



Australian Government
Registered Organisations Commission

10 January 2018

Mr Wayne Wood
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union, Western Australian Branch

By e-mail: branch.secretary@asuwa.org.au

Dear Mr Wood

Australian Municipal, Administrative, Clerical and Services Union, Western Australian Branch
Financial Report for the year ended 30 June 2017 - FR2017/150

I acknowledge receipt of the financial report for the year ended 30 June 2017 for the Australian Municipal, Administrative, Clerical and Services Union, Western Australian Branch (ASU-WA). The financial report was lodged with the Registered Organisations Commission (ROC) on 12 December 2017.

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

Whilst the 2017 report has been filed the following should be addressed in the preparation of the next financial report.

1. Committee of Management Statement

Management statements

Reporting guideline 35 requires the Committee of Management to make declarations in relation to the GPFR including:

- (e) 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 manner consistent with each of the other reporting units of the organisation; and

2. General Purpose Financial Report (GPFR)

Notice setting out sections 272(1), (2) & (3)

Section 272(5) of the *Fair Work (Registered Organisations) Act 2009* requires the GPFR to include a notice drawing attention to subsections (1), (2) and (3) of this section. Note 20 to the ASU-WA GPFR incorrectly makes two references to Branch Secretary instead of Commissioner.

Notes to the Cash Flow Statement

Reporting Guideline 24 states:

Where another reporting unit and/or controlled entity of the organisation is the source of a cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit and/or controlled entity concerned.

When preparing next year's GPFR please ensure that either the Cash Flow Statement or Note 12 (equivalent in 2018) provides the appropriate disclosures relating to cash flows to and from another reporting unit.

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) 9603 0707 or by email at ken.morgan@roc.gov.au

Yours faithfully

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

KEN MORGAN
Financial Reporting Advisor
Registered Organisations Commission



**Australian Services Union
(Western Australian Branch)**

Financial Report

For the year ended 30 June 2017

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION (WESTERN AUSTRALIAN BRANCH)

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Services Union (Western Australian Branch) (the union), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 30 June 2017, notes to the financial statements, including a summary of significant accounting policies; and the branch committee of management statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Services Union (Western Australian Branch) as at 30 June 2017 and its financial performance and its cash flows for the year ended on that date in accordance with:

- (a) the Australian Accounting Standards; and
- (b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Union is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Union in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and the Auditor's Report Thereon

The branch committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion of the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Branch Committee of Management for the Financial Report

The branch committee of management of the union is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the branch committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the branch committee of management is responsible for assessing the union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using a going concern basis of accounting unless the branch committee of management either intend to liquidate the union or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the branch committee of management.
- Conclude on the appropriateness of the branch committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the union to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the union audit. We remain solely responsible for our audit opinion.

We communicate with the branch committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

I declare that I am an approved auditor, a member of CPA Australia and the Institute of Chartered Accountants in Australia and hold a current Public Practice Certificate.

Report on the Recovery of Wages Activity financial report

Opinion on the recovery of wages activity financial report

The scope of our work extended to the recovery of wages activity and we have audited the recovery of wages activity financial report for the year ended 30 June 2017.

In our opinion, the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Branch Secretary, including:

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

Responsibilities

The branch committee of management is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the Branch Secretary. Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards.



PKF MACK



SIMON FERMANIS
PARTNER

12 SEPTEMBER 2017
WEST PERTH,
WESTERN AUSTRALIA

REGISTRATION NUMBER (AS REGISTERED BY THE RO COMMISSIONER UNDER THE RO ACT): AA2017/102

AUDITOR'S INDEPENDENCE DECLARATION TO THE BRANCH COMMITTEE OF MANAGEMENT OF AUSTRALIAN SERVICES UNION

In relation to our audit of the financial report of Australian Services Union for the year ended 30 June 2017, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



PKF MACK



SIMON FERMANIS
PARTNER

12 SEPTEMBER 2017
WEST PERTH,
WESTERN AUSTRALIA

**AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)**

Australian Services Union (Western Australian Branch)
s.268 *Fair Work (Registered Organisations) Act 2009*

Certificate by Prescribed Designated Officer
Certificate for the year ended 30 June 2017

I, Wayne Wood, being the Branch Secretary of the Australian Services Union (Western Australian Branch) certify:

- that the documents lodged herewith are copies of the full report for the Australian Services Union (Western Australian Branch) for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the union on 27 October 2017; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 28 November 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer: *Wayne Wood*
Name of prescribed designated officer: *WAYNE WOOD*
Title of prescribed designated officer: *BRANCH SECRETARY*
Dated: *4/12/17*

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT

The committee of management of the Union/Branch presents its report on the operation of the Branch for the financial year ended 30 June 2017.

1. 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 Australian Services Union (Western Australian Branch), during the financial year were the provision of industrial, professional and managerial services to the members, consistent with the object and rules of the Union and in particular, protecting and improving the interests of members.

2. Operating Result

The operating result of the Union/Branch for the year ended 30 June 2017 was a surplus/[deficit] of \$193,885 (2016: \$199,679). No provision for tax was necessary as the union/branch is considered exempt.

3. Significant changes in financial affairs

There were no significant changes in the nature of the Union's principal activities during the financial year.

4. 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.

5. Officers & employees [and members?] who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

The following Officers/Members/Employees of the organisation are Directors of companies that are trustees of superannuation funds where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation:

Officer/Member/ Employee	Trustee Company	Entity/Scheme	Position	Period position held for
Jeffrey Williams	WA Local Government Superannuation Plan Pty Ltd	WA Local Government Superannuation Plan	Member Representative Director	Current

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

	Name of company or board	Principal activities of company or board	How appointed [by virtue of position held, nomination by union or other]
Nil	Nil	Nil	Nil

7. 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 RAO Schedule and who are taken to be members of the registered organisation/branch under sec. 244 of the RAO Schedule was 5468 (2016: 5779).

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

8. Number of employees

The number of **Name of officer or employee** persons who were at the end of the financial year employees of the organisation/branch including both full-time and part-time employees measured on a full-time equivalent basis was 20 (2016: 23).

9. 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 organisation at any time during the financial year and the periods for which he or she held office were:

Name of officer	Position held	Period for which position held
Paul O'Neill	Branch President	Full year
Patricia Richardson	Deputy Branch President	01/07/16 – 29/06/17
Wayne Wood	Branch Secretary	Full year
Jill Hugo	Assistant Branch Secretary	Full year
Nigel Rainford	Branch Treasurer	Full year
Angela Hartwig	Branch Vice President (Women)	Full year
Robert Bates	Branch Executive Councillor	Full year
Stephen Arnold	Branch Executive Councillor	Full year
Garry Allan	Branch Executive Councillor	Full year
Michael Dentrinos	Branch Executive Councillor	01/07/16 – 13/09/16
Chris McCoppin	Branch Executive Councillor	Full year
Gregory Godfrey	Branch Executive Councillor	Full year
Carolyn Wall	Branch Executive Councillor	Full year
Andrew White	Branch Executive Councillor	Full year
Joe Zappavigna	Branch Executive Councillor Deputy Branch President	01/07/16 – 29/06/17 30/06/17
Sanna Andrew	Branch Executive Councillor	01/07/16 – 13/12/16
Dulcie Donaldson	Branch Executive Councillor	01/07/16 – 29/06/17
Marion Mason	Branch Executive Councillor	01/07/16 – 29/06/17
Justin Doruk	Branch Executive Councillor	Full year
Steven Harris	Branch Executive Councillor	30/06/17

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

The five highest paid officers of the Union for the disclosure period ended 30 June 2017 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	Office	Actual amount of relevant remuneration	Value of relevant non-cash benefits	Form of relevant non-cash benefits
1.	Alex Scott	Branch Secretary QLD Together	\$214,623	\$20,362	Motor vehicle Phone/Internet Carpark
2.	Richard Duffy	Branch Secretary VIC&TAS A&S	\$208,061	\$6,686	Motor Vehicle
3.	Vivienne Doogan	Branch President QLD Together	\$186,741	\$10,284	Motor vehicle Carpark
4.	David Smith	National Secretary National Office	\$184,319	\$2,469	Motor vehicle Phone/Internet
5.	Wayne Wood	Branch Secretary WA	\$180,804	\$0	Nil

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

9.2 Disclosure statements – Remuneration and non-cash benefits of ASU full-time Western Australian Branch Elected Officers.

The two highest paid officers of the Branch for the disclosure period ended 30 June 2017 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
1.	Wayne Wood	\$180,804	\$0
2.	Jill Hugo	\$168,295	\$0

10. Disclosure statements – Officers’ material personal interests

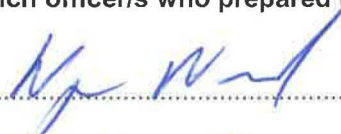
No officer of the Branch has disclosed any material personal interests that they or a relative of theirs has in a matter that relates to the affairs of the Union/Branch in the year ended 30 June 2017.

11. Disclosure by Union/Branch of payments to related parties or declared persons

The Branch has made no reportable payments to any related party or declared person or body of the Union/Branch in the year ended 30 June 2017.

12. Name and position of Union/Branch officer/s who prepared this Operating Report:

Signature of designated officer:



Branch Secretary - ASU WA Branch

Name and title of designated officer:

WAYNE WOOD

Dated:

12 / 9 / 17

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

COMMITTEE OF MANAGEMENT STATEMENT

for the year ended 30 June 2017

On 12 September 2017 the Branch Executive Council of the Australian Services Union (Western Australian Branch) passed the following resolution in relation to the general purpose financial report for the year ended 30 June 2017:

The Union 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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Australian Services Union (Western Australian Branch) for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Australian Services Union (Western Australian Branch) will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the General Purpose Financial Report 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 Australian Services Union (Western Australian Branch) 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 Australian Services Union (Western Australian Branch) have been kept and maintained in accordance with the RO Act; and
 - (iv) no information has been sought in any request by a member of the Australian Services Union (Western Australian Branch) or Branch Secretary duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 during the financial year; and
 - (v) no orders have been made for inspection of financial records by the Fair Work Commission under section 273 of the Fair Work (Registered Organisations) Act 2009, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting year.

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

Signature of designated officer:..... 

Branch Secretary - ASU WA Branch

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

Dated:..... 12 / 9 / 17

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Revenue			
Membership subscription		3,173,696	3,281,904
Capitation fees	2	-	-
Levies	2	-	-
Interest		22,244	26,733
Other revenue		126,946	75,727
Total revenue		3,322,886	3,384,364
Other Income			
Grants and/or donations	2	-	-
Net gains from sale of assets	2	11,958	8,830
Total other income		11,958	8,830
Total income		3,334,844	3,393,194
Expenses			
Employee expenses	3	2,272,706	2,580,109
Capitation fees	3	145,043	159,071
Affiliation fees	3	46,630	45,513
Administration expenses	3	290,914	289,279
Audit fees	15	13,350	12,000
Grants or donations	3	19,138	23,298
Legal costs	3	21,141	74,291
Depreciation		96,708	106,391
Organising expenses		607,158	284,842
Other expenses	3	15,941	18,079
Total expenses		3,528,729	3,592,873
Surplus/(deficit) for the year		(193,885)	(199,679)
Other comprehensive income			
Revaluation of land and buildings		-	-
Total other comprehensive income		-	-
Total for the year		(193,885)	(199,679)

The above statement should be read in conjunction with the notes.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

	Notes	2017 \$	2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	660,423	850,129
Trade and other receivables	5	48,583	58,490
Other current assets	6	27,969	27,185
Total current assets		736,975	935,804
Non-Current Assets			
Land and buildings	7	2,138,746	2,165,315
Plant and equipment	8	234,207	202,169
Total non-Current assets		2,372,953	2,367,484
Total assets		3,109,928	3,303,288
LIABILITIES			
Current Liabilities			
Trade creditors and accruals	9	94,437	120,855
Other payables	10	130,529	152,716
Employee entitlements	11	460,152	411,022
Total current liabilities		685,118	684,593
Non-Current Liabilities			
Employee entitlements	11	-	-
Total non-current liabilities		-	-
Total liabilities		685,118	684,593
Net assets		2,424,810	2,618,695
EQUITY			
Asset revaluation reserve	17	2,015,501	2,015,501
Funds	18	-	-
Retained earnings		409,309	603,194
Total equity		2,424,810	2,618,695

The above statement should be read in conjunction with the notes.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2017

	Asset revaluation reserve \$	Retained earnings \$	Total equity \$
Balance as at 1 July 2015	2,015,501	802,873	2,818,374
Other comprehensive income	-	-	-
Surplus/(deficit) for the year	-	(199,679)	(199,679)
Closing balance as at 30 June 2016	2,015,501	603,194	2,618,695
Other comprehensive income	-	-	-
Surplus/(deficit) for the year	-	(193,885)	(193,885)
Closing balance as at 30 June 2017	2,015,501	409,309	2,424,810

The above statement should be read in conjunction with the notes.

**AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)**

STATEMENT OF CASH FLOWS
for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
OPERATING ACTIVITIES			
Cash received			
Members		3,180,000	3,311,754
Interest		25,598	32,628
Other		129,277	86,505
Cash used			
Employees		(2,240,414)	(2,680,874)
Suppliers		(1,193,948)	(926,784)
Net cash (used by) operating activities	12	(99,487)	(176,771)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		24,000	38,286
Cash used			
Purchase of plant and equipment		(114,219)	(20,759)
Buildings improvements		-	-
Net cash (used by) from investing activities		(90,219)	17,527
Net decrease in cash held		(189,706)	(159,244)
Cash & cash equivalents at the beginning of the financial year		850,129	1,009,373
Cash & cash equivalents at the end of the financial year	4	660,423	850,129

The above statement should be read in conjunction with the notes.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

RECOVERY OF WAGES ACTIVITY
for the year ended 30 June 2017

	2017	2016
	\$	\$
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	-	-

**AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS

Note 1	Summary of Significant Accounting Policies
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Note 4	Cash and cash equivalents
Note 5	Trade and other receivables
Note 6	Other current assets
Note 7	Land and buildings
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AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 Summary of significant accounting policies

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 year and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Union is a not-for-profit entity. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

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. The financial statements are presented in Australian dollars.

a) Comparative amounts

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

b) Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Employee provisions

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised if the employee has recorded 5 years of continuous service.

Estimation of useful lives of assets

The Union determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation 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.

**AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2017

Note 1 Summary of significant accounting policies (continued)

c) 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

The following Australian Accounting Standards have been issued early but are not yet effective. The following have not been adopted in preparation of the financial statements at the reporting date but will be adopted at application date. The impact of the adoption has not yet been determined.

AASB No.	Title	Application date of standard *	Issue date
AASB 9	Financial Instruments	1 January 2018	December
AASB 2010-7	Amendments arising from Accounting Standards arising from AASB 9 (December 2010)	1 January 2018	September 2012
AASB 2014-1	Amendments to Australian Accounting Standards Part E - Financial Instruments	Part E - 1 January 2018	June 2014
AASB 2014-5	Amendments to Australian Accounting Standard Arising From AASB	1 January 2018	December
AASB 2014-7	Amendments to Australian Accounting Standard Arising From AASB 9 (December 2014)	1 January 2018	December 2014
AASB 2014-10	Amendments to Australian Accounting Standard - Sale of Contribution of Assets Between Investors and its Associates or Joint	1 January 2018	December 2014
AASB 2015-8	Amendments to Australian Accounting Standards – Effective Date of AASB 15	1 January 2018	October 2015
AASB 2015-10	Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128.	1 January 2018	December 2015
AASB 2016-1	Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]	1 January 2017	February 2016
AASB 2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	March 2016
AASB 2016-3	Amendments to Australian Accounting Standards – Clarifications to AASB 15	1 January 2018	May 2016
AASB 2016-4	Amendments to Australian Accounting Standards – Recoverable Amount of a Non-Cash Generating Specialised Assets of Not-for-	1 January 2017	June 2016
AASB 2016-5	Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions [AASB 2]	1 January 2018	July 2016
AASB 2016-6	Amendments to Australian Accounting Standards – Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts [AASB 4]	1 January 2018	October 2016

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AASB No.	Title	Application date of standard *	Issue date
AASB 2016-7	Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities	1 January 2017	December 2016
AASB 2016-8	Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	1 January 2019	December 2016
AASB 2017-1	Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and	1 January 2018	February 2017
AASB 2017-2	Amendments to Australian Accounting Standards –Further Annual Improvements2014-2016 Cycle	1 January 2017	February 2017
AASB 2017-3	Amendments to Australian Accounting Standards – Clarifications to AASB 4	1 January 2018	July 2017
AASB 15	Revenues from Contracts with Customers	1 January 2018	October 2015
AASB 16	Leases	1 January 2019	February 2016
AASB 17	Insurance Contracts	1 January 2021	July 2017
AASB 1058	Income of Not-for-Profit Entities [Appendix D]	1 January 2019	December 2016
AASB Interpretation	Foreign Currency Transactions and Advance Consideration	1 January 2018	February 2017
IFRIC 23	Uncertainty over Income Tax Treatments	1 January 2019	June 2017

d) 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.

Donation income is recognised when it is received.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 Summary of significant accounting policies (continued)

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

e) Capitation fees and levies

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

f) Gains

Sale of assets

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

g) Employee benefits

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

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of 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.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured at their nominal amounts as the present value effect is considered to be immaterial. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. Reporting Unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

h) Cash

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.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 Summary of significant accounting policies (continued)

i) Financial instruments

Financial assets and financial liabilities are recognised when the entity 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.

j) 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. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS
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Note 1 Summary of significant accounting policies (continued)

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit 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 reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan 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

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 Summary of significant accounting policies (continued)

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.

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.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

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NOTES TO THE FINANCIAL STATEMENTS
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Note 1 Summary of significant accounting policies (continued)

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

De-recognition of financial assets

The reporting unit 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.

k) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

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

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 Summary of significant accounting policies (continued)

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.

De-recognition of financial liabilities

The reporting unit 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.

l) Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

m) Land, buildings, plant and equipment

Asset recognition threshold

Purchases of land, buildings, plant and equipment 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.

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.

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NOTES TO THE FINANCIAL STATEMENTS
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Note 1 Summary of significant accounting policies (continued)

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following rates:

	2017	2016
Buildings	8.88%	8.88%
Plant and equipment	5-40%	5-40%

De-recognition

An item of land, buildings, plant and equipment is de-recognised 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.

n) Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

o) 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; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 Summary of significant accounting policies (continued)

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

p) Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the [reporting unit]. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Union uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Union determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 Summary of significant accounting policies (continued)

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Union has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

q) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

r) Going Concern

The union's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit. The union has not agreed to provide financial support to ensure another reporting unit has the ability to continue as a going concern.

The union has not acquired an asset or liability as a result of:

- i. An amalgamation under Part 2 of Chapter 3, of the Registered Organisations Act; or
- ii. A restructure of branches; or
- iii. A determination by the Branch Secretary under subsection 245(1) of the Registered Organisations Act of an alternative reporting structure for the Union; or
- iv. A revocation by the Branch Secretary under subsection 249(1) of the Registered Organisations Act of a certificate issued to an organisation under subsection 245(1)

Note 2 Income

	2017	2016
	\$	\$
Membership subscription	3,173,696	3,281,904
Interest	22,244	26,733
Sundry income	41,347	29,331
Staff contributions to motor vehicles	22,751	25,452
Superannuation board	17,538	20,944
Gain on sale of plant and equipment	11,958	8,830
Capitation fees	-	-
Levies	45,310	-
Grants	-	-
Donations	-	-
	3,334,844	3,393,194

AUSTRALIAN SERVICES UNION
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 3 Expenses

Employee expenses

	2017	2016
	\$	\$
 Holders of office:		
Wages and salaries	300,192	289,481
Superannuation	47,684	45,399
Leave and other entitlements	41,007	32,877
Separation and redundancies	-	-
Other employee expenses	27,039	32,995
Subtotal employee expenses holders of office	415,922	400,752
 Employees other than office holders:		
Wages and salaries	1,409,950	1,749,854
Superannuation	203,397	260,768
Leave and other entitlements	8,123	(116,534)
Separation and redundancies	51,199	135,950
Other employee expenses	184,115	149,319
Subtotal employee expenses employees other than office holders	1,856,784	2,179,357
Total employee expenses	2,272,706	2,580,109

Capitation fees

Australian Services Union	145,043	159,071
Total capitation fees	145,043	159,071

Affiliation fees

Australian Services Union	3,316	3,594
Unions WA	43,314	41,919
Total affiliation fees/subscriptions	46,630	45,513

AUSTRALIAN SERVICES UNION
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 3 Expenses (continued)

	2017	2016
	\$	\$
Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Contractors/consultants	-	1,660
Office expenses	91,570	95,163
Information communications technology	40,880	34,602
Other	143,339	143,107
Subtotal administration expense	275,789	274,532
Operating lease rentals:		
Minimum lease payments	15,125	14,747
Total administration expenses	290,914	289,279
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	2,071	3,298
Total paid that exceeded \$1,000	17,067	20,000
Total grants or donations	19,138	23,298
Legal costs		
Litigation	-	-
Other legal matters	21,141	74,291
Total legal costs	21,141	74,291
Other expenses		
Penalties - via RO Act or RO Regulations	-	-
Other expenses	15,941	18,079
Total other expenses	15,941	18,079

AUSTRALIAN SERVICES UNION
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

	2017	2016
	\$	\$
Note 4 Cash and cash equivalents		
Cash at bank	37,722	147,842
Short term deposits	622,701	702,287
Total cash and cash equivalents	660,423	850,129
 Note 5 Trade and other receivables		
Receivables from other reporting units	-	-
Less provision for doubtful debts	-	-
Trade receivables	34,297	40,850
Interest Receivable	14,286	17,640
Total other receivables	48,583	58,490
 Note 6 Other current assets		
Rental Bond	4,815	4,815
Prepaid expenses	23,154	22,370
Total other current assets	27,969	27,185
 Note 7 Land and buildings		
fair value	2,200,000	2,200,000
at cost	8,864	-
accumulated depreciation	(70,118)	(34,685)
Total land and buildings	2,138,746	2,165,315

AUSTRALIAN SERVICES UNION
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

	2017	2016
	\$	\$
Reconciliation of the opening and closing balances of land and buildings		
As at 1 July		
Gross book value	2,200,000	2,200,000
Accumulated depreciation and impairment	(34,685)	(2,274)
Net book value 1 July	2,165,315	2,197,726
Additions:		
By purchase	8,864	-
Depreciation expense	(35,433)	(32,411)
Revaluation	-	-
Disposals:	-	-
Add back depreciation on disposals	-	-
Net book value 30 June	2,138,746	2,165,315
Net book value as of 30 June represented by:		
Gross book value	2,208,864	2,200,000
Accumulated depreciation and impairment	(70,118)	(34,685)
Net book value 30 June	2,138,746	2,165,315

The revalued land and buildings consist of the property at 102 East Parade, East Perth.

The Union's national office (the Australian Municipal, Administrative, Clerical and Services Union) is the registered owner of the property. Under rule 21 of the national rules, the Union's national office delegates sole control, custody, administration and management of the property to the Union (Australian Services Union Western Australian Branch).

The property was last revalued on 4 June 2015 by independent valuation conducted by Valuations WA. The valuation was prepared in accordance with the Australian Property Institute's Standard Report content. The revaluation surplus was credited the asset revaluation reserve in members' equity.

AUSTRALIAN SERVICES UNION
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NOTES TO THE FINANCIAL STATEMENTS
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Note 8 Plant and equipment

	2017	2016
	\$	\$
at cost	546,692	514,379
accumulated depreciation	(312,485)	(312,210)
Total plant and equipment	234,207	202,169

Reconciliation of the opening and closing balances of plant and equipment

As at 1 July

Gross book value	514,379	544,566
Accumulated depreciation and impairment	(312,210)	(259,720)
Net book value 1 July	202,169	284,846
Additions:		
By purchase	105,355	20,759
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Depreciation expense	(61,275)	(73,980)
Other movement	-	-
Disposals:	(73,042)	(50,946)
Add back depreciation on disposals	61,000	21,490
Other	-	-
Net book value 30 June	234,207	202,169
Net book value as of 30 June represented by:		
Gross book value	546,692	514,379
Accumulated depreciation and impairment	(312,485)	(312,210)
Net book value 30 June	234,207	202,169

Note 9 Trade creditors and accruals

Trade creditors and accruals	94,437	120,855
Payables to other reporting unit	-	-
Total trade payables	94,437	120,855

Settlement is within 30 to 45 days.

AUSTRALIAN SERVICES UNION
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 10 Other payables

	2017	2016
	\$	\$
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Prepayments received/unearned revenue	61,749	59,669
GST payable	34,509	41,938
Other Payables	34,271	51,109
Total other payables	130,529	152,716
Settlement is within 30 to 45 days		

Note 11 Employee entitlements

Office Holders:

Annual leave	69,902	48,560
Long service leave	124,310	111,471
Separations and redundancies	-	-
Other	-	-
Subtotal employee entitlements—office holders	194,212	160,031

Employees other than office holders:

Annual leave	149,583	122,446
Long service leave	116,357	128,545
Separations and redundancies	-	-
Other	-	-
Subtotal employee entitlements—employees other than office holders	265,940	250,991
Total employee entitlements	460,152	411,022

Current	460,152	411,022
Non-Current	-	-
Total employee entitlements	460,152	411,022

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Note 12 Cash flow reconciliation

	2017	2016
	\$	\$
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	660,423	850,129
Balance sheet	660,423	850,129
Difference	<u>-</u>	<u>-</u>
Reconciliation of surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	(193,885)	(199,679)
Adjustments for non-cash items		
Depreciation/amortisation	96,708	106,391
Net gain on sale of plant and equipment	(11,958)	(8,830)
Net write-down of non-financial assets	-	-
Changes in assets/liabilities		
Decrease/(increase) in net receivables	9,908	20,632
Increase in prepayments	(784)	(2,981)
(Decrease)/increase in supplier payables	(48,606)	(8,648)
(Decrease)/increase in employee provisions	49,130	(83,656)
Net cash (used by) from operating activities	<u>(99,487)</u>	<u>(176,771)</u>
Cash flow information		
Cash inflows	3,358,875	3,469,173
Total cash inflows	<u>3,358,875</u>	<u>3,469,173</u>
Cash outflows	3,548,581	3,628,417
Total cash outflows	<u>3,548,581</u>	<u>3,628,417</u>

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NOTES TO THE FINANCIAL STATEMENTS
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Note 13 Contingent liabilities, assets and commitments

	2017	2016
	\$	\$

Operating lease commitments—as lessee

Operating lease for Unit 7 Wesley Business Centre, 4 Stirling St, Bunbury Western Australian. Lease term of 1 year from 12 February 2017.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

Within one year	10,008	9,776
After one year but not more than five years	-	-
More than five years	-	-
	10,008	9,776

The Union does not have any contingent liabilities or assets at 30 June 2017.

Note 14 Key management personnel and related parties

Revenue received from councillors

Membership subscriptions	14,854	11,922
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The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

Key management personnel benefits

Short-term employee benefits

Salary (including annual leave taken)	300,192	289,481
Annual leave accrued	30,497	22,454
Total short-term employee benefits	330,689	311,935

Post-employment benefits:

Superannuation	47,684	45,399
Total post-employment benefits	47,684	45,399

Other long-term benefits:

Long-service leave	10,510	10,423
Total other long-term benefits	10,510	10,423

Total	388,883	367,757
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NOTES TO THE FINANCIAL STATEMENTS
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Note 15 Remuneration of auditor

	2017	2016
	\$	\$
Financial statement audit services	13,350	12,000
Total remuneration of auditors	13,350	12,000

No other services were provided by the auditors of the financial statements.

Note 16 Financial instruments

The Union's activities do not expose it to many financial risks, with only liquidity risk being needed to be actively managed.

Foreign currency risk

The Union is not exposed to any significant foreign currency risk.

Credit risk

The Union is not exposed to any significant credit risk.

Price risk

The Union is exposed to fluctuations in market value of its fair valued land and buildings. The union manages this by obtaining independent valuations every three years to ensure they are carrying the asset at fair value.

Land and buildings at fair value	2,200,000	2,200,000
	2,200,000	2,200,000

Interest rate risk

The Union's main interest rate risk arises from cash deposits. Cash deposits issued at variable rates expose the union to interest rate risk. Cash deposits at fixed rates expose the union to fair value risk. The union maintains approximately 70% of cash reserves in term deposits at a fixed rate to manage exposure to interest rate risk.

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Note 16 Financial instruments (continued)

	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest	Non Interest Baring	Total
30 June 2017					
Financial assets					
Cash and cash equivalents	2.52%	36,821	622,701	901	660,423
Trade and other receivables	-	-	-	48,583	48,583
		<u>36,821</u>	<u>622,701</u>	<u>49,484</u>	<u>709,006</u>
Financial liabilities					
Trade and other Payables	-	-	-	224,966	224,966
		-	-	<u>224,966</u>	<u>224,966</u>
30 June 2016					
Financial assets					
Cash and cash equivalents	2.63%	147,442	702,287	400	850,129
Trade and other receivables	-	-	-	58,490	58,490
		<u>147,442</u>	<u>702,287</u>	<u>58,890</u>	<u>908,619</u>
Financial liabilities					
Trade and other Payables	-	-	-	273,571	273,571
		-	-	<u>273,571</u>	<u>273,571</u>

Liquidity risk

Vigilant liquidity risk management requires the Union to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The union manages liquidity risk through budgeting and monitoring cash flows. Budgets are established annually and monitored through bi-monthly meetings of the committee of management.

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NOTES TO THE FINANCIAL STATEMENTS
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Note 16 Financial instruments (continued)

Sensitivity analysis

	Change in Variable	Effect on surplus/ (deficit)	Effect on equity
30 June 2017			
Interest rate risk	1% increase	6,595	6,595
Interest rate risk	1% decrease	(6,295)	(6,295)
Price risk	1% increase	-	22,089
Price risk	1% decrease	-	(22,089)
30 June 2016			
Interest rate risk	1% increase	8,497	8,497
Interest rate risk	1% decrease	(7,914)	(7,914)
Price risk	1% increase	-	22,000
Price risk	1% decrease	-	(22,000)

Remaining contractual maturities

The following tables detail the Union's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
30 June 2017	%	\$	\$	\$	\$	\$
Non-derivatives						
Non-interest bearing						
Trade payables	-%	224,966	-	-	-	224,966
Total non-derivatives		224,966	-	-	-	224,966

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Note 16 Financial instruments (continued)

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
30 June 2016	%	\$	\$	\$	\$	\$
Non-derivatives						
Non-interest bearing						
Trade payables	-%	273,571	-	-	-	273,571
Total non-derivatives		<u>273,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>273,571</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 17 Fair value measurement

Fair value hierarchy

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

Fair value hierarchy – 30 June 2017

	Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value	\$	\$	\$	
Land and buildings	4-Jun-15	-	2,200,000	-
Total		<u>-</u>	<u>2,200,000</u>	<u>-</u>

Fair value hierarchy—30 June 2016

Assets measured at fair value				
Land and buildings	4-Jun-15	-	2,200,000	-
Total		<u>-</u>	<u>2,200,000</u>	<u>-</u>

See note 7 in relation to independent valuation prepared.

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Note 18 Equity

Note 18A: Funds

	2017	2016
	\$	\$
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-
<i>[insert name of individual fund/reserve]</i>		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-
Total Reserves	-	-

Note 18B: Other Specific disclosures - Funds

Compulsory levy/voluntary contribution fund – if invested in assets

Name of fund	-	-
Other fund(s) required by rules		
Name of fund		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-

Note 19 Events after the reporting period

There were no events that occurred subsequent to 30 June 2017 and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

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NOTES TO THE FINANCIAL STATEMENTS
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Note 20 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 Branch Secretary:

- (1) A member of a reporting unit, or the Branch Secretary, 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).