneration of auditors</b>	<u>32,150</u>	<u>31,550</u>

Other services include the audit of the political membership return, audit of grant monies received and completion of fringe benefits tax return.

**5. Cash and cash equivalents**

Cash on hand	2,069	1,972
Cash at bank	1,955,538	3,233,091
<b>Total cash and cash equivalents</b>	<u>1,957,607</u>	<u>3,235,063</u>

Cash at bank includes –

- Term deposit held with Members Equity Bank with an interest rates of 2.85% (2014: 3.15% - 3.60%)
- Term deposits held with Commonwealth Bank with an interest rate of 2.45% (2014: 3.15%)

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**6. Trade and other receivables**

	2015	2014
	\$	\$
<b><u>Current</u></b>		
<b>Receivables from other reporting units</b>		
ASU National Office	36,252	44,459
ASU Victorian Private Sector Branch	22,252	23,653
<b>Total receivables from other reporting units</b>	<b>58,504</b>	<b>68,112</b>
<b>Other receivables:</b>		
Other trade receivables	165,955	152,195
<b>Total other receivables</b>	<b>165,955</b>	<b>152,195</b>
<b>Total trade and other receivables</b>	<b>224,459</b>	<b>220,307</b>

**Non-Current**

<b>Receivables from other reporting units</b>		
ASU Victorian Private Sector Branch	45,562	63,787
<b>Total receivables from other reporting units</b>	<b>45,562</b>	<b>63,787</b>

The carrying amounts of all current trade and other receivables are equal to their fair values as they are short term receivables and non-interest bearing.

As part of its tenancy agreement the Branch agreed to an interest free loan to the ASU Victorian Private Sector Branch for the cost of fitout for its new premises. This loan is to be repaid over a 60 month term. This loan is included in the above amounts owing from ASU Victorian Private Sector Branch.

**7. Other current assets**

	2015	2014
	\$	\$
Prepayments	87,592	98,087
Interest receivable	4,526	1,814
<b>Total other current assets</b>	<b>92,118</b>	<b>99,901</b>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**8. Property, Plant and Equipment**

**Land & Buildings – Queensberry Street**

At Cost	4,091,253	4,091,253
Less Accumulated Depreciation	(563,270)	(495,155)
<b>Net Land &amp; Buildings</b>	<b>3,527,983</b>	<b>3,596,098</b>

**Land & Buildings – Macquarie Street**

At Cost	570,000	570,000
Less Accumulated Depreciation	(5,356)	(2,856)
<b>Net Land &amp; Buildings</b>	<b>564,644</b>	<b>567,144</b>

**Motor Vehicles**

At Cost	1,464,366	1,435,017
Less Accumulated Depreciation	(610,392)	(520,743)
<b>Net Motor Vehicles</b>	<b>853,974</b>	<b>914,274</b>

**Furniture & Equipment**

At Cost	1,102,241	1,161,749
Less Accumulated Depreciation	(758,720)	(720,331)
<b>Net Furniture &amp; Equipment</b>	<b>343,521</b>	<b>441,418</b>

**Total property, plant and equipment**

<b>5,290,122</b>	<b>5,518,934</b>
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**Movements in Carrying Amounts**

2015	Land & Buildings \$	Motor Vehicles \$	Furniture & Equipment \$	Total \$
Balance at beginning of year	4,163,242	914,274	441,418	5,518,934
Additions	-	417,094	34,916	452,010
Depreciation expense	(70,615)	(272,184)	(125,115)	(467,914)
Disposals	-	(205,210)	(7,698)	(212,908)
<b>Carrying amount at end of year</b>	<b>4,092,627</b>	<b>853,974</b>	<b>343,521</b>	<b>5,290,122</b>

**AUSTRALIAN SERVICES UNION  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**8. Property, Plant and Equipment (continued)**

**Movements in Carrying Amounts**

<b>2014</b>	<b>Land &amp; Buildings \$</b>	<b>Motor Vehicles \$</b>	<b>Furniture &amp; Equipment \$</b>	<b>Total \$</b>
Balance at beginning of year	3,166,444	895,383	450,180	4,512,007
Additions	1,057,920	525,988	148,426	1,732,334
Depreciation expense	(61,122)	(286,375)	(152,644)	(500,141)
Disposals	-	(220,722)	(4,544)	(225,266)
Carrying amount at end of year	4,163,242	914,274	441,418	5,518,934

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

The Branch has a 76.70% interest in the building together with the National Office.

The property was independently valued at \$7,830,000 on the 24<sup>th</sup> June 2011 by WBP Property Group. The Branch's 76.70% share is therefore \$6,005,610.

**Land & Buildings – 265 Macquarie Street, Hobart**

The property was transferred into the Union's name on 10<sup>th</sup> May 2013. The valuation used was the capital value of \$570,000 as shown on the Hobart City Council rates notice.

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**9. Other Investments**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Industry Fund Services Portfolio – At Fair Value	<b>2,208,746</b>	1,137,042
MyState Limited – At Fair Value	<b>1,869</b>	1,796
<b>Total investment</b>	<b>2,210,615</b>	<b>1,138,838</b>

Movement in Fair Value – Industry Fund Services

Opening Balance	<b>1,137,042</b>	892,013
Net (Disposals)/Additions	<b>1,077,813</b>	131,738
Fair value adjustment	<b>(6,109)</b>	113,291
Closing Balance	<b>2,208,746</b>	<b>1,137,042</b>

Movement in Fair Value – MyState Limited

Opening Balance	<b>1,796</b>	1,641
Net (Disposals)/Additions	-	-
Fair value adjustment	<b>73</b>	155
Closing Balance	<b>1,869</b>	<b>1,796</b>

The equity investments are managed on behalf of the ASU – Victorian and Tasmanian Authorities & Services Branch by Industry Fund Services Limited.

**10. Trade and other payables**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Trade creditors and accruals	<b>177,947</b>	334,855
GST Payable	<b>221,039</b>	115,651
Consideration to employers for payroll deductions	-	-
Legal Fees Payable – Litigation	<b>9,918</b>	-
Legal Fees Payable – Other Legal Matters	<b>13,891</b>	19,516
<b>Subtotal trade and other payables</b>	<b>422,795</b>	<b>470,022</b>
<b>Payables to other reporting units</b>		
ASU National Office	<b>31,891</b>	37,068
<b>Subtotal payables to other reporting units</b>	<b>31,891</b>	<b>37,068</b>
<b>Total trade and other payables</b>	<b>454,686</b>	<b>507,090</b>

**AUSTRALIAN SERVICES UNION  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**11. Provisions**

	2015	2014
	\$	\$
<b>Employee provisions - Current</b>		
<b>Office Holders:</b>		
Annual leave	66,813	171,061
Long service leave	88,560	216,520
Separations and redundancies	-	-
Other	-	42,786
	<u>155,373</u>	<u>430,367</u>
<b>Employees other than office holders:</b>		
Annual leave	753,520	577,380
Long service leave	728,252	544,275
Separations and redundancies	-	-
Other	67,105	90,003
	<u>1,548,877</u>	<u>1,211,658</u>
<b>Total employee provisions - current</b>	<u>1,704,250</u>	<u>1,642,025</u>
<b>Employee provisions – Non-Current</b>		
<b>Office Holders:</b>		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
	<u>-</u>	<u>-</u>
<b>Employees other than office holders:</b>		
Annual leave	-	-
Long service leave	129,335	127,196
Separations and redundancies	-	-
Other	-	-
	<u>129,335</u>	<u>127,196</u>
<b>Total employee provisions – non-current</b>	<u>129,335</u>	<u>127,196</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**12. Borrowings**

**Non-Current**

ASU–National Office	-	100,000
<b>Total non-current borrowings</b>	<b>-</b>	<b>100,000</b>

The equity loan with National Office has been forgiven by National Executive and the income brought to account in the Statement of Comprehensive Income – refer Note 3.

**13. Contingent liabilities**

The members of the Committee of Management are unaware of any contingent liability, the effect of which may be material in relation to the financial statements.

**AUSTRALIAN SERVICES UNION  
VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**14. Cash flow information**

**14A: Cash flow reconciliation**

	2015	2014
	\$	\$
<b>Reconciliation of surplus(deficit) to net cash from operating activities:</b>		
Surplus/(deficit) for the year	(368,307)	(248,298)
<b>Adjustments for non-cash items</b>		
Depreciation	467,914	500,141
National Office loan forgiven	(100,000)	-
Loss/(Profit) on disposal of assets	100,589	92,857
Unrealised Loss/(Gain) on value of investments	6,036	(113,446)
<b>Changes in assets/liabilities</b>		
(Increase)/decrease in trade and receivables	(4,152)	31,945
(Increase)/decrease in other assets	7,783	25,805
Increase/(decrease) in trade and other payables	(52,404)	(328,726)
Increase/(decrease) in employee provisions	64,364	171,397
<b>Net cash from (used by) operating activities</b>	<b>121,823</b>	<b>131,675</b>

**14B: Cash flow information**

Cash inflows

ASU – National Office	82,315	199,811
ASU – Victorian Private Sector Branch	113,458	52,750
<b>Total cash inflows</b>	<b>195,773</b>	<b>252,561</b>

Cash outflows

ASU – National Office	1,098,429	2,053,074
ASU – Victorian Private Sector Branch	-	91,125
<b>Total cash outflows</b>	<b>1,098,429</b>	<b>2,144,199</b>



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**15. Related party disclosures**

**15A: Related party transactions for the reporting period**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b><u>Revenue received includes the following:</u></b>		
<b>ASU National Office</b>		
Other revenue	<b>24,517</b>	56,034
Administration expenses recovered	<b>50,508</b>	80,583
	<b>75,025</b>	<b>136,617</b>
<b>ASU Victorian Private Sector Branch</b>		
Other revenue	<b>70,484</b>	35,242
Administration expenses recovered	<b>23,497</b>	13,412
	<b>93,981</b>	<b>48,654</b>
<b><u>Expenses paid includes the following:</u></b>		
<b>ASU National Office</b>		
Industry Division Levy	<b>1,344</b>	1,301
Payroll Tax	<b>348,861</b>	333,194
Capitation Fees	<b>698,869</b>	644,867
Administration Expenses	<b>15,028</b>	105,443
	<b>1,064,102</b>	<b>1,084,805</b>
<b><u>Amounts owed by -</u></b>		
ASU Victorian Private Sector Branch	<b>67,814</b>	87,440
ASU National Office	<b>36,252</b>	44,459
	<b>104,066</b>	<b>131,899</b>
<b><u>Amounts owed to -</u></b>		
ASU National Office	<b>31,891</b>	37,068

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**15. Related party disclosures (continued)**

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2015, the ASU Victorian and Tasmanian Authorities & Services Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2014: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**15B: Key management personnel remuneration for the reporting period**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	<b>310,022</b>	574,210
Annual and sick leave accrued	<b>(147,035)</b>	29,158
<b>Total short-term employee benefits</b>	<b>162,987</b>	<b>603,368</b>
<b>Post-employment benefits:</b>		
Superannuation	<b>56,990</b>	120,508
<b>Total post-employment benefits</b>	<b>56,990</b>	<b>120,508</b>
<b>Other long-term benefits:</b>		
Long-service leave	<b>(127,960)</b>	24,686
<b>Total other long-term benefits</b>	<b>(127,960)</b>	<b>24,686</b>
<b>Termination benefits</b>	<b>250,091</b>	-
<b>Total</b>	<b>342,108</b>	<b>748,562</b>

**AUSTRALIAN SERVICES UNION  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**15. Related party disclosures (continued)**

**15C: Transactions with key management personnel and their close family members**

Brendan Parkinson

Son of Brian Parkinson

Employed as an Organiser by Branch

Total payments made \$85,485

Matthew Parkinson

Son of Brian Parkinson

Employed as an Organiser by Branch

Total payments made \$78,848

Tim Atwood

Son of Russell Atwood

Employed as Member Contact Centre Officer by Branch

Total payments made \$33,690

Luke Cherry

Spouse of Lisa Darmanin

Employed as an Organiser by Branch

Total payments made \$103,991

Zandra Grattan-Lynch

Spouse of Igor Grattan

Employed as a Training Officer by Branch

Total payments made \$42,164

**AUSTRALIAN SERVICES UNION  
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**16. Financial instruments**

The Union's activities expose it to the primary financial risks of market, liquidity, credit and interest rate risk. The Union's overall risk management approach is to identify the risks and implement safeguards which seek to minimise potential adverse effects on the financial performance of the Union.

Market Risk

The Union is exposed to equity securities price risk. This arises from investments held by the Union and classified on the statement of financial position either as available-for-sale or at fair value through profit or loss.

The table below summarises the impact of increases/(decreases) of the unit prices on the Union's equity. The analysis is based on the assumption that the unit prices had increased/(decreased) by 10% (2014 – 10%) with all other variables held constant and all the Union's equity instruments moved according to the historical correlation with the unit prices.

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Effect on equity:</b>		
Increase of unit prices by 10%	<b>221,062</b>	<b>113,884</b>
Decrease of unit prices by 10%	<b>(221,062)</b>	<b>(113,884)</b>

Liquidity Risk

Liquidity risk is the risk that the Union may not be able to meet its financial obligations as they fall due. The Union has both short term and long term investments which enable sufficient cash to be available to settle obligations as they fall due.

Credit Risk

Credit risk is the risk of financial loss to the Union if a member or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, receivables, deposits with banks and financial institutions and loans to branches.

There is no concentration of credit risk with respect to current receivables. The maximum exposure to credit risk for receivables at the reporting date is the carrying amount in the statement of financial position.

Cash transactions are limited to high credit quality financial institutions. Currently the investments are held in Australian banks. The Union has no significant concentrations of credit risk.

**AUSTRALIAN SERVICES UNION  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**16. Financial instruments (continued)**

Credit Risk

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. The credit quality of financial assets can be assessed by reference to external credit ratings as follows :

	2015	2014
	\$	\$
<b>Cash at bank</b>		
AA- Rating	487,929	439,845
A-2 Rating	431,722	314,160
	919,651	754,005
 <b>Term Deposits</b>		
AA- Rating	106,335	104,615
A-2 Rating	929,552	2,374,471
	1,035,887	2,479,086

Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value and future cash flows will fluctuate as a result of changes in market interest rates. The Union's exposure to interest rate risk arises from cash at bank and term deposits.

Sensitivity analysis

As at 30 June the effect on the surplus/(deficit) as a result of changes in interest rates, with all other variables remaining constant would be as follows:

	2015	2014
	\$	\$
<b>Effect on results:</b>		
Increase of interest rates by 1%	19,555	32,331
Decrease of interest rates by 1%	(19,555)	(32,331)

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**16. Financial instruments (continued)**

Maturity profile of financial instruments

The maturity profile of financial assets and liabilities held are detailed below:

<b>2015</b>	<b>Weighted Average Interest Rate</b>	<b>Floating Interest Rate</b>	<b>1 year or less</b>	<b>1 to 5 years</b>	<b>Non Interest Bearing</b>	<b>Total</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>						
Cash on hand		-	-	-	2,069	2,069
Cash at bank	2.50	919,651	-	-	-	919,651
Term Deposits	2.81	-	1,035,887	-	-	1,035,887
Other Receivables		-	-	-	270,021	270,021
Investments		2,210,615	-	-	-	2,210,615
		3,130,266	1,035,887	-	272,090	4,438,243
<b>Financial Liabilities</b>						
Trade & other payables		-	-	-	454,686	454,686
<b>Net Financial Assets</b>		3,130,266	1,035,887	-	(182,596)	3,983,557

<b>2014</b>	<b>Weighted Average Interest Rate</b>	<b>Floating Interest Rate</b>	<b>1 year or less</b>	<b>1 to 5 years</b>	<b>Non Interest Bearing</b>	<b>Total</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>						
Cash on hand		-	-	-	1,972	1,972
Cash at bank	3.10	754,005	-	-	-	754,005
Term Deposits	3.52	-	2,479,086	-	-	2,479,086
Other Receivables		-	-	-	284,094	284,094
Investments		1,138,838	-	-	-	1,138,838
		1,892,843	2,479,086	-	286,066	4,657,995
<b>Financial Liabilities</b>						
Trade & other payables		-	-	-	507,090	507,090
<b>Net Financial Assets</b>		1,892,843	2,479,086	-	(221,024)	4,150,905

**AUSTRALIAN SERVICES UNION  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**17. Fair value measurement**

AASB 13: Fair Value Measurement requires the disclosure of fair value information according to the relevant level in the fair value hierarchy as follows:

- Level 1      Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2      Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3      Unobservable inputs for the asset or liability.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial assets available-for-sale is based on quoted market prices at the end of the reporting period.

The table below shows the assigned level for each asset and liability held at fair value –

<b>30<sup>th</sup> June 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Available-for-sale financial assets	2,210,615	-	-	2,210,615
<b>30<sup>th</sup> June 2014</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Available-for-sale financial assets	1,138,838	-	-	1,138,838

**AUSTRALIAN SERVICES UNION  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**18. Section 272 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 subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

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

**19. Other Information**

(i) **Going Concern**

The branch's ability to continue as a going concern is not reliant on financial support from another reporting unit.

(ii) **Financial Support**

No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

(iii) **Acquisition of assets and liability under specific sections:**

The branch did not acquire any asset or a liability during the financial year as a result of:

- An amalgamation under part 2 of Chapter 3, of the RO Act;
- A restructure of the Branches of the organization;
- A determination by the General Manager under s245(1) of the RO Act;
- A revocation by the General Manager under s249(1) of the RO Act;

(iv) **Acquisition of assets and liability as part of a business combination:**

If assets and liabilities were acquired during the financial year as part of a business combination, the requirement of the Australian Accounting Standards will be complied with. No such acquisition has occurred during the financial year.





## Eddy Partners Accountants

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### **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

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We have audited the accompanying general purpose financial report of the Australian Services Union – Victorian and Tasmanian Authorities & Services Branch for the year ended 30<sup>th</sup> June 2015 comprising Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, Notes to and Forming Part of the Financial Statements and Committee of Management Statement.

#### **Committee of Management’s Responsibility for the Financial Report**

The Union’s Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the Committee determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

#### **Partners:**

David J. Eddy CPA  
Stephen J. Eedy CPA  
Suzanne J. Eddy CPA



Liability limited by a scheme approved  
under Professional Standards Legislation.



**EddyPartners**  
Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, 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 Australian professional accounting bodies.

#### **Audit Opinion**

In our opinion we have concluded that management's use of the going concern basis of accounting in the preparation of the Union's financial report is appropriate.

In our opinion the financial report presents fairly, in all material respects, the financial position as at 30 June 2015 and of its financial performance and cash flows for the year then ended and is in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

Signed at Melbourne, this 24<sup>th</sup> day of November 2015.

**Eddy Partners**  
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**EDDY PARTNERS,**  
Certified Practising Accountants.

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

**AUSTRALIAN SERVICES UNION**  
**VICTORIAN AND TASMANIAN AUTHORITIES & SERVICES BRANCH**

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER**  
**FOR YEAR ENDED 30<sup>TH</sup> JUNE 2015**

I, **Richard Duffy** being the Secretary of the Australian Services Union – Victorian and Tasmanian Authorities & Services Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Services Union – Victorian and Tasmanian Authorities & Services Branch for the year ended 30<sup>th</sup> 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 24<sup>th</sup> day of November 2015; and
  
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 16<sup>th</sup> day of December 2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer:

Richard Duffy

Title of prescribed designated officer:

Branch Secretary

Dated:

21st December 2015