



20 December 2016

Mr Neil Henderson
Secretary
Australian Municipal, Administrative, Clerical and Services Union,
Queensland (Services and Northern Administrative) Branch
32 Peel Street
South Brisbane QLD 4101

By e-mail: Jane.Grey@theservicesunion.com.au

Dear Mr Henderson

**Australian Municipal, Administrative, Clerical and Services Union,
Queensland (Services and Northern Administrative) Branch
Financial Report for the year ended 30 June 2016 - FR2016/220**

I acknowledge receipt of the amended financial report for the year ended 30 June 2016 for the Australian Municipal, Administrative, Clerical and Services Union, Queensland (Services and Northern Administrative) Branch. The financial report was lodged with the Fair Work Commission on 19 December 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

Yours sincerely

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH

ABN 86 351 665 653

FULL REPORT
FOR YEAR ENDED 30 JUNE 2016

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s268(c) Fair Work (Registered Organisations) Act 2009

Designated Officer's Certificate

Certificate for the period ended 30 June 2016

I, Neil Henderson being the Branch Secretary of the Australian Municipal, Administrative, Clerical and Services Union Queensland (Services and Northern Administrative) Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Municipal, Administrative, Clerical and Services Union, Queensland (Services and Northern Administrative) Branch for the period ended 30 June 2016 referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 9 December 2016; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 12 December 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Neil Henderson

Branch Secretary

Date: 12 December 2016

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH

OPERATING REPORT
FOR YEAR ENDING 30 JUNE 2016

The Branch Executive, being the Management Committee for the purposes of the Fair Work (Registered Organisations) Act 2009, presents its operating report of the Australian Municipal, Administrative, Clerical and Services Union Queensland (Services & Northern Administrative) Branch for the financial year ended 30 June 2016.

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

The principal operating activities of the Branch continued to be those of industrial activities that are normally carried out by the Trade Union and are consistent with the objects of the Union and particularly the object of protecting and improving the interests of the members. There have been no significant changes to the nature of those activities during the year.

Significant changes in financial affairs

During the year there were no significant changes to the financial affairs of the Union.

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) or director of a company that is a superannuation fund trustee

David Smith	Director	ESI Superannuation
Peter Duffy	Director	ESI Superannuation

Number of members

At the end of the financial year the total number of registered members was 12,018

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 33.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

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

The names of the Branch Executive members during the year ended 30 June 2016 were:

Name	Period of Appointment
Penelope Carr	1 July 2015 – 30 June 2016
Tehanne Denham-Jarvis	1 July 2015 – 30 June 2016
Peter Duffy	1 July 2015 – 30 June 2016
Margaret Evans	1 July 2015 – 30 June 2016
Kenneth Feltham	1 July 2015 – 30 June 2016
Rita Fitton	1 July 2015 – 30 June 2016
Neil Henderson	1 July 2015 – 30 June 2016
Lynette Henson	1 July 2015 – 30 June 2016
Kathleen MacDonald	1 July 2015 – 30 June 2016
Debbie McDonald	1 July 2015 – 30 June 2016
Veronica Meachen	1 July 2015 – 30 June 2016
Marianne Ryan	1 July 2015 – 30 June 2016
Jennifer Thomas	1 July 2015 – 30 June 2016
Lorraine Walter	1 July 2015 – 30 June 2016



Neil Henderson
Branch Secretary

Dated: 12 December 2016

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

STATEMENT BY MEMBERS OF COMMITTEE

On 12 December 2016 the Committee of Management of Australian Municipal, Administrative, Clerical and Services Union Queensland (Services and Northern Administrative) Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2016.

The Committee of Management declares in relation to the GPFR of the Queensland (Services and Northern Administrative) Branch for the financial year ending 30 June 2016 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 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 reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the Union 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 Union 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009 (the RO Regulations); and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) No requests have been sought, by any member of the reporting unit or a General Manager of Fair Work Commission duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009*; and
 - (vi) No orders have been made by the Fair Work Commission or FWC under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period; and
 - (vii) There has been no recovery of wages undertaken by the reporting unit during the year ended 30 June 2016.

For the Committee of Management: Neil Henderson

Title of Office held: Branch Secretary

Signature:



Date:

12 December 2016

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
Members' Subscriptions		5,821,170	5,757,994
Transfers from QSU		-	800,000
Gain/(Loss) on the sale of Fixed Assets		21,955	16,543
Capitation fees	3A	-	-
Levies	3B	-	61,675
Interest	3C	177,792	181,323
Grants and/or donations	3E	14,772	8,800
Other Revenue	3F	-	-
Service Agreements		64,252	292,023
Sundry Income		62,163	65,047
Total revenue		<u>6,162,104</u>	<u>7,183,405</u>
Administration expenses	4D	159,559	144,529
Affiliations	4C	167,341	201,270
Audit and Consultancy	13	46,988	60,314
Bad Debts		70,394	344,700
Campaigns		62,509	305,402
Capitation Fees	4B	363,888	407,869
Communication		199,064	175,398
Depreciation and Amortisation	4F	190,802	169,306
Elected Structures		38,029	27,201
Employees Expenses	4A	3,898,361	3,310,178
Finance		63,770	61,281
Grants or Donations	4E	74,397	26,809
Legal Costs	4G	(18,863)	57,409
Membership		46,254	49,285
Other Expenses	4H	-	-
Repair and Maintenance		130,082	109,091
Support Services		9,416	4,421
Travel		185,985	165,589
Vehicles		127,208	114,107
Total expenses		<u>5,815,184</u>	<u>5,734,159</u>
Surplus/(deficit) before income tax		<u>346,920</u>	<u>1,449,246</u>
Income tax expense	1(a)		
Surplus/(deficit) for the year		<u>346,920</u>	<u>1,449,246</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>346,920</u>	<u>1,449,246</u>
Surplus/(deficit) attributable to members of the entity			
Total comprehensive income attributable to members of the entity		<u>346,920</u>	<u>1,449,246</u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	5A	6,422,999	5,794,740
Trade and other receivables	5B	<u>187,274</u>	<u>261,868</u>
Total Current Assets		6,610,273	6,056,608
NON-CURRENT ASSETS			
Property, plant and equipment	6	3,076,943	3,154,228
Intangibles	6	10,692	29,985
Security deposit		<u>598</u>	<u>598</u>
Total Non-Current Assets		3,088,233	3,184,811
Total Assets		9,698,506	9,241,419
CURRENT LIABILITIES			
Trade Payables	7A	157,964	105,024
Other Payables	7B	123,609	106,217
Employee Provisions	8A	<u>822,706</u>	<u>788,726</u>
Total Current Liabilities		1,104,279	999,967
NON CURRENT LIABILITIES			
Employee Provisions	8A	<u>29,044</u>	<u>23,189</u>
Total Non Current Liabilities		29,044	23,189
Total Liabilities		1,133,323	1,023,156
NET ASSETS		8,565,183	8,218,263
EQUITY			
Reserves		1,245,048	1,245,048
Retained Earnings		<u>7,320,135</u>	<u>6,973,215</u>
		8,565,183	8,218,263

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016**

	Retained Earnings \$	General Reserve \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 July 2014	5,332,969	191,000	1,245,048	6,769,017
Operating surplus	1,449,246	-	-	1,449,246
Transfer of Reserves	191,000	(191,000)	-	-
Revaluation increment	-	-	-	-
Balance at 30 June 2015	6,973,215	-	1,245,048	8,218,263
Net surplus/(deficit)	346,920	-	-	346,920
Transfer of Reserves	-	-	-	-
Revaluation increment	-	-	-	-
Balance at 30 June 2016	7,320,135	-	1,245,048	8,565,183

The accompanying notes form part of these financial statements.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH

RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting Unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash asset's in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates		
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages	-	-

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members		6,024,914	6,210,734
Receipts from related parties		-	800,000
Payments to suppliers and employees		(5,502,178)	(5,894,889)
Interest received		177,792	181,323
Other receipts		-	
Net Cash provided by (used in) Operating Activities	12	700,528	1,297,168
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		24,636	33,090
Purchase of property, plant and equipment		(96,905)	(264,129)
Net Cash provided by (used in) Investing Activities		(72,269)	(231,039)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net Cash provided by (used in) Financing Activities		-	-
Net increase (decrease) in cash held		628,259	1,066,129
Cast at beginning of year		5,794,740	4,728,611
Cash at end of year	5A	6,422,999	5,794,740

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Note 1: Statement of Significant Accounting Policies

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

The financial report of the Australian Municipal, Administrative, Clerical and Services Union Queensland (Services and Northern Administrative) Branch as a not-for-Profit entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. The entity is registered under the Fair Work (Registered Organisations) Act 2009.

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

Reporting Basis and Conventions

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

Accounting Policies

(a) Income Tax

No provision for income tax is necessary, as trade unions are exempt from income tax in accordance with the Income Tax Assessment Act.

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

(i) Land and Building

Asset Recognition Threshold

Purchases of land and buildings are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

(Continued)

Note 1: Statement of Significant Accounting Policies (Continued)

(ii) Land and Building (Continued)

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

(iii) Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

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

The cost of fixed assets constructed within the entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

(iv) Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Assets	Depreciation Rate
Building	3%
Computers	30%
Office Equipment	10%
Motor Vehicles	17%
Motor Vehicles – Regional	25%

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)

Note 1: Statement of Significant Accounting Policies (Continued)

(iv) Depreciation (Continued)

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(v) Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

(b) Intangibles

Website design and creation is recorded at cost. Software has a finite life and is carried at cost less accumulated amortisation and any impairment losses. It has an estimated useful life of four years. It is assessed annually for impairment.

(c) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(e) Revenue

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

Donation income is recognised when it is received.

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).

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

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)

Note 1: Statement of Significant Accounting Policies (Continued)

(f) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from donors and membership subscriptions. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(g) Accounts Payable and Other Payables

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

(h) Financial Instruments

(i) Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

(ii) Classification and Subsequent Measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (ie gains or losses) being recognised in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

(Continued)

Note 1: Statement of Significant Accounting Policies (Continued)

(ii) Classification and Subsequent Measurement (Continued)

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(iii) Impairment

At the end of each reporting period, the committee members assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

No impairment has been recognised in respect of the branch's financial instruments.

(iv) De-recognition

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

(i) Impairment of Financial Assets

At the end of each reporting period, the committee members assess whether there is any indication that a financial asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

(Continued)

Note 1: Statement of Significant Accounting Policies (Continued)

(i) Impairment of Assets (continued)

Where it is not possible to estimate the recoverable amount of an individual financial asset, the branch estimates the recoverable amount of the cash-generating unit to which the assets belong.

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Provisions

Provisions are recognised when the branch has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(l) Comparative Figures

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

Where the branch has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(m) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)

Note 1: Statement of Significant Accounting Policies (Continued)

(m) Critical accounting judgements, estimates and assumptions (continued)

Estimation of useful lives of assets

The branch determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortization charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Long service leave provision

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Impairment of trade receivables

Trade and other receivables are recognised and measured at present value, net of any provision for impairment of receivables. Provisions are discounted to their present values, where the time value of money is material.

(n) New Accounting Standards for Application in Future Periods

AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The branch has decided against early adoption of these standards. The committee have considered the likely impact of these standards to be immaterial.

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2016, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Australian Municipal, Administrative, Clerical and Services Union Queensland (Services and Northern Administrative) Branch.

The financial report was authorised for issue on 9 September 2016.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)

	2016 \$	2015 \$
Note 3 Income		
Note 3A: Capitation fees		
Total capitation fees	-	-
Note 3B: Levies		
Anti Privatisation	-	61,675
Total levies	-	61,675
Note 3C: Interest		
Deposits	177,792	181,323
Loans	-	-
Total levies	177,792	181,323
Note 3E: Grants or donations		
Grants	14,773	8,800
Donations	-	-
Total grants or donations	14,773	8,800
Note 3F: Other Revenue		
Financial Support from another reporting unit	-	-
Total other revenue	-	-

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)**

	2016	2015
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and Salaries	262,626	272,310
Superannuation	58,023	59,795
Leave and other entitlements	3,201	6,607
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	323,850	338,712
Employees other than office holders:		
Wages and Salaries	2,738,602	2,273,657
Superannuation	530,966	476,409
Leave and other entitlements	36,634	(50,072)
Separation and redundancies	39,345	82,344
Other employee expenses	228,964	189,128
Subtotal employee expenses employees other than office holders	3,574,511	2,971,466
Total employee expenses	3,898,361	3,310,178
Note 4B: Capitation fees		
Australian Municipal, Administration, Clerical and Services Union		
National Office	353,888	397,869
Brisbane Alliance	10,000	10,000
Total capitation fees	363,888	407,869
Note 4C: Affiliation fees		
Australian College of Community and Disability Practitioners	-	5,916
Australian Labor Party	61,541	91,864
Queensland Council of Unions	87,019	85,235
Union Shopper	18,781	18,255
Workers Health Centre	-	-
Total affiliation fees/subscriptions	167,341	201,270
Note 4D: Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory Levies	-	-
Office expenses	159,559	144,529
Fees/allowances – meeting and conferences	-	-
Conference and meeting expenses	-	-
Total administration expense	159,559	144,529

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QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

(Continued)

	2016 \$	2015 \$
Note 4E: Grants or donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	1,128	1,826
Total paid that exceeded \$1,000	73,269	24,983
Total grants or donations	74,397	26,809
 Note 4F: Depreciation and Amortisation		
Depreciation		
Land and Buildings	35,196	35,100
Property, plant and equipment	136,313	114,327
Total depreciation	171,509	149,427
Amortisation		
Intangibles	19,293	19,879
Total amortisation	19,293	19,879
Total depreciation and amortisation	190,802	169,306
 Note 4G: Legal costs		
Litigation		
Other legal matters	-	-
Other legal matters	(18,863)	57,409
Total legal costs	(18,863)	57,409
 Note 4H: Other expenses		
Penalties – via RO Act or RO Regulations		
Total other expenses	-	-

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

(Continued)

	2016	2015
	\$	\$
Note 5 Current Assets		
Note 5A: Cash and Cash Equivalents		
Cash at bank	6,421,976	5,793,717
Cash on hand	1,023	1,023
Total cash and cash equivalents	6,422,999	5,794,740

Reconciliation of Cash

Cash at the end of financial year as shown in the Cash Flow Statement is reconciled in the balance sheet as follows:

Cash and cash equivalents	6,422,999	5,794,740
	6,422,999	5,794,740

Note 5B: Trade and Other Receivables

Receivables from other reporting units	-	-
Total receivables from other reporting units	-	-
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Receivable from other reporting units (net)	-	-

Trade Receivables

Membership Subscription Receivable	85,613	46,878
Less Provision for Doubtful Debts	(28,599)	(5,659)
Total Trade Receivables:	57,014	41,219

Other receivables:

GST receivable from the Australian Taxation Office	9,374	5,158
Other trade receivables	4,357	86,925
Prepayments	68	12,105
Term Deposit	116,461	116,461
Total other receivables	130,260	220,649
Total trade and other receivables (net)	187,274	261,868

Provision for Doubtful Debts

A provision has been recognised for doubtful debts when membership subscription fees owing has been given to a third party for collection or where full recoverability is unlikely.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

(Continued)

	2016	2015
	\$	\$
Note 6 Property, Plant and Equipment		
Buildings 32 Peel St South Brisbane (50% interest):		
Independent valuation 2014	670,975	670,975
Improvements	79,025	79,025
Accumulated depreciation	(50,671)	(28,110)
Building 485 Flinders Street, Townsville		
Independent valuation 2014	163,412	163,412
Improvements	256,588	256,588
Accumulated depreciation	(28,376)	(15,741)
	<u>1,090,953</u>	<u>1,126,149</u>
Land 32 Peel St South Brisbane (50% interest):		
Independent valuation 2014	1,325,000	1,325,000
Land 485 Flinders Street, Townsville		
Independent valuation 2014	200,000	200,000
	<u>1,525,000</u>	<u>1,525,000</u>
Computers		
At cost / officer valuation	131,257	160,470
Accumulated depreciation	(62,054)	(84,960)
	<u>69,203</u>	<u>75,510</u>
Office Equipment and Furniture		
At cost / officer valuation	226,222	281,377
Accumulated depreciation	(144,016)	(213,066)
	<u>82,206</u>	<u>68,311</u>
Motor Vehicles		
At cost / officer valuation	527,778	560,638
Accumulated depreciation	(223,589)	(206,772)
	<u>304,189</u>	<u>353,866</u>
Library		
At cost / officer valuation	5,392	5,392
	<u>5,392</u>	<u>5,392</u>
Intangible Asset – Website		
At cost / officer valuation	79,517	79,517
Accumulated amortisation	(68,825)	(49,532)
	<u>10,692</u>	<u>29,985</u>
Total Property, Plant and Equipment	<u><u>3,087,635</u></u>	<u><u>3,184,213</u></u>

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)

Note 6: Property, Plant and Equipment (Continued)

Movement in carrying amounts

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

	Office							Total
	Buildings & Improvements	Land	Computers	Furniture & Equipment	Motor Vehicles	Library	Intangible	
	\$	\$	\$	\$	\$	\$	\$	
Balance at the beginning of year	1,126,149	1,525,000	75,510	68,311	353,866	5,392	29,985	3,184,213
Additions/Revaluation	-	-	21,716	26,340	48,862	-	-	96,918
Disposals	-	-	-	-	(2,694)	-	-	(2,694)
Depreciation expense	(35,196)	-	(28,023)	(12,445)	(95,845)	-	(19,293)	(190,802)
Balance at the end of year	<u>1,090,953</u>	<u>1,525,000</u>	<u>69,203</u>	<u>82,206</u>	<u>304,189</u>	<u>5,392</u>	<u>10,692</u>	<u>3,087,635</u>

- (a) In April 2014, the land and buildings at 32 Peel Street, South Brisbane were valued by Mr Geoff Trivett of G.D Trivett & Associates Pty Ltd. The amount presented in the financial statements represents half of the valuation value for land and buildings as provided in this valuation, in accordance with the entity's ownership interest in these assets.
- (b) In April 2014, the land and buildings at 485 Flinders Street, Townsville were valued by Mr Chris Caleo of Taylor Byrne Pty Ltd.

The Union did not acquire any asset or liability during the financial year as a result of an amalgamation under Part 2 of Chapter 3, of the RO Act 2009, or a restructure of the Union, or a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation, or a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1). Moreover, the Union did not acquire any asset or liability as a result of a business combination.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)

	2016 \$	2015 \$
Note 7 Current Liabilities		
Note 7A: Trade payables		
Payable to ASU Staff – Purchase of Leave	3,232	431
Trade creditors and accruals	154,732	104,593
Operating lease rentals	-	-
Subtotal trade creditors	157,964	105,024
Payables to other reporting units	-	-
Subtotal payables to other reporting units	-	-
Total trade payables	157,964	105,024
Note 7B: Other payables		
Wages and salaries	-	-
Superannuation	-	-
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	3,668	6,511
Prepayments received/unearned revenue	28,233	20,764
GST payable	89,683	75,972
Other	-	-
Resigned Members Owed Fees	2,025	2,970
Total other payables	123,609	106,217
Total other payables are expected to be settled in:		
No more than 12 months	123,609	106,217
More than 12 months	-	-
Total other payables	123,609	106,217

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)**

	2016	2015
	\$	\$
Note 8 Provisions		
Note 8A: Employee Provisions		
Office Holders:		
Annual Leave	32,752	42,426
Long Service Leave	71,795	58,920
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions office holders	104,547	101,346
Employees other than Office Holders:		
Annual Leave	235,002	248,679
Long Service Leave	512,201	461,890
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions-employees other than office holders	747,203	710,569
Employee Provisions		
Current	822,706	788,726
Non Current	29,044	23,189
Total Employee Provisions	851,750	811,915

Provision for Employee Entitlements

A provision has been recognised for employee entitlements relating to annual leave and long service leave. The measurement and recognition criteria relating to employee benefits have been included in Note 1(c) to these financial statements.

Note 9: Capital and Leasing Commitments

Operating Lease Commitments

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

Payable – minimum lease payments

	2016	2015
	\$	\$
not later than 12 months	12,633	7,661
later than 12 months but not later than 5 years	31,185	14,538
greater than 5 years	-	-
	43,818	22,199

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)**

Note 10: Reserves

General Reserve

The general reserve records funds set aside for future expansion of the economic entity.

Asset Revaluation Reserve

The asset revaluation reserve records revaluation of financial assets.

Note 11A: Related Party Transactions

During the year the following transactions took place with related parties:

A percentage of the contributions received from members are forwarded on to the National Office. The amount paid to the National Office during the year ended 30 June 2016 was \$353,888 (2015: \$397,869). There were no amounts outstanding as at 30 June 2016 (2015: nil).

The branch received \$0 (2015: \$800,000) from the Queensland Services, Industrial Unions of Employees during the year.

Note 11B: Key Management Personnel Remuneration for the Reporting Period

	2016	2015
	\$	\$
Short Term Employee Benefit		
Salary (including Annual Leave Taken)	262,626	272,310
Performance bonus	-	-
Total short-term employee benefits	<u>262,626</u>	<u>272,310</u>
Post-employment benefits:		
Superannuation	58,023	59,795
Total post-employment benefits	<u>58,023</u>	<u>59,795</u>
Other long-term benefits:		
Long-service leave	18,197	22,013
Total other long-term benefits	<u>18,197</u>	<u>22,013</u>
Termination benefits	<u>-</u>	<u>-</u>
Total	<u><u>338,846</u></u>	<u><u>354,118</u></u>

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)**

	2016	2015
	\$	\$
Note 12 Cash Flow		
Note 12A: Cash Flow Reconciliation		
Reconciliation of operating surplus/(deficit) to net cash from operating activities		
Operating surplus/(deficit)	346,920	1,449,246
Adjustments for non-cash items		
Depreciation/amortisation	190,802	169,306
Net (Gain)/loss on disposal of property, plant and equipment	(21,955)	(16,543)
Changes in assets/liabilities		
(Increase)/decrease in receivables and prepayments	74,594	24,043
(Increase)/decrease in Short Term Deposit	-	(1,700)
Increase/(decrease) in supplier payables	70,332	(283,719)
Increase/(decrease) in other payables	-	-
Increase/(decrease) in employee provisions	39,835	(43,465)
Increase/(decrease) in other provisions	-	-
	700,528	1,297,168
	700,528	1,297,168

At 30 June 2016 and 30 June 2015 the Branch did not have any credit stand-by arrangements or credit facilities with a financial institution.

Cash flow information from/to Reporting/Controlled Entity

Cash inflows from Queensland Services, Industrial Union of Employees	-	800,000
Total cash inflows	-	800,000
Cash outflows to Queensland Services, Industrial Union of Employees	-	-
Total cash outflows	-	-

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)

Note 13: Remuneration of Auditors

	2016	2015
	\$	\$
Value of the services provided		
Financial statement audit services	26,540	37,524
Other Services	-	-
Total remuneration of auditors	26,540	37,524

Note 14: Financial Instruments

A Financial Risk Management

The Branch's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and accounts payable.

The Branch does not have any derivative instruments at 30 June 2016.

i. Treasury Risk Management

A finance committee consisting of senior committee members meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risks

The main risks the Branch is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt.

Foreign currency risk

The Branch is not exposed to fluctuations in foreign currencies.

Liquidity risk

The Branch manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

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, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Branch does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Branch.

Price risk

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

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)**

Note 14: Financial Instruments (Continued)

B 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 financial liabilities, is as follows:

	Fixed Interest Rate Maturing									
	Weighted Average Effective Interest Rate		Floating Interest Rate		Within 1 Year		1 to 5 Years		Non-interest Bearing	
	2016 %	2015 %	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$
Financial Assets:										
Cash and cash equivalents	2.75%	3.23%	6,422,999	5,794,740	-	-	-	-	-	-
Short-term Deposits	2.40%	3.29%	116,461	116,461	-	-	-	-	-	-
Total Financial Assets	-	-	6,539,460	5,911,201	-	-	-	-	-	-

	Fixed Interest Rate Maturing									
	Weighted Average Effective Interest Rate		Floating Interest Rate		Within 1 Year		1 to 5 Years		Non-interest Bearing	
	2016 %	2015 %	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$
Financial Liabilities:										
Lease Liabilities	-	-	-	-	-	-	-	-	-	-
Total Financial Liabilities	-	-	-	-	-	-	-	-	-	-

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)

Note 14: Financial Instruments (Continued)

C Fair Value Measurement

The fair values of financial assets and financial liabilities can be compared to their carrying values as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The following methods and assumptions were used to estimate the fair values:

- Long term fixed-rate and variable-rate receivables are evaluated by the entity based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2016, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for the entity's financial assets and liabilities:

	Note	2016		2015	
		Carrying Amount \$	Fair Value \$	Carrying Amount \$	Fair Value \$
Financial Assets:					
Cash and cash equivalents	5A	6,422,999	6,422,999	5,794,740	5,794,740
Trade and other receivables	5B	187,274	187,274	261,868	261,868
Total financial assets		6,610,273	6,610,273	6,056,608	6,056,608
Financial Liabilities:					
Trade and other payables	7	281,573	281,573	211,241	211,241
Total financial liabilities		281,573	281,573	211,241	211,241

D Fair Value hierarchy

AASB 13 Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

- Level1 Measurements based on quoted prices (unadjusted) in active markets for identical assets or Liabilities that the entity can access at the measurement date.
- Level2 Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level3 Measurements based on unobservable inputs for the asset or liability.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
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**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)**

Note 14: Financial Instruments (Continued)

D Fair Value hierarchy (Continued)

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair values are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation Techniques

The Union selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Union are consistent with one or more of the following valuation approaches:

Market approach:	Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
Income approach:	Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
Cost approach:	Valuation techniques that reflect the current replacement cost of an asset as its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Union gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following table provides an analysis of financial and non-financial assets and liabilities that are measured at fair value, within the fair value hierarchy:

Fair Value Hierarchy 2016	Date of Valuation	Level 1	Level 2	Level 3
Assets Measured at Fair Value		\$	\$	\$
Land Buildings-Brisbane	April 2014	-	2,075,000	-
Land and Buildings-Townsville	April 2014	-	620,000	-
Total		-	2,695,000	-
Fair Value Hierarchy 2015	Date of Valuation	Level 1	Level 2	Level 3
Assets Measured at Fair Value		\$	\$	\$
Land and Buildings-Brisbane	April 2014	-	2,075,000	-
Land and Buildings-Townsville	April 2014	-	620,000	-
Total		-	2,695,000	-

See note 6 in relation to independent valuation prepared.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)**

Note 14: Financial Instruments (Continued)

E Sensitivity Analysis

Interest rate risk

The entity has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2016, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2016	2015
	\$	\$
Change in profit		
— Increase in interest rate by 2%	122,177	105,234
— Decrease in interest rate by 2%	(122,177)	(105,234)
Change in equity		
— Increase in interest rate by 2%	122,177	105,234
— Decrease in interest rate by 2%	(122,177)	(105,234)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged. No sensitivity analysis has been performed for foreign exchange risk, as the entity is not exposed to fluctuations in foreign exchange.

Note 15: Branch Details

The principal place of business is:

Australian Municipal, Administrative, Clerical and Services Union
Queensland (Services and Northern Administrative) Branch
32 Peel Street
South Brisbane QLD 4101

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION
QUEENSLAND (SERVICES & NORTHERN ADMINISTRATIVE) BRANCH**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
(Continued)**

Note 16: Office Bearers

Persons holding the position of office bearer at any time during the year:

Debbie McDonald	Lynette Henson	Peter Duffy
Jennifer Thomas	Margaret Evans	Rita Fitton
Kathleen MacDonald	Marianne Ryan	Veronica Meachen
Kenneth Feltham	Neil Henderson	Tehanne Denham-Jarvis
Lorraine Walter	Penelope Carr	

Aggregate remuneration received or receivable by office bearers during the year ended 30 June 2016 was \$262,626 (2015: \$272,310). Not all office bearers received remuneration during the year. Honorariums were received by some office bearers whilst two full-time elected office bearers received remuneration in the form of a salary at stages during the year (three during 2015).

Aggregate of amounts paid to a superannuation plan in conjunction with the full time elected office bearers during the year ended 30 June 2016 was \$58,023 (2015: \$59,795).

Note 17: Information to be provided to Members or General Manager, 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-section (1), (2) and (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).

Note 18: Segment Reporting

The Branch operates within the trade union movement solely in Queensland.

Note 19: Economic Dependence

The Union's ability to continue as a going concern is not reliant on any financial support from another entity. The Union did not receive any financial support from any entity in the year ended.

Also the union has not agreed to provide any financial support to ensure another entity has the ability to continue as a going concern. The union did not provide any financial support to another entity in the year ended.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND
SERVICES UNION QUEENSLAND
(SERVICES AND NORTHERN ADMINISTRATIVE) BRANCH**

We have audited the accompanying financial report of the Australian Municipal, Administrative, Clerical and Services Union Queensland (services and northern administrative) branch which comprises the statement of financial position as at 30 June 2016 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ending on that date, a summary of significant accounting policies, other explanatory notes, and the statement by members of committee.

Committee's Responsibility for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009* and the *Fair Work (Registered Organisations) Regulations 2009 (the RO Regulations)*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, 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 Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report:

- is presented fairly in accordance with applicable Australian Accounting Standards;
- reports recovery of wages activity properly and fairly;
- is presented fairly in accordance with the requirements imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.

Other

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.



Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants



Stewart Douglas
Director
Holder of Public Practice Certificate issued by The Institute of Chartered Accountants in Australia
Brisbane
12th December 2016