



7 February 2019

Mr David Smith  
National Secretary  
Australian Municipal, Administrative, Clerical and Services Union  
Ground Floor, 116 Queensberry St  
CARLTON SOUTH VIC 3053

By email: [dsmith@asu.asn.au](mailto:dsmith@asu.asn.au)

CC: [peter.shields@sawarddawson.com.au](mailto:peter.shields@sawarddawson.com.au)

Dear Mr Smith,

**Australian Municipal, Administrative, Clerical and Services Union  
Financial Report for the year ended 30 June 2018 - [FR2018/102]**

I acknowledge receipt of the financial report for the year ended 30 June 2018 for the Australian Municipal, Administrative, Clerical and Services Union (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 27 November 2018.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)* have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged, however I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these matters have been addressed prior to filing next year's report.

Audit scope to include subsection 255(2A) report

A general purpose financial report prepared under section 253 of the RO Act also includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by reporting guideline 22.

The subsection 255(2A) report must be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard *ASA 700 Forming an Opinion and Reporting on a Financial Report*.

A subsection 255(2A) report was included in the copy of the documents lodged with the ROC but the auditor did not refer to the statement in the auditor's report.

Please ensure in future years that the subsection 255(2A) report is audited before provided to members and lodged with the ROC.

### References to the ROC

Following the enactment of the *Fair Work (Registered Organisations) Amendment Act 2016*, the ROC is the new regulator for registered organisations, with effect from 1 May 2017. All references to the Fair Work Commission (**FWC**) and General Manager must be changed to the Registered Organisations Commission and Commissioner except in relation to declaration (e)(vi) in the committee of management statement.

I note that item (e)(vi) in the committee of management statement refers to the 'Registered Organisations Commission' instead of the 'FWC'.

### Nil activities disclosure

Item 21 of the reporting guidelines states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The financial statements and notes contained nil activity information for all prescribed reporting guideline categories except the following:

- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity (reporting guideline 17(b));
- have another entity administer the financial affairs of the reporting unit (reporting guideline 19);
- make a payment to a former related party of the reporting unit (reporting guideline 20).

Please ensure in future years that the above mentioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the reporting guidelines.

### Recovery of wages disclosure

Please note that under the 5<sup>th</sup> edition of the reporting guidelines made under section 255 of the RO Act issued 4 May 2018, a statement in regard to recovery of wages activity in the committee of management statement is no longer required.

In place of the former requirement, item 13(e) of the 5<sup>th</sup> edition of the reporting guidelines requires a statement in regard to recovery of wages in either the notes to the financial statements or on the face of the statement of comprehensive income.

## **Redaction of information from operating report**

### Officer-Related party remuneration and payment disclosures

In the operating report, certain information disclosed under items 9, 10 and 11 have been redacted from the copy of the 2018 financial report by the ROC before publishing it on its website.

Section 293J of Part 2A of Chapter 9 of the RO Act now requires an organisation to provide its members and lodge with the ROC a copy of an officer and related party disclosure statement in respect of certain remuneration<sup>1</sup> and payments<sup>2</sup> paid during the relevant financial year. This requirement applied to the financial year ending 30 June 2018. The statement is required to be lodged with the ROC within the period of 6 months starting at the end of the financial year, i.e. in this case, before or by no later than 31 December. I note that an officer and related party disclosure statement for the reporting unit was lodged with the ROC on 17 December 2018.

Please note that the officer and related party disclosure statement is separate from, and does not form part of, the general purpose financial report required under section 253 of Part 3 of Chapter 8.

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<sup>1</sup> see section 293BC

<sup>2</sup> see section 293G

Further information about officer and related party statements may be found on the ROC website at the following link: <http://www.roc.gov.au/running-a-registered-organisation/disclosure-obligations>.

The ROC takes its obligations relating to privacy seriously and endeavours to ensure compliance with the requirements under the *Privacy Act 1988* (**Privacy Act**). The redactions have been effected in accordance with the ROC privacy policy to protect the personal information of persons identified in the operating report. A copy of the ROC privacy policy can be found via [this link](#).

### **Reporting Requirements**

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (02) 8293 4654 or via email at [david.vale@roc.gov.au](mailto:david.vale@roc.gov.au).

Yours faithfully

A handwritten signature in blue ink that reads "David Vale". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

David Vale  
Registered Organisations Commission



**A•S•U**

**Australian  
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**National Secretary**

David Smith

**Assistant National Secretaries**

Linda White

Robert Potter

File/Our Ref: 14.1 JN/db

Your Ref:

Please quote in reply

Tuesday 27 November, 2018

Registered Organisations Commission  
GPO Box 2983  
Melbourne VIC 3001

By E-mail: [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

Dear Sir

**Re: Australian Municipal, Administrative, Clerical and Services Union  
Lodgement of Financial Statements for year ended 30<sup>th</sup> June 2018  
[FR2018/102] Fair Work (Registered Organisations) Act 2009 (the RO  
Act)**

In accordance with Section 268 of the Fair Work (Registered Organisations) Act 2009, sub-sections (a), (b) and (c), attached are the financial statements including the Certificate by Prescribed Designated Officer and operating report of the Australian Municipal, Administrative, Clerical and Services Union for the year ending 30<sup>th</sup> June 2018.

Yours faithfully

**DAVID SMITH**  
National Secretary

encl.

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**Australian Services Union – National Office**  
**ABN: 28 519 971 998**

Financial Statements  
For the Year Ended  
30 June 2018

# Australian Services Union - National Office

ABN: 28 519 971 998

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# Australian Services Union - National Office

ABN: 28 519 971 998

## Certificate by Prescribed Designated Officer

I, David Smith being the National Secretary of Australian Services Union National Office certify:

- that the documents lodged herewith are copies of the full report for Australian Services Union National Office for the period ended 30 June 2018 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on **4th October 2018**; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on **21st November 2018** in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Dated

National Secretary:  .....

David Smith

Dated:

27th November 2018

# Australian Services Union - National Office

ABN: 28 519 971 998

## Report Required under Subsection 255(2A)

For the Year Ended 30 June 2018

The national executive presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

Categories of expenditures	2018 \$	2017 \$
Remuneration and other employment-related costs and expenses - employees	2,378,611	2,106,104
Advertising	2,879	3,520
Operating costs	625,699	1,046,850
Donations to political parties	-	15,000
Legal costs	96,675	41,702

National Secretary.....

David Smith



# Australian Services Union - National Office

ABN: 28 519 971 998

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
<b>Revenue</b>			
Capitation fees	2(a)	3,358,642	3,406,678
Levies	2(b)	43,483	43,789
Campaign contribution - ACTU	2(c)	269,001	-
Investment income	2(d)	209,824	226,397
Other revenue	2(e)	80,176	169,246
		<u>3,961,126</u>	<u>3,846,110</u>
<b>Expenses</b>			
Employee benefits expense	3(a)	(2,378,611)	(2,106,104)
Office and administration	3(b)	(589,556)	(994,269)
Levies	3(c)	(17,742)	(34,110)
Depreciation and amortisation expense	3(d)	(146,036)	(139,637)
Affiliation fees	3(e)	(831,635)	(858,469)
Grants and donations	3(f)	(501,125)	(15,100)
Legal expenses	3(g)	(96,675)	(41,702)
Auditor's remuneration	3(h)	(18,400)	(18,471)
		<u>(4,579,780)</u>	<u>(4,207,862)</u>
<b>Surplus/ (deficit) from operating activities</b>		<b>(618,654)</b>	<b>(361,752)</b>
Distribution from Government Skills Australia	13	-	500,000
<b>Surplus/ (deficit) for the year</b>		<b>(618,654)</b>	<b>138,248</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met		-	-
<b>Total comprehensive income for the year</b>		<b>(618,654)</b>	<b>138,248</b>

The accompanying notes form part of these financial statements.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Statement of Financial Position

As at 30 June 2018

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	4	1,731,835	3,751,185
Trade and other receivables	5	291,260	58,763
Inventories		15,372	16,426
Financial assets	6	1,594,000	507,611
Other current assets	7	107,440	64,056
TOTAL CURRENT ASSETS		<u>3,739,907</u>	<u>4,398,041</u>
NON-CURRENT ASSETS			
Financial assets	6	80,253	80,253
Property, plant and equipment	8	1,075,943	1,041,610
Investment property	9	364,569	364,569
TOTAL NON-CURRENT ASSETS		<u>1,520,765</u>	<u>1,486,432</u>
TOTAL ASSETS		<u>5,260,672</u>	<u>5,884,473</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	10	605,486	653,947
Employee provisions	11	864,982	825,737
TOTAL CURRENT LIABILITIES		<u>1,470,468</u>	<u>1,479,684</u>
NON-CURRENT LIABILITIES			
Employee provisions	11	9,648	5,579
TOTAL NON-CURRENT LIABILITIES		<u>9,648</u>	<u>5,579</u>
TOTAL LIABILITIES		<u>1,480,116</u>	<u>1,485,263</u>
NET ASSETS		<u>3,780,556</u>	<u>4,399,210</u>
<b>EQUITY</b>			
Reserves	13	599,711	573,970
Accumulated Surpluses		3,180,845	3,825,240
TOTAL EQUITY		<u>3,780,556</u>	<u>4,399,210</u>

The accompanying notes form part of these financial statements.

## Australian Services Union - National Office

ABN: 28 519 971 998

### Statement of Changes in Equity

For the Year Ended 30 June 2018

#### 2018

	Retained Earnings	Government Skills Australia Reserves	General Reserves	National Airlines Industry Division Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2017	3,825,240	500,000	-	73,970	4,399,210
Deficit for the year	(618,654)	-	-	-	(618,654)
Transfers to/from reserves	(25,741)	-	-	25,741	-
Balance at 30 June 2018	3,180,845	500,000	-	99,711	3,780,556

#### 2017

	Retained Earnings	Government Skills Australia Reserves	General Reserves	National Airlines Industry Division Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2016	4,196,671	-	-	64,291	4,260,962
Surplus for the year	138,248	-	-	-	138,248
Transfers to/from reserves	(509,679)	500,000	-	9,679	-
Balance at 30 June 2017	3,825,240	500,000	-	73,970	4,399,210

The accompanying notes form part of these financial statements.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Statement of Cash Flows

For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from branches	18 4,435,265	4,823,235
Interest received	79,398	90,703
Other receipts	210,814	781,028
Payments to employees and suppliers	(5,266,872)	(4,477,758)
Payments to branches	18 (211,199)	(218,422)
Net cash provided by/(used in) operating activities	18 (752,594)	998,786
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payment for equipment and vehicles	(180,367)	(5,679)
Redemption (placement) of term deposits	(1,086,389)	1,303,528
Cash advanced - SA & NT Branch	(2,500,000)	(80,000)
Repayment of cash advanced - SA & NT Branch	2,500,000	300,000
Net cash used by investing activities	(1,266,756)	1,517,849
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net increase/(decrease) in cash and cash equivalents held	(2,019,350)	2,516,635
Cash and cash equivalents at beginning of year	3,751,185	1,234,550
Cash and cash equivalents at end of financial year	4 1,731,835	3,751,185

The accompanying notes form part of these financial statements.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(a) Basis of preparation

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

The financial statements have been prepared on an accrual basis and in accordance with the historical cost basis of accounting, except for certain assets and liabilities are 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.

Except where otherwise stated, the accounting policies in the preparation of this financial report are consistent with those of the previous financial year. The financial statements were authorised for issue on the same date the statement by the Committee of Management was signed.

#### 1(b) Comparative figures

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

#### Trust distribution from ACTU

During the year, the National office received trust distribution of \$53,560 (2017: \$79,390) which was deducted from the affiliation fee paid to ACTU. Historically this trust distribution was netted off against affiliation fees. Amendment has been made to gross up trust distribution and affiliation fee. Net impact to the National Office's statement of profit or loss is nil.

#### 1(c) Income Tax

No provision for income tax has been raised as the Union is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997. However, it still has obligations for Fringe Benefit Tax (FBT) and Goods and Services Tax (GST).

#### 1(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(e) Leases

##### Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

#### 1(f) Revenue and other income

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

Revenue from capitation fees is recognised on an accrual basis and 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 transactions will flow to the entity.

Revenue from employees by way of car contributions is recognised on an accruals basis and is brought to account as income on a progressive basis throughout the year.

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

Rental revenue from operating leases is recognised on a straight line basis over the term of the lease.

Trust distribution income is recognised when the right to receive the distribution has been established.

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

#### 1(g) Gains and losses

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

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(h) Reimbursement from other reporting units

The amounts reimbursed for payroll tax, insurance premiums and other costs are treated as deductions from the corresponding expenses on the basis of the costs being expenses of the branch. Accordingly the income and expenses relating to reimbursement of these items are not recognised in the statement of profit or loss and other comprehensive income of the National Office. For further details see Note 22(c) Transactions with Other Reporting Units.

#### 1(i) Employee benefits

Provision is made for National Office's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

Liabilities for short-term employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled including related on costs.

Long-term employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

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

#### 1(j) Inventories

Inventories are measured at the lower of cost and net realisable value.

#### 1(k) Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents comprises cash on hand, demand deposits and short-term highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value with original maturities of three months or less. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

#### 1(l) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(l) Financial instruments

##### Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than twelve months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

##### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

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

Listed shares and listed redeemable notes that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit has investments in unlisted shares that are not traded in an active market but that



# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(l) Financial instruments

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.

#### Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Company's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. Held-to-maturity financial assets are included in non-current assets, except for those with maturities of less than twelve months from the reporting date, which are classified as current assets.

#### *Effective interest method*

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

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

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(l) Financial instruments

##### 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.

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.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(l) Financial instruments

##### *De-recognition of financial assets*

The National Office 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.

##### **Financial liabilities**

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. 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 remeasurement 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.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(l) Financial instruments

##### *Other financial liabilities*

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

##### *De-recognition of financial liabilities*

The National Office derecognises financial liabilities when, and only when, the National Office's 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.

#### 1(m) Property, plant and equipment

##### **Cost Model**

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

##### **Land and buildings**

Land and buildings are measured using the cost model.

##### **Plant and equipment**

Plant and equipment are measured using the cost model.

##### **Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line over the assets useful life to the Company, commencing when the asset is ready for use.

Class of Fixed Assets	
Buildings	2.5%
Motor vehicles	18.75%
Office furniture and equipment	10% - 33%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed and adjusted if appropriate.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(m) Property, plant and equipment De-recognition

An item of property, plant and equipment is derecognised upon its disposal or when no future economic benefits are expected from its use. Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss in the statement of comprehensive income.

#### 1(n) Investment property

Investment properties are measured using the cost model.

Investment property is held at cost which includes expenditure that is directly attributable to the acquisition of the investment property. Property held for investment purposes by way of rental income is not depreciated.

#### 1(o) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets. Where this indicator exists, the recoverable amount of the asset is estimated and an impairment adjustment is made in all cases where the recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset.

Where the future economic benefit of an asset is not primarily dependent on the ability of the asset to generate future cash flows and the assets would be replaced if the National Office were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

#### 1(p) Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position and instead, where applicable, are reported in the relevant notes. They may arise from uncertainty as to the existence of an asset or a liability or represent an existing asset or liability 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.

#### 1(q) Australian Services Union branches

The following branches operate and conduct all of their business as a branch of the National Office:

- Victorian & Tasmanian Authorities & Services Branch
- NSW & ACT (Services) Branch
- NSW United Services Branch
- South Australian & Northern Territory Branch
- Victorian Private Sector Branch
- Western Australian Branch
- QLD (Services & Northern Administrative) Branch
- QLD Together Branch
- Taxation Officers' Branch

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(q) Australian Services Union branches

Australian Services Union branches are considered as reporting units under the National Office as per the Fair Work (Registered Organisations) Act 2009 (the Act). However the activities of these branches are not consolidated into the National Office's accounts as the National Office does not have beneficial control. The branches have their own accounting processes, are required to be audited separately and have their own reporting obligations under the Act.

#### 1(r) Significant accounting estimates and judgments

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

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

##### (i) Key estimates - Impairment

The National Office assesses impairment at the end of each reporting year by evaluating conditions specific to the National Office that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

##### (ii) Key judgment - Useful lives of property, plant and equipment

Property, plant and equipment are depreciated over their useful life and the depreciation rates are assessed when the assets are acquired or when there is a significant change that affects the remaining useful life of the asset.

##### (iii) Key judgment - Provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

##### (iv) Key judgment - Short term highly liquid investments

The National Office has determined that short-term highly liquid investments are those with original maturities of three months or less.

##### (v) Key estimates - On-cost for employee entitlement provision

The National Office revised its estimates for on-cost for employee entitlement provision during the year to include superannuation, workcover and payroll tax.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(s) Adoption of new and revised accounting standards

##### (i) Adoption of new Australian Accounting Standards requirements

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

##### (ii) Future Australian Accounting Standards Requirements

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

#### **AASB 15: Revenue from Contracts with Customers**

(applicable for annual reporting periods commencing on or after 1 January 2019)

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The committee of management anticipate that the adoption of AASB 15 will not have a significant impact on the National office's financial statements.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### 1(s) Adoption of new and revised accounting standards

##### (ii) Future Australian Accounting Standards Requirements

###### AASB 16: Leases

(applicable for annual reporting periods commencing on or after 1 January 2019)

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying AASB 107 Statement of Cash Flows.

Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

Although the committee of management anticipate that the adoption of AASB 16 may have an impact on the National office's financial statements, it is anticipated that the effect will be insignificant to the financial statements as a whole.

### 2 Revenue and Other Income

#### 2(a) Capitation fees from branches

	2018	2017
	\$	\$
Queensland Together Branch	768,135	759,793
QLD (Services & Northern Administrative) Branch	325,433	351,753
NSW United Services Branch	860,323	858,598
NSW & ACT (Services) Branch	338,118	345,772
VIC & TAS Authorities & Services Branch	612,081	635,122
VIC Private Sector Branch	127,642	128,923
SA & NT Branch	151,294	147,866
WA Branch	152,495	155,523
Taxation Officers' Branch	23,119	23,328
	<b>3,358,642</b>	<b>3,406,678</b>



# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 2 Revenue and Other Income

#### 2(b) Levies

	2018	2017
	\$	\$
<b>National Airlines Industry Division</b>	-	-
Queensland Together Branch	4,476	4,477
QLD (Services & Northern Administrative) Branch	942	942
NSW United Services Branch	3,870	4,176
NSW & ACT (Services) Branch	9,392	9,392
VIC & TAS Authorities & Services Branch	1,301	1,301
VIC Private Sector Branch	19,064	19,064
SA & NT Branch	1,565	1,564
WA Branch	2,873	2,873
	<u>43,483</u>	<u>43,789</u>

#### 2(c) Campaign contribution - ACTU

QLD (Services & Northern Administrative) Branch	74,251	-
NSW & ACT (Services) Branch	37,754	-
WA Branch	38,149	-
VIC & TAS Authorities & Services Branch	66,020	-
NSW United Services Branch	38,461	-
VIC Private Sector Branch	14,366	-
	<u>269,001</u>	<u>-</u>

#### 2(d) Investment revenue

Bank interest	65,999	69,017
Property rentals - ACT property	61,643	60,407
Investment revenue from branches as per note 2(d)	6,853	6,653
Trust distribution - ACTU	53,560	82,556
Interest from loan to SA & NT Branch	21,769	7,764
Other investment revenue	-	-
	<u>209,824</u>	<u>226,397</u>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 2 Revenue and Other Income

#### 2(e) Other revenue

	2018	2017
	\$	\$
Board representation fees	54,117	59,042
Sale of promotional goods	834	578
Employee car contribution	9,044	7,323
Gain/(loss) on sale of fixed assets	-	(19,059)
Grants and donations	-	-
Membership subscription	-	-
Conference sponsorship and other income	16,181	121,362
	<u>80,176</u>	<u>169,246</u>

### 3 Expenses

#### 3(a) Employee benefits

##### Holders of office:

Salaries and wages	390,290	270,194
Employer superannuation	83,303	74,614
Leave entitlement	112,114	65,013
Separations and redundancies	1,641	-
Other employee expenses	-	-
	<u>587,348</u>	<u>409,821</u>

##### Other employees:

Salaries and wages	932,736	1,160,858
Superannuation	190,526	174,138
Leave entitlement	273,742	265,366
Separations and redundancies	253,290	-
Payroll tax and workcover	126,543	95,140
Other employee expenses	14,426	781
	<u>1,791,263</u>	<u>1,696,283</u>
<b>Total employee benefits</b>	<u>2,378,611</u>	<u>2,106,104</u>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 3 Expenses

#### 3(b) Office and administration

	2018	2017
	\$	\$
Utilities	72,463	68,914
Insurance expense	30,379	31,042
Meeting and conference	17,407	141,428
Rent of Sydney office - United Services Union	29,750	29,750
Motor vehicle	10,767	29,943
Telephone and teleconferencing	39,513	47,423
Office expenses	35,278	34,728
Repair and maintenance	18,315	20,072
Employment related expenses	32,233	219,738
Travel expenses	99,340	121,930
Other expenses	204,112	249,301
Fees/allowances - meetings and conferences	-	-
Consideration to employers for payroll deductions	-	-
Capitation fees	-	-
Penalties - via RO Act or RO Regulations	-	-
	<b>589,556</b>	<b>994,269</b>

#### 3(c) Levies

National airlines division expenses	17,742	34,110
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Australian Service Union contributes a levy for members employed or engaged in the Airlines industry to National Airlines Division Council. The fund is used exclusively for the purposes of the National Airlines Industry Division.

#### 3(d) Depreciation and amortisation

##### Depreciation

Building	19,984	19,984
Motor vehicles	27,378	23,781
Furniture, equipment and library	98,673	95,872
	<b>146,036</b>	<b>139,637</b>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 3 Expenses

#### 3(e) Affiliation fees

	2018	2017
	\$	\$
Australian Council of Trade Unions	727,232	744,893
Public Services International	60,355	61,062
Union Network International	11,068	14,186
International Transport Workers Federation	15,407	17,125
APHEDA - Union Aid Abroad	4,138	3,652
UNI Asia and Pacific Regional Organisation	-	5,000
Australasian Railway Association	1,100	1,960
EE-OZ Training Standards	91	91
Australian Fair Trade and Investment Network	6,290	5,500
Trade Unions for Energy Democracy	5,500	5,000
First Nations Workers Alliance	454	-
	<u>831,635</u>	<u>858,469</u>

#### 3(f) Donations and grants

##### Donations

Total paid that were \$1,000 or less	1,125	100
Total paid that exceeded \$1,000	500,000	15,000
<b>Total donations</b>	<u>501,125</u>	<u>15,100</u>

##### Grants

Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants</b>	<u>-</u>	<u>-</u>
<b>Total grants and donations</b>	<u>501,125</u>	<u>15,100</u>

#### 3(g) Legal costs

Litigations	3,000	-
Other matters	93,675	41,702
	<u>96,675</u>	<u>41,702</u>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 3 Expenses

#### 3(h) Auditor's remuneration

	2018	2017
	\$	\$
Accounts and financial statement audit	12,500	12,571
Other services	5,900	5,900
	<u>18,400</u>	<u>18,471</u>

### 4 Cash and Cash Equivalents

Cash on hand	253	167
Cash at bank	1,731,582	3,751,018
Short term deposit	-	-
	<u>1,731,835</u>	<u>3,751,185</u>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 5 Trade and Other Receivables

	2018	2017
	\$	\$
<b>Current receivable from branches:</b>		
QLD (Services & Northern Administrative) Branch	-	385
NSW & ACT (Services) Branch	150	962
VIC & TAS Authorities & Services Branch	252,142	21,976
VIC Private Sector Branch	17,870	220
SA & NT Branch	5,553	962
WA Branch	-	85
Taxation Officers' Branch	14,479	10,801
<b>Total current receivables from branches</b>	<b>290,194</b>	<b>35,391</b>
<b>Less provision for doubtful debt:</b>		
Other reporting units	-	-
Total provision for doubtful debts from other reporting units	-	-
<b>Other current receivables:</b>		
Other debtors	1,066	23,372
<b>Total other current receivables</b>	<b>1,066</b>	<b>23,372</b>
<b>Total current trade and other receivables</b>	<b>291,260</b>	<b>58,763</b>

The carrying amounts of all current trade and other receivables are equal to their fair values as they are short term receivables (less than 30 days) and non-interest bearing.

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

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 6 Financial assets

	2018	2017
	\$	\$
CURRENT		
Held-to-maturity deposits:		
- Bank term deposit (general member funds)	1,594,000	507,611
Term deposit accounts are managed by ifsinvest, with AMP, ME Bank, and Bank of Queensland, which are short-term deposit with no more than 12 months to maturity. The rate of interest at balance date ranged from 2.4% to 2.75%.		
NON-CURRENT		
Available-for-sale financial assets		
Unlisted shares in AFI Pte Ltd at cost	41,334	41,334
Unlisted units in ACTU Member Connect at cost	38,919	38,919
Total non-current financial assets	<u>80,253</u>	<u>80,253</u>

AFI Pte Ltd is a Singapore not-for-profit company which holds property for the use of UNI-APRO. National Office holds 60,000 shares representing a 6.3% interest. The net asset value of the company for the financial year ended 31 December 2017 was SGD\$870,057, which equates to a value for the National office of SGD\$54,814 (AUD\$52,471).

ACTU Member Connect is a trust established to provide benefits to union members with National Office holding 120,790 units (2017: 120,790) or 6.3%. During the year, the National office received trust distribution of \$53,560 (2017: which was deducted from the affiliation fee paid to ACTU. The net asset value of the trust for the financial year ended 30 June 2017 was \$715,529, which equates to a value for the National office of \$44,829.

### 7 Other current assets

CURRENT		
Prepayments	95,370	60,355
Accrued interest	12,070	3,701
	<u>107,440</u>	<u>64,056</u>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 8 Property, plant and equipment

	2018	2017
	\$	\$
<b>LAND AND BUILDINGS</b>		
<b>Freehold land</b>		
116-124 Queensberry Street Carlton at cost	332,784	332,784
<b>Total Land</b>	<b>332,784</b>	<b>332,784</b>
<b>Buildings</b>		
116-124 Queensberry Street Carlton at cost	799,350	799,350
Accumulated depreciation	(592,978)	(572,994)
<b>Total buildings</b>	<b>206,372</b>	<b>226,356</b>
<b>Total land and buildings</b>	<b>539,156</b>	<b>559,140</b>
<b>PLANT AND EQUIPMENT</b>		
<b>Furniture and equipment</b>		
At cost	1,030,046	872,455
Accumulated depreciation	(543,609)	(448,213)
<b>Total furniture, fixtures and fittings</b>	<b>486,437</b>	<b>424,242</b>
<b>Motor vehicles</b>		
At cost	127,599	108,099
Accumulated depreciation	(77,249)	(49,871)
<b>Total motor vehicles</b>	<b>50,350</b>	<b>58,228</b>
<b>Total plant and equipment</b>	<b>536,787</b>	<b>482,470</b>
<b>Total property, plant and equipment</b>	<b>1,075,943</b>	<b>1,041,610</b>

#### VIC Property

Office premises at 116-124 Queensberry Street Carlton is wholly-owned by the Union with National Office having a 23.3% share and Victorian and Tasmanian Authorities & Services Branch having a 76.7%. With reference to note 1(m), the property is stated in the accounts at historical cost less accumulated depreciation. The indicative fair value of the property based on 16 May 2016 independent valuation by WBP Property Group based on continuation of existing use basis is \$10,080,000 (23.3% = \$2,348,640).



# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 8 Property, plant and equipment

#### (a) Movements in carrying amounts of property, plant and equipment

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

	Land	Buildings	Furniture and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
<b>Year ended 30 June 2018</b>					
Balance at the beginning of year	332,784	226,356	424,242	58,228	1,041,610
Additions	-	-	160,869	19,500	180,369
Depreciation expense	-	(19,984)	(98,674)	(27,378)	(146,036)
<b>Balance at the end of the year</b>	<b>332,784</b>	<b>206,372</b>	<b>486,437</b>	<b>50,350</b>	<b>1,075,943</b>

	Land	Buildings	Furniture and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
<b>Year ended 30 June 2017</b>					
Balance at the beginning of year	332,784	246,340	514,435	101,068	1,194,627
Additions	-	-	5,679	-	5,679
Depreciation expense	-	(19,984)	(95,872)	(23,781)	(139,637)
Disposals	-	-	-	(19,059)	(19,059)
<b>Balance at the end of the year</b>	<b>332,784</b>	<b>226,356</b>	<b>424,242</b>	<b>58,228</b>	<b>1,041,610</b>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 9 Investment Property

	2018	2017
	\$	\$
Unit 6, 40 Brisbane Avenue, Barton at cost	364,569	364,569
	<b>364,569</b>	<b>364,569</b>

#### ACT Property

Rental property including twelve car parks at Unit 6, 40 Brisbane Avenue Barton is owned by National Office (50%) and the NSW United Services Branch (50%). With reference to note 1(n), the investment property is measured using cost model. The indicative fair value of the property based on 30 June 2016 independent valuation by CBRE is \$1,000,000 (50% share being \$500,000).

### 10 Trade and Other Payables

#### CURRENT

##### Trade and other payables

Trade creditors and accruals	414,860	321,200
ATO receivable	(82,329)	85,845
Consideration payable to employers for payroll deductions	-	-
Legal fees payable - litigation	-	-
Legal fees payable - other legal matters	2,440	38,357
	<b>334,971</b>	<b>445,402</b>

##### Payable to branches and related parties

QLD (Services & Northern Administrative) Branch	2,613	-
NSW & ACT (Services) Branch	-	390
VIC & TAS Authorities & Services Branch	41,241	41,107
SA & NT Branch	226,661	6,600
VIC Private Sector Branch	-	4,100
Queensland Together Branch	-	1,698
United Services Union	-	154,650
	<b>270,515</b>	<b>208,545</b>

Total trade and other payables	<b>605,486</b>	<b>653,947</b>
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#### Trade and other payables

The average credit period on purchases of goods and services by National Office is one month. There is no interest charged on the outstanding trade payables balance.

Financial risk management policies are in place to ensure that all payables are paid within normal trading terms.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 11 Employee Benefits

	2018	2017
	\$	\$
<b>Office holders:</b>		
Annual leave	89,629	67,226
Long service leave	344,064	267,736
Separations and redundancies	-	-
Other	2,801	7,428
	<u>436,494</u>	<u>342,390</u>
<b>Employees other than office holders:</b>		
Annual leave	147,848	149,214
Long service leave	287,768	328,219
Separations and redundancies	-	-
Other	2,520	11,493
	<u>438,136</u>	<u>488,926</u>
<b>Total employee provisions</b>	<u>874,630</u>	<u>831,316</u>
<b>Analysis of total provisions</b>		
Current	864,982	825,737
Non-current	9,648	5,579
<b>Total employee provision</b>	<u>874,630</u>	<u>831,316</u>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 11 Employee Benefits

#### Analysis of total provisions

The liability for employee entitlements represents the amount accrued for annual leave and long service leave. The current portion represents entitlements that have vested due to employees having completed the required period of service whilst the non-current portion represents those entitlements that have not yet vested.

National Office does not expect the full amount of the liability classified as current to be settled within the next twelve months. However, there is no unconditional right to defer settlement in the event of employees wishing to use their entitlements and, accordingly, the amount must be shown as a current liability.

### 12 Capital and Leasing Commitments

#### 12(a) Hire purchase & finance lease commitments

No hire purchase or finance lease contracts were entered into during the year, nor were there any on hand as at the end of the financial year (nor the end of the previous financial year).

#### 12(b) Non-cancellable operating lease commitments

National Office is not a party to any non-cancellable operating leases for which a commitment to make minimum lease payments exist.

#### 12(c) Capital expenditure and/or other commitments

No capital expenditure or other contracts were entered into during the year, nor subsisted at the end of the financial year for which a commitment to make a payment exists.

#### 12(d) Rental property lease commitments as lessor

The current non-cancellable operating lease is in relation to the rental property in the ACT and the National Office's premises in Victoria.

The term for the ACT rental property is for five years and commenced 1 August 2016. The lease expires on 31 July 2021. The National Office has fifty per cent interest in the property which is shown as an asset of National Office and therefore is entitled to fifty per cent of the future minimum lease rentals receivable.

The term for the Victorian property is for five years and commenced 1 July 2016. The lease expires on 30 June 2021. An option to renew the lease for a further term of five years is available at the conclusion of the current agreement.

	2018	2017
	\$	\$
Within one year	74,804	72,307
Later than 1 year but less than 5 years	163,510	238,313
Later than 5 years	-	-
<b>Minimum future lease rentals</b>	<b>238,314</b>	<b>310,620</b>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 13 Reserves

#### 15(a) National Airlines Industry Division Reserve

The National Airlines Industry Division Reserve relates to unexpended National Airlines Industry Division levies received from the branches. These funds are reserved for activities of airline industrial actions.

#### 15(b) Government Skills Australia Reserve

Government Skills Australia (GSA) have ceased operations as of 11 December 2015. The board of GSA resolved on 12 October 2016 to make \$500,000 distributions to ASU National Office in its capacity as Local Government Employee Peak Body and Water Industry Peak Body. ASU National Office has undertaken that it will use these funds for training purposes in the Water and Local Government industries.

### 14 Contingencies

The Australian Municipal Administrative Clerical & Services Union is registered as a body corporate with perpetual succession under the *Fair Work (Registered Organisations) Act 2009* and is divided into the National Office and nine constituent branches (each a separate reporting unit).

Notwithstanding that each branch of the Union is a separate reporting unit for financial reporting purposes under the *Fair Work (Registered Organisations) Act 2009* all assets including property, plant and equipment vests in the National Office in accordance with the rules of the organisation.

The Union together with National Office has a contingent liability in relation to all debts incurred by other reporting units. No provision is considered necessary on the basis that each reporting unit is able to pay its debts as and when they fall due from their own income and reserves.

Apart from the above matters, members of the committee of management are not aware of any contingent asset or liability which existed at balance date, nor to the date of issue of this financial report, which would have a material effect in relation to the disclosures in the report.

### 15 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

### 16 Economic dependence

The National Office relies on funding by way of capitation fees from its branches and, accordingly, is economically dependent on the ability of those branches to continue as a going concern in order to continue to service the needs of members on industrial and workplace matters.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 17 Other specific disclosures - funds

	2018	2017
	\$	\$
Compulsory levy/voluntary contribution fund - if invested in assets	-	-
Other fund required by rules	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

### 18 Cash Flow Information

#### 18(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:		
Surplus/(Deficit) for the year	(618,654)	138,248
Non-cash flows in result:		
- depreciation	146,036	139,637
- Trust distribution reinvested	-	(3,166)
- net loss/(gain) on disposal of property, plant and equipment	-	19,059
Changes in assets and liabilities		
- (increase)/decrease in trade and other receivables	(275,884)	480,213
- (increase)/decrease in inventories	1,055	504
- increase/(decrease) in trade and other payables	(48,461)	287,901
- increase/(decrease) in other current liabilities	-	(15,000)
- increase/(decrease) in provisions	43,314	(48,610)
Cashflow from operations	<u>(752,594)</u>	<u>998,786</u>

#### 18(b) Other cash flow information

##### Cash flow from branches

Queensland Together Branch	861,383	856,118
QLD (Services & Northern Administrative) Branch	453,815	413,401
NSW United Services Branch	1,017,457	1,196,145
NSW & ACT (Services) Branch	446,829	503,624
VIC & TAS Authorities & Services Branch	976,362	1,086,985
VIC Private Sector Branch	234,177	233,762
SA & NT Branch	193,800	261,065
WA Branch	216,507	233,294
Taxation Officers' Branch	34,935	38,841
	<u>4,435,265</u>	<u>4,823,235</u>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 18 Cash Flow Information

#### 18(b) Other cash flow information

##### Cash outflow to branches

Queensland Together Branch	3,747	2,110
QLD (Services & Northern Administrative) Branch	6,700	7,475
NSW United Services Branch	40,475	51,756
NSW & ACT (Services) Branch	10,987	17,951
VIC & TAS Authorities & Services Branch	111,812	97,086
VIC Private Sector Branch	5,925	1,196
SA & NT Branch	21,200	21,123
WA Branch	8,930	19,170
Taxation Officers' Branch	1,423	555
	<hr/>	<hr/>
	211,199	218,422

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 19 Financial Risk Management

Financial instruments held by the National office consist mainly of cash, deposits with banks (either at-call or on short-term deposit) and accounts receivable and accounts payable.

The total of each category of financial instrument together with their weighted-average interest rate and their maturity profile may be summarised as follows:

	Weighted Average Interest Rate	Floating Interest Rate	1 year or less to Maturity	1 to 5 years to Maturity	Non Interest Bearing	Total
30 June 2018	%	\$	\$	\$	\$	%
Cash on hand	-	-	-	-	10,244	10,244
Cash at bank	1.5	557,559	-	-	-	557,559
Deposits at call	1.8	1,164,031	-	-	-	1,164,031
Fixed term deposit	2.6	-	1,594,000	-	-	1,594,000
Trade and other receivables	-	-	-	-	-	291,260
<b>Total financial assets</b>		<b>1,721,590</b>	<b>1,594,000</b>	<b>-</b>	<b>10,244</b>	<b>3,617,094</b>
<b>Less financial liabilities</b>						
Trade and other payables	-	-	-	-	(605,485)	(605,485)
<b>Net financial assets</b>		<b>1,721,590</b>	<b>1,594,000</b>	<b>-</b>	<b>(595,241)</b>	<b>3,011,609</b>

	Weighted Average Interest Rate	Floating Interest Rate	1 year or less to Maturity	1 to 5 years to Maturity	Non Interest Bearing	Total
30 June 2017	%	\$	\$	\$	\$	\$
Cash on hand	-	-	-	-	167	-
Cash at bank	1.8	2,935,173	-	-	-	2,935,173
Deposits at call	2.2	815,845	-	-	-	815,845
Fixed term deposit	2.7	-	507,611	-	-	507,611
Trade and other receivables	-	-	-	-	58,763	58,763
<b>Total financial assets</b>		<b>3,751,018</b>	<b>507,611</b>	<b>-</b>	<b>58,930</b>	<b>4,317,392</b>
<b>Less financial liabilities</b>						
Trade and other payables	-	-	-	-	(653,947)	(653,947)
<b>Net financial assets</b>		<b>3,751,018</b>	<b>507,611</b>	<b>-</b>	<b>(595,017)</b>	<b>3,663,445</b>



# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 19 Financial Risk Management

#### 19(a) Net fair value of financial instruments

The fair values disclosed in the above table have been determined based on the following methodology:

Cash and cash equivalents, trade and other receivables, trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Long term borrowings relate to a commercial loan whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual and long service leave which is not considered a financial instrument.

#### 19(b) Financial risk management policies

The National Executive have overall responsibility for the establishment of the Union's financial risk management framework. This includes the development of policies covering specific areas.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the National Office's activities. The overall risk management policies seek to assist the National Office in meeting its financial targets, while minimising potential adverse effects on financial performance.

Mitigation strategies for specific risks faced are described below:

##### Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the National Office and arises principally from the National Office's receivables.

##### Credit risk exposure

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 19 Financial Risk Management

#### 19(c) Liquidity risk

Liquidity risk arises from the possibility that the National Office might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored throughout the year;
- monitoring undrawn credit facilities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- maintaining adequate reserves.

#### 19(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

#### 19(e) Price risk

The National Office is not exposed to any material commodity price risk.

#### 19(f) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The National Office is also exposed to earnings volatility on floating rate instruments.

The financial instruments that expose the Group to interest rate risk are limited to held-to-maturity financial assets and cash at bank.

The activities of the National Office are not sensitive to changes in interest rates as neither interest income nor interest on borrowings are significant to the organisation.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 19 Financial Risk Management

#### 19(f) Interest rate risk

##### Interest rate risk sensitivity analysis

At 30 June 2018, 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:

	2018	2017
	\$	\$
<b>Change in profit</b>		
- Increase in interest rate +/- 1%	33,156	42,586
<b>Change in equity</b>		
- Increase in interest rate +/- 1%	33,156	42,586

#### 19(g) Asset pledged or held as collateral

No assets have been pledged as security or held as collateral for any loan, borrowing or credit facility.

### 20 Related Parties

#### 20(a) Key management compensation

Aggregate amount of compensation paid or payable to key management personnel during the year was as follows:

Short-term employee benefit	455,976	307,993
Post-employment benefits	83,303	74,614
Other long term benefits	46,427	27,214
Termination benefits	1,642	-
	<u>587,348</u>	<u>409,821</u>

Key management personnel of National Office comprise the following four elected officers -

National Secretary: David Smith  
Assistant Secretary: Greg McLean (retired in 2018 financial year)  
Assistant Secretary: Robert Porter  
Assistant Secretary: Linda White

No other transactions occurred during the year with elected officers, close family members or other related parties other than those related to their membership or employment and on terms no more favourable than those applicable to any other member or employee.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 20 Related Parties

#### 20(a) Key management compensation

Board representation fees to which officers were entitled in respect of their appointment to any superannuation fund board were \$54,117 (2017: \$60,200). Fees assigned and paid to the National Office are brought to account as income of the National Office - refer Note 2(d).

#### 20(b) Holders of office and related reporting units

The names of those persons who held office for all or part of the year and are deemed to be a related party for financial reporting purposes are set out in the accompanying Operating Report.

Officeholders other than key management were remunerated by other reporting units of the Union details of which are set out in the individual financial reports of those reporting units.

There were no transactions during the year between National Office and officeholders, close family members or related parties other than those related to their membership or employment and on terms no more favourable than those applicable to any other member or employee.

For financial reporting purposes under the *Fair Work (Registered Organisations) Act 2009* the Union is divided into National Office and the following branches each of which is a separate reporting unit and deemed to be a related party -

- Queensland Together Branch (Central & Southern Queensland Clerical & Administrative)
- Queensland (Services & Northern Administrative) Branch
- New South Wales United Services Branch
- New South Wales & Australian Capital Territory (Services) Branch
- Victorian & Tasmanian Authorities & Services Branch
- Victorian Private Sector Branch
- South Australian & Northern Territory Branch
- Western Australia Branch
- Taxation Officers' Branch

The national office also transacts with the following state registered union, which operates in conjunction with its branches. This state registered union is deemed to be a related party under the Australian Accounting standards:

- United Services Union.

#### 20(c) Transactions with other reporting units and state registered union

	2018	2017
	\$	\$
<b>Revenue from other reporting units and state registered union</b>		
Capitation fees as per note 2(a)	3,358,640	3,406,678
Airline division council levy from branches as per note 2(b)	43,482	43,789
Investment revenue from branches as per note 2(d)	28,622	14,417
<b>Total revenue from other reporting units and state registered union</b>	<b>3,430,744</b>	<b>3,464,884</b>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 20 Related Parties

#### 20(c) Transactions with other reporting units and state registered union

	2018	2017
	\$	\$
<b>Reimbursements from other reporting units and state registered union</b>		
State payroll tax reimbursements	468,891	420,295
Share of insurance premiums	54,607	52,788
Other costs recharged	428,302	102,635
<b>Total reimbursements from other reporting units and state registered union</b>	<b>951,800</b>	<b>575,718</b>
<i>^ Received from -</i>		
Queensland Together Branch	10,463	14,019
QLD (Services & Northern Administrative) Branch	85,834	18,196
NSW United Services Branch	38,461	22,194
NSW & ACT (Services) Branch	57,959	17,584
VIC & TAS Authorities & Services Branch	519,482	386,150
VIC Private Sector Branch	88,507	64,506
SA & NT Branch	27,534	7,532
WA Branch	41,403	7,041
Taxation Officers Branch	5,131	4,977
United Services Union	77,026	33,519
<b>Total reimbursements from other reporting units and state registered union</b>	<b>951,800</b>	<b>575,718</b>

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 20 Related Parties

#### 20(c) Transactions with other reporting units and state registered union

	2018	2017
	\$	\$
<b>Purchases from other reporting units and state registered union</b>		
Employee benefits costs reimbursed to United Services Union	6,626	212,981
Office and administration expenses as per note 3(b):		
Queensland Together Branch	1,863	2,898
QLD (Services & Northern Administrative Branch)	8,467	6,326
NSW & ACT (Services) Branch	9,634	16,206
NSW United Services Branch	36,795	6,818
VIC & TAS Authorities & Services Branch	99,903	89,143
VIC Private Sector Branch	1,166	1,149
SA & NT Branch	24,578	24,599
WA Branch	8,118	17,427
Taxation Officers Branch	1,294	504
United Services Union	19,500	29,318
<b>Amounts owed by other reporting units and state registered union</b>		
Current branch receivables as per note 5	293,314	38,512
<b>Amounts owed to other reporting units and state registered union</b>		
Current branch payables as per note 10	43,854	208,545

#### Reimbursement from other reporting units

The amounts reimbursed for payroll tax, insurance premiums and other costs are treated as deductions from the corresponding expenses on the basis of the costs being expenses of the branch. Accordingly the income and expenses relating to reimbursement of these items are not recognised in the Statement of Profit or Loss and Other Comprehensive Income of the National Office.

#### Terms and conditions

Transactions with other reporting units were made on terms and conditions equivalent to those that prevail in arms-length transactions. Outstanding balances for sales and purchases at year-end are unsecured and interest-free and settlement is expected to occur in cash. No guarantees have been given or received for any related party receivable or payable and no impairment has been recorded or considered necessary.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Notes to the Financial Statements

For the Year Ended 30 June 2018

### 21 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 Commissioner

(1) A member of a reporting unit, or the Commissioner, 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).

### 22 Other information

#### Financial support

During the year, an additional cash advancement of \$2,500,000 was provided to the SA & NT Branch from 13 April 2018 to 7 May 2018. Cash advancement was fully repaid during the year. Total interest charged for cash advancement was \$21,769.

No financial support has been provided to reporting units to ensure that they continue as a going concern.

#### Going concern

The ability of the National Office to continue as a going concern is reliant on capitation fees from branches and such support is required to be provided under the Rules. No other forms of financial support has been received during the year.

#### Union details and registered office

The registered office and principal place of business of the Australian Municipal Administrative Clerical & Services Union trading as "Australian Services Union" is 116-124 Queensberry Street Carlton South Victoria.

#### Acquisition of assets and liability under specific sections:

National Office 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;
- A restructure of the Branches of the organisation;
- A determination by the Commissioner under s245(1) of the RO Act
- A revocation by the Commissioner under s249(1) of the RO Act.

#### Acquisition of assets and liability as part of a business combination:

No assets or liabilities were acquired during the year as part of a business combination.

# Australian Services Union - National Office

ABN: 28 519 971 998

## Statement by the Committee of Management

On the 4th October, 2018 the National Executive being the committee of management of the Australian Municipal Administrative Clerical & Services Union ("the organisation") passed the following resolution in relation to the general purpose financial report (GPFR) of the National Office ("reporting unit") for the year ended 30 June 2018:

The National Executive 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 reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - i. meetings of the committee of management were held in accordance with the rules of the organisation;
  - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation;
  - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act 2009;
  - iv. the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation.
  - v. the information sought in any request of a member of the reporting unit or the Commissioner duly made under section 272 of the RO Act 2009 has been provided to the member or Commissioner.
  - vi. there has been compliance where an order for any inspection of financial records has been made by the Registered Organisation Commission under section 273 of the Fair Work (Registered Organisations) Act 2009;
  - vii. no revenue has been derived from undertaking recovery of wages activity during the reporting period

This declaration is made in accordance with a resolution of the National Executive:

National Secretary .....  .....  
David Smith

Dated this 4th day of October 2018



## Australian Services Union - National Office

ABN: 28 519 971 998

### Independent Audit Report to the members of Australian Services Union - National Office

#### *Audit Report*

We have audited the financial report of Australian Services Union - National Office, which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the committee of management.

In our opinion:

- (a) the general purpose financial report of Australian Services Union presents fairly, in all material respects, the financial position as at 30 June 2018, and of its financial performance and its cash flows for the year then ended and is in accordance with:
  - (i) Australian Accounting Standards; and
  - (ii) 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).
- (b) the management's use of the going concern basis of accounting in the preparation of the National Office's financial report 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 Responsibility section of our report. We are independent of the National Office in accordance with the auditor independence requirements of the Corporations Act 2001 and 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 confirm that the independence declaration required by the Australian Accounting Standards (including Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009, which has been given to the committee of managements of the National Office, would be in the same terms if given to the committee of managements as at the time of this auditor's report.

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

## Australian Services Union - National Office

ABN: 28 519 971 998

### Independent Audit Report to the members of Australian Services Union - National Office

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

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

In connection with my 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.

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

The National Executive being the committee of management of the National Office is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the RO Act, and for such internal control as the National Executive determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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

#### *Auditor's Responsibility*

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, individually 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 the 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. The 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.

## Australian Services Union - National Office

ABN: 28 519 971 998

### Independent Audit Report to the members of Australian Services Union - National Office

- 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the 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 Reporting Unit'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 my 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 Reporting Unit 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.

We communicate with the 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.

We declare that we are an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practising Certificate.

*Saward Dawson*

Saward Dawson

*Peter Shields*

Peter Shields

Dated this ..... 4 ..... day of ..... October ..... 2018

Registration Number: A2017/112



# OPERATING REPORT 2018



**A•S•U**  
Australian Services Union

## **ASU Operating Report 2018**

Published 4 October 2018 by the Australian Services Union (ASU)

INQUIRIES: All inquiries about this report should be directed to David Smith, ASU National Secretary, [info@asu.asn.au](mailto:info@asu.asn.au), 03 9342 1400.

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Authorised by David Smith, National Secretary, Australian Services Union, Ground floor, 116 Queensberry Street, Carlton South, Victoria, 3053, Australia.



# ASU directory

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David Smith, National Secretary  
Linda White, Assistant National Secretary  
Robert Potter, Assistant National Secretary

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**Trading as:**  
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Neil Henderson, Branch Secretary

## Queensland Together Branch



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Alex Scott, Branch Secretary

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Wayne Wood, Branch Secretary



A•S•U

## Operating Report

File14.1

Period 01/07/17 to 30/06/18

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The Australian Municipal, Administrative, Clerical and Services Union (ASU) presents its report on the operation of the Union for the financial year ended **30<sup>th</sup> June 2018**.

## **1. Review of principal activities**

[Refer s.254(2)(a)]

The results and any significant changes in the nature of those activities during the year have been dominated by the following activities:

- Award Reviews – review of all Modern Awards (4 Yearly Review), by the Fair Work Commission (FWC);
- National ASU Enterprise Bargaining – the negotiation of agreements across all ASU industries;
- Submissions to Federal & State Government Inquiries;
- National Campaigns: Community Services cuts/NDIS; Energy “Just Transition”; “Not so Super for Women”; “We won’t Wait”- Domestic Violence leave; Local Government campaigns; Airline Industry Ground Handling.
- Governance – Regulatory Compliance, rule changes and WGEA reporting;
- National Coordination and Service Provision; and
- Communications and Social Media.

### **1.1 4 yearly Award Review (2014-2018)**

The (4 yearly) Award Review process commenced in early 2014, continued in 2015-2018 and won’t be completed until the end of 2018. The FWC Full Bench determined the 4 yearly review would comprise of Common Award issues, the review of individual modern awards and would be allocated into 4 groups to be reviewed commencing in mid-2014. The majority of the ASU awards were allocated to groups 3 and 4 to be dealt with in the period 2015-2018. These awards include:

- Airline Operations-Ground Staff Award 2010
- Business Equipment Award 2010
- Clerks – Private Sector Award 2010
- Contract Call Centres Award 2010
- Educational Services (Post-Secondary Education) award 2010
- Electrical Power Industry Award 2010
- Labour Market Assistance Industry Award 2010
- Legal Services Award 2010
- Local Government Industry Award 2010
- Social, Community, Home Care and Disability Services Industry Award 2010
- State Government Agencies Administration Award 2010
- Water Industry Award 2010

Group 1 & 2 Awards are still being reviewed and include the Rail Industry Award 2010 and the Health Professionals and Support Services Award 2010.

The ASU National Office has also lodged applications/submissions/witness statements with the FWC supporting common claims for all modern awards and opposing employer claims in relation to : annual leave, public holidays; award flexibility/facilitative provisions; casual and part-time employment; transitional/sunset provisions relating to accident pay, district/remote allowances, annualised salaries redundancy and penalty rates.

The ASU has been particularly active in supporting the ACTU Common Claims for minimum award entitlements to Domestic Violence leave, which the ASU pioneered in enterprise agreements in 2013, and Family Friendly Working Arrangements. The ASU has also led the fight to retain/enhance district/remote allowances and also led the fight in improving annualised salary clauses in 6 Modern Awards. Full Bench cases have been conducted on all these matters.

### **1.2 National ASU Enterprise Bargaining**

The National Office of the ASU leads negotiations for National Enterprise Agreements, in conjunction with ASU Branches who have membership with these employers. These negotiations take place across many varied industries as detailed below:



a) **Airlines**

The ASU has completed or is negotiating with the following companies: Malaysia Airlines, PT Garuda Indonesia, Regional Air Express, Dnata Passenger Service (VIC, NSW, SA, QLD), Dnata Ramp and Cargo, Dnata Airport Services, Menzies (Melb and Syd), Thai Airways, Jetstar, Virgin, Singapore Airlines, Emirates, Helloworld, Australian Air Express, Aerocare, Qatar Airlines

b) **Business Equipment**

The ASU has completed or is negotiating with the following companies: NCR and Fuji Xerox.

c) **General Administrative and Clerical**

The ASU has completed or is negotiating with the following companies: Startrack Express, Spark and Cannon, Slater and Gordon, Tabcorp, Bupa, Flight Centre.

d) **Social & Community Services (SACS)**

The ASU has completed or is negotiating with the following organisations: Mission Australia, Mission Providence(now known as Konekt Employment), Amnesty International, Safe Places for Children, Neami and Vision Australia.

e) **Other**

The ASU has also completed or is negotiating with the following organisations: AEMO(Energy), NHVR Greenfields Agreement, Belgravia Leisure, NBN CO. Agreements, Glen Eira City Council

### 1.3 Submissions to Government Inquiries and the Productivity Commission

The following submissions have been made to various Federal Government/State Government inquiries:

- |    |  |                  |
|----|--|------------------|
| a) | <a href="#">Joint submission (ASU-HSU-United Voice) to Productivity Commission National Disability Insurance Scheme (NDIS) Costs Position Paper</a>                      | 12 July 2017     |
| b) | <a href="#">Productivity Commission Reforms to Human Services Inquiry (post draft report submission)</a>   | 21 July 2017     |
| c) | <a href="#">Senate Inquiry into NDIS Amendment (Quality and Safeguards Commission and Other Measures) Bill 2017</a>  | 4 August 2017    |
| d) | <a href="#">Standing Committee on Employment, Education and Training Inquiry into school to work transition</a>  | 4 August 2017    |
| e) | <a href="#">Productivity Commission Inquiry into the Competitiveness and Efficiency of the Superannuation System – Stage 3: Assessing Competitiveness and Efficiency</a> | 7 August 2017    |
| f) | <a href="#">Joint Standing Committee on the NDIS Inquiry into transitional arrangements for the NDIS</a>   | 17 August 2017   |
| g) | <a href="#">Department of Education &amp; Training Review of National Vocational Education and Training Regulator Act 2011</a>   | 18 August 2017   |
| h) | <a href="#">Senate Inquiry into the Fair Work (Registered Organisations) Amendment (Ensuring Integrity) Bill 2017</a>  | 8 September 2017 |
| i) | <a href="#">Electoral Legislation Amendment (Electoral Funding and Disclosure Reform) Bill 2017</a>  | 25 January 2018  |
| j) | <a href="#">Inquiry into market readiness of the NDIS</a>  | 28 February 2018 |
| k) | <a href="#">WA Ministerial Review of the State Industrial Relations System</a>   | 1 May 2018       |
| l) | <a href="#">Inquiry into the accessibility and quality of mental health services in rural and remote Australia</a>   | 4 June 2018      |

## 1.4 National Campaigns

### a) National Campaign to stop Community Services Cuts/NDIS

Since coming to office in 2013, the Coalition Federal Government has cut over \$1 billion from the essential community services. These include funding cuts to community legal service, women's refuge, financial counselling support, youth homeless and mental health services.

#### 2016

The ASU as the major union in the SACS industry has been vigorously campaigning against these cuts through written submissions, political lobbying of Ministers and MPs, community campaigns and social media.

This culminated in a national week of action in June 2016 where the ASU coordinated and set up community stalls, leafleted public transport locations, held meetings with Federal election candidates to obtain undertakings opposing the cuts and collected signatures and signed petitions.

#### 2017

In March 2017, under the banner, "The Frontline", 17 ASU officials and 22 SACS delegates from around the country went to Canberra to brief Federal Members of Parliament on quality community and disability services. Over 3 days the ASU held 52 meetings, which included 45 meetings with MP's, Senators and Ministers. The fair treatment of workers under the NDIS was also highlighted and impressed upon the politicians.

#### 2017-2018 NDIS Campaign

Over this period the ASU has undertaken a number of actions regarding the NDIS:

- the union has developed a National industry log of claims with member endorsement meetings held nationwide;
- the union was heavily involved in advocacy in relation to the NDIS Quality and Safeguards Commission, including achieving significant changes to the legislation establishing the Commission which better protect worker's interests;
- as part of the NDIS Quality and Safeguards Framework, DSS is developing a Code of Conduct for workers. The union has been involved in this consultation process;
- the union also lodged a submission to the Productivity Commission into Human Services in 2017, while presenting evidence to a public hearing of this inquiry in July 2017.

### b) Energy Industry – "Just Transition" Campaign

In 2015-2016 the ASU commenced a national campaign to assist members in the energy industry impacted by the transition from fossil fuels to renewables. This has led to the closure of the Port Augusta Power Station and the Leigh Creek Mine in South Australia in 2016 and Hazelwood Power Station in the LaTrobe Valley in March 2017, costing hundreds of jobs. The ASU is devising policy papers, lodging submissions and lobbying Federal and State Governments to assist workers to achieve a "just transition" by providing re-training and re-deployment into emerging renewable energy generators and protecting jobs in local communities. This resulted in the landmark agreement - *LaTrobe Valley Worker Transfer Scheme Partnership Agreement* in 2017, signed by the ASU (and other major power unions), the Victorian State Government and the Generators in the LaTrobe Valley.

This, amongst other things, allows a voluntary early retirement scheme and the ability for redundant workers to transfer from one generator to another. Skills training is also available if needed.

### c) Get Super Working For Women

In 2016 the ASU National commissioned the Per Capita think tank to conduct research on Women's Retirement Income. 3000 members from across Australia responded to the Per Capita survey.

David Hetherington of Per Capita reported some preliminary findings to the ASU National Conference in November 2016. The report was completed and publicly launched in July 2017. This has gained significant media interest. In 2017-18 the ASU has developed the "Get Super Working For Women" campaign focussing on having government, employers, and superannuation funds implement the recommendations of the report.

The ASU's objective over the next few years is to close the substantial gap between men and women's retirement incomes. This is an issue of great concern to ASU members and the community at large.

d) **"We won't Wait" – Domestic Violence Leave Campaign**

In 2013, the ASU pioneered paid domestic violence in an enterprise agreement. Since that time the ASU and many other unions have spread this type of leave to hundreds of agreements covering hundreds and thousands of employees across Australia. Between 2015-2018 the ASU has been very active in supporting the ACTU Case for paid domestic violence leave to be inserted into all Modern Awards. Prior to the FWC Full Bench decision in mid-2017 rejecting the concept of PAID domestic violence leave, the ASU had already launched its "We Won't Wait" campaign. The premise of the campaign is that the fight for paid domestic violence leave was not just a legal case before the FWC but a political and community campaign also needed in order to secure paid leave. The campaign continues regardless of the FWC's decision.

The ASU has also been at the forefront of supporting the ACTU Family Friendly Working Arrangements Common Claim in the FWC, which seeks to allow those with parental or carer responsibilities more flexibility with their working hours so as to better fulfil their obligations.

e) **Local Government Campaigns**

(i) **Rate Pegging** - In recent years more State Governments are pegging Council rates to CPI, thus restricting local councils from raising rates as needed. While NSW has had rate pegging for a long time, Victoria only introduced it in recent years and South Australia is looking to introduce it in 2018. The ASU is generally opposed to rate pegging as it may have a deleterious impact on wage increases, employment conditions and jobs, whether they be current jobs or those in the future. This campaign against rate pegging will continue.

(ii) **Western Australian IR Review** - Since the introduction Fair Work Act 2009(Clth), local government in WA was placed largely within the federal jurisdiction. This has meant that the majority of local government workers in WA are covered by the inferior modern Local Government Industry Award 2010. It has been the position of the ASU National Office and the WA ASU Branch that local government workers should be in the State jurisdiction, where conditions are more beneficial. Thus we have campaigned with successive WA State Governments to declare Local Government covered by the State jurisdiction as is the case in Queensland and NSW.

In the current WA IR Review the ASU has been campaigning for the State Government to remove any ambiguity associated with the unique "dual" industrial relations system within WA, and issue a definitive determination proclaiming that all local government employers and employees are regulated by the State industrial relations system.

f) **Airlines Industry Ground Handling Campaign**

In 2017-18, two ground handling companies, Dnata and Aerocare continue to undermine employment conditions in this part of the industry. The ASU has spent several thousands of dollars in legal fees in both the FWC and the Federal Court and several hours of ASU Organisers time and resources to stop this from happening.

Dnata-in early 2017, tried to through the FWC an inferior enterprise agreement by establishing a company called Airport Handling Services Australia (AHSA) to undermine the existing dnata Ramp and Cargo Agreement and the dnata Passenger Service agreements in Victoria, NSW, SA and Queensland. During 2017, the ASU and its members across the country campaigned hard on the ground, in agreement negotiations and in the FWC to stop this from occurring with considerable success. The ASU stopped AHSA from proceeding and renewed all agreements during negotiations with Dnata in 2017-18.

**Aerocare** - In 2017-18, Aerocare tried to have approved by the FWC an inferior agreement which also includes split shifts, which the ASU opposes. The ASU and the TWU have fought a long battle on the ground, in the FWC and Federal Court to stop this agreement proceeding, which combined with Dnata's AHSA plan would have severely reduced employment conditions in this part of the airline industry. The split shifts dispute is being heard before the Federal Court.

g) **PSI People's Inquiry into Privatisation**

In 2017 the ASU was heavily involved with this PSI inquiry which investigated sectors where the ASU has considerable membership, including Electricity, Aged Care, Child Care, Hospitals, Disability and Prisons. The Inquiry led by the Per Capita think tank held meetings in every capital city in Australia and also some major regional centres, including, Newcastle, Wollongong, Cairns, the LaTrobe Valley. ASU staff or delegates attended almost all of these meetings and contributed to the final Report released in October 2017 titled, "Taking Back Control-a community response to privatisation".

The Report concluded that, like the ASU, the community is overwhelmingly opposed to privatisation particularly privatisation of essential assets such as utilities. The ASU will continue to campaign against privatisation as it is usually anti-worker with little benefit to the community.

h) **National ASU Industry Meetings**

For decades now the ASU has been running National meetings of officials and delegates in some of its key industries, including Airlines, Energy, Local Government and the Social and Community Services Sector (SACS). The location of these meetings shift from State to State so as to give Branches better local access. It is at these meetings that many national campaigns are discussed and devised while keeping officials and delegates informed about current industry issues.

i) **ASU Growth and Campaign Team**

The union's growth and campaign work is managed by ASU Assistant National Secretary Linda White. Throughout 2017-18 the growth and campaign work has included:

- Coordination of national industry based campaigns, for example the NDIS – Making it the Best it Can Be campaign;
- Coordination of national enterprise bargaining and associated campaigning in target enterprises;
- Coordination of national political campaigns of the union;
- Organising a comprehensive professional development program;
- and
- Development and implementation of membership engagement and retention strategies.

## 1.5 Governance

a) **Regulatory Compliance**

- i) Administration of the ASU in accordance with the National Rules of the Union; including meeting pre-existing and emerging reporting requirements imposed by the *Fair Work (Registered Organisations) Act 2009* with respect to registered organisations; convening of meetings of the National Executive of the Union and implementing decisions made by the National Executive.
- ii) Maintaining the National finances and assets of the Union in accordance with the Union's rules. This includes the annual lodgement of Financial Statements and the Operating Report.
- iii) National coordination of ASU governance obligations for consistency across the Union and to assist Branches' obligations. Branch Governance/Compliance teleconferences are held every 6 weeks. The 2017 Annual Return was lodged by the National Office on 27 March 2018.

- iv) The national data base of all elected National and Branch Officers is being maintained with details and changes regularly updated by Branches as notified to the Fair Work Commission.
- v) The ASU National rules have been amended to meet new obligations, legislative requirements and governance best practice as follows:

FWC lodgement date	Rule number/s	Rule change	FWC approval decision
4 September 2017	VIC PS current address of the registered office of the Branch, amending references to the Workplace Relations Act, a postal/email vote option for the Branch Executive and inserting election tables to assist in future Branch elections.	VIC PS Branch	<a href="#">R2017/204</a>
3 November 2017	NSW US Branch re: Stage 2 Sub Branch elections, the need to clarify the election of Branch Office Holders and Sub Branch Committee of Management; and updating of the Branch Funds Rule consistent with National Rule 21.	NSW US Branch	<a href="#">R2017/257</a>
15 December 2017	WA Branch re: correct number of National Conference Delegates are elected in future elections, insertion of election tables to assist with the preparation of Prescribed Information, an option of a postal vote by the Branch Executive Committee and removal of the Alternate National Executive position.	WA Branch	<a href="#">R2017/297</a>
10 April 2018	NSW & ACT (Services) correct number of National Conference Delegates are elected in future elections i.e. 2019; to conform with National Rule 7c i.e. recognising that Branch National Executive members are automatically represented on National Conference; amending typographical errors and clarify elections and electorates for Transport Industry and Hunter Water Industry Division Committees of Management	NSW & ACT (Services) Branch	<a href="#">R2018/80</a>
4 May 2018	Taxation Officers' Branch amendments to rules to address specific drafting problems that were raised in the 2015 ASU Election Report. Variations include: A new rule enabling postal votes for Tax Branch Executive resolutions similar to National Rule 8 j.; a model election table for office holders as per the model template; and amending drafting errors relating to the correct reference to the position of "Branch Assistant Secretary".	Taxation Officers' Branch	<a href="#">R2018/102</a>
14 June 2018	National rule changes various as a result of issues raised by Branches, the National Office which include: clerical errors, modern language e.g.	National Rules	R2018/145

	including email in writing references; 2017 disclosure amendments to the Fair Work (Registered Organisations) Act and improvements to the practical operation and interpretation of the rules.		
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vi) The ASU has been reviewing its governance policies and procedures including developing and reviewing policies as follows:

- Disclosure, Financial Training Audit and Financial Reporting (updated July 2017)
- Travel (updated July 2017)
- National Office Whistleblower (implemented July 2017)
- National Office Sex Based Harassment (implemented November 2017)
- Training and Development Investment Fund Governance Framework (implemented November 2017)
- Operational Risk Management (implemented March 2018)

**b) Eligibility Rules**

The ASU National Office has maintained and protected the Union’s eligibility rules, as required, and objecting, where necessary and appropriate to proposed variation to the rules of other registered organisations where the interests of the Union and its members are at stake; and resisted employer attacks on coverage as follows:

- i. A s158A application by United Voice to call up into the Federal system existing coverage in WA of St John’s Ambulance Association employees where a written undertaking was agreed to (R2017/30).
- ii. The Fair Work Commission in re: Mackillop Family Services; confirmed ASU coverage of Residential Care Workers and broad interpretation of the ASU’s coverage of workers employed: “*in or in connection with the industry of social and/or welfare work*” and in effect industry coverage of the social and community services sector (AG2017/3588).

**c) Workplace Gender Equality Agency (WGEA)**

ASU annual compliance report for the period 1 April 2017 to 31 March 2018, has been submitted, assessed by the Workplace Gender Equality Agency (WGEA) and found to be compliant with Workplace Gender Equality Act 2012 (the Act).

**1.6 National Coordination and Service Provision**

- a) Providing an industrial advocacy and representation service with regard to national industrial matters and relationships with major employers.
- b) Acting as national spokesperson on behalf of the Union with regard to national issues and major national employer matters.
- c) Providing advice and assistance to Branches of the Union with regard to industrial matters and disputes generally, industrial relations legislation, occupational health and safety, workers compensation, superannuation and other issues of national significance.
- d) Developing and delivering training for Branch Officials and employees as requested, including with regard to Right of Entry and Governance Financial Training provisions of the current Act.
- e) Maintaining the Union’s National and international affiliations, for example to the ACTU and to International Trade Union Federations. Attendance at meetings convened by the ACTU and at relevant international meetings.
- f) Representation on the ACTU Executive, OHS & Workers Compensation Committee and ACTU Indigenous Committee.

- g) Maintaining the Union's relationships with the Federal Government, political parties and other relevant industry and interest groups and lobbying in accordance with the aims and objectives of the Union, its Branches and members.
- h) Representation of the skills and training needs of members through participation in a wide range of Industry Skills Councils and in other bodies and forums with responsibility for vocational education and training.
- i) Maintaining a national communications strategy including the collection and dissemination of information relevant to Branches through the maintenance of the ASU national website and by other means.
- j) Providing a national purchasing scheme for Branches with regard to telecommunications and other services as well as campaign and other materials through the ASUshop.
- k) Providing research and information services to Branches on request and in accordance with industry work plans.
- l) Maintaining the special interest groups established by the National Union and promoting and advancing their interests, e.g., women workers, gay and lesbian workers, as well as indigenous members and young workers.
- m) Operating special industry forums as determined by the Rules and decisions of the National Executive, e.g. National Airlines Division Council (NADC) as well as convening meetings of Branches, Branch Secretaries and other representative groups of Officials in particular sectors, e.g. Local Government, Energy, Water, Rail, SACS and Private Sector Clerical.
- n) Assisting and coordinating membership organising and recruitment campaigns in conjunction with Branches.

## 1.7 Communications & Social Media

- a) The ASU disseminates news quickly and efficiently to a wide variety of stakeholders via email, the national website and social media channels; all necessary for modern campaigns at the local, national and international level. The ASU National Office is often the first port of call and generates national awareness of industrial and political campaigns with stakeholders including ASU members, Branches, the union movement in general and the wider Australian community.
- b) The ASU's communications and social media efforts generated awareness and engagement in the following general campaigns: minimum wages, penalty rates, paid parental leave, paid family and domestic violence leave, International Women's Day, International Workers' Memorial Day, inequality, marriage equality, Federal ICAC, ABCC, Medicare, Federal Budget, workplace discrimination, workplace bullying, financial security and superannuation, plus many more. These general campaigns are in addition to our industrial campaign communications during bargaining, disputes and sector concerns like just transition for energy workers and the NDIS for social, community and disability workers.

## 2. Operating Result

The operating result of the Union for the year ended **30 June 2018** was deficit \$618,654 [**2017: \$138,248 surplus**]. No provision for tax was necessary as the Union is considered exempt.

## 3. Significant Changes in Financial Affairs

[Refer s.254(2)(b)]

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

## 4. Right of Members to Resign

[Refer s.254(2)(c) and s174]

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 where being a member or officer of a registered organisation is a criterion for them holding such position**

[Refer s.254(2)(d)]

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
David Smith	E.S.I.S.(QLD) Ltd	Energy Super	Director	Ceased 31/03/18
David Smith	H.E.S.T. Australia Ltd	HESTA	Director	Current
Jennifer Thomas	E.S.I.S.(QLD) Ltd	Energy Super	Director	Current
Lisa Darmanin	H.E.S.T. Australia Ltd	HESTA	Director	Ceased 31/12/17
Lisa Darmanin	Vision Super	Vision Super	Director	Current
Vicki Rogers	Legal Super Pty Ltd	Legal Super Pty Ltd	Director	Current
Catherine Wood	CARE Super Pty Ltd	CareSuper	Chair	Current
Julie Bignell	CARE Super Pty Ltd	CareSuper	Director	Current
Keith Harvey	CARE Super Pty Ltd	CareSuper	Director	Current
Joseph Scales	Statewide Super	Statewide Super	Director	Current
Brian Parkinson	Vision Super	Vision Super	Chair	Ceased 13/04/18
Richard Duffy	Vision Super	Vision Super	Director	Ceased 12/02/18
Wendy Phillips	Vision Super	Vision Super	Director/ Deputy Chair*	Current

\* Wendy Phillips was appointed Deputy Chair on 13 April 2018.

**6. Officers & employees who are directors of a company or members of a board as at 30/06/2018**

[Additional ASU reporting]

Name of officer or employee	Name of company or board	Principal activities of company or board	How appointed [by virtue of position held, nomination by union or other]
Stephen Birney	Burringbar Public Recreation Trust	NSW Land & Forestry	NSW Government Lands Department
Ingrid Stitt	VTHC Executive Council	Victorian Unions' peak organisation	Nominated by ASU VIC PS Branch
	VTHC Equal Workplaces Advisory Council (EWAC)	Victorian Unions' peak organisation	Nominated by VTHC
	Member Business Skills Victoria	Skills/Training Council	Nominated by ASU VIC PS Branch
David Smith	ACTU Executive	National Unions' peak organisation	Nominated by ASU
	ACTU Finance Committee	National Unions' peak organisation	Nominated by ACTU Officers
	ACTU Education Inc.	National Unions' peak organisation education services	Nominated by ACTU Executive
	Australian Institute of Superannuation Trustees (AIST)	Representation of Superannuation Trustees	Nominated by Energy Super
Linda White	ACTU Executive	National Unions' peak organisation	Nominated by ASU



<b>Name of officer or employee</b>	<b>Name of company or board</b>	<b>Principal activities of company or board</b>	<b>How appointed [by virtue of position held, nomination by union or other]</b>
	Australian Labor Party National Executive	Political party	Conference delegates
	Chifley Research Centre	Research services	Nominated by Chifley Research Board and ALP National Executive
	Australian Centre for the Moving Image	Promotion of Victorian, Australian and International screen content	Appointed by the Victorian Minister for the Arts
	Australian Industry and Skills Committee (IRC) Business Services	Skills/Training	Nominated by David Smith and appointed by Australian Industry and Skills Committee (AISC)
	Melbourne Cricket Ground Trust	Advisory	Victorian Minister for Sport
Robert Potter	Industry Reference Committee Australian Local Government	Skills/Training Council	Nominated by ASU
	Australian Industry and Skills Committee (IRC) Culture and Related Industries	Skills/Training Council	Nominated by ASU
	Australian Industry and Skills Committee (IRC) Sport and Recreation	Skills/Training Council	Nominated by ASU
	ACTU Taskforce A New Union Agenda	National Unions' peak organisation	Nominated by ASU
	ACTU Taskforce Innovating and Learning	National Unions' peak organisation	Nominated by ASU
	E-Oz Energy Skills Australia, Director Board Member	Skills/Training Council	Nominated by ASU
	ACTU Taskforce 3 IR Legislation Change the Rules	National Unions' peak organisation	Nominated by ASU
John Nucifora	ACTU OH&S Workers Compensation Committee	National Unions' peak organisation	Nominated by ACTU
Justin Cooney	Australian Industry and Skills Committee (IRC) Tourism, Travel & Hospitality Industry Reference Group	Skills/Training Council	Nominated by ASU
Michelle Jackson	VTHC Junior Vice President	Victorian Unions' peak organisation	
	ALP Public Office Selection Committee	Political party	
	Member of ALP Urban Affairs, Housing, Local Government &	Political party	

<b>Name of officer or employee</b>	<b>Name of company or board</b>	<b>Principal activities of company or board</b>	<b>How appointed [by virtue of position held, nomination by union or other]</b>
	Infrastructure Policy Committee		
Billy King	Australian Industry and Skills Committee (IRC) Local Government	Skills/Training Council	Nominated by ASU
Matt Norrey	Australian Industry and Skill Committee (IRC) Aviation	Skills/Training Council	Nominated by ASU
Natalie Lang	Advisory Board to Work & Organisational Studies, School of Business, Sydney University	School of Business, Sydney University	Nominated by University
	NSW Admin Committee, NSW ALP	Political party	Nominated by Conference delegates
Angus McFarland	NSW Labor Social Justice & Legal Affairs Policy Committee	Political party	Nominated by Conference delegates
	NSW Left Executive	Political party	Nominated by Conference delegates
Helen Westwood	Australian Industry and Skills Committee (IRC) Client Services	Skills/Training Council	Nominated by ASU
	Australian Industry and Skills Committee (IRC) Community Sector and Development	Skills/Training Council	Nominated by ASU
	Australian Industry and Skills Committee (IRC) Children's Education and Care	Skills/Training Council	Nominated by ASU
Graeme Kelly	NSW Admin Committee, NSW ALP	Political party	Nominated by Conference delegates
	ALP National Policy Forum Committee	Political party	Nominated by Conference delegates
	Unions NSW	NSW Unions' peak organisation	Nominated by Unions NSW delegates
	Ministerial Advisory Committee for Local Government		Nominated by NSW Minister for Local Government
	Bundeena RSL Memorial Club	RSL	Nominated by members
Sharon Sewell	Unity Bank	Credit Union	Nominated by Credit Union
Sue Kealy	Australian Industry and Skills Committee (IRC) Children's Education and Care	Skills/Training Council	Nominated by ASU
David Scott	Australian Industry and Skills Committee (IRC) Water	Skills/Training Council	Nominated by ASU

Name of officer or employee	Name of company or board	Principal activities of company or board	How appointed [by virtue of position held, nomination by union or other]
Alex Scott	Working for Queenslanders Ltd	State Election	
	QCU Management Committee	Queensland Unions' peak organisation	Nominated by QCU Delegates
Vivienne Doogan	Working for Queenslanders Ltd	State Election	
	QCU	Queensland Unions' peak organisation	
Neil Henderson	Union Shopper	Member benefits	Nominated by ASU
Jennifer Thomas	QCU	Queensland Unions' peak organisation	Nominated by ASU
	Jobs QLD Board	Member benefits	Nominated by QCU Delegates
Lynette Henson	QCU – Townsville Executive	Queensland Unions' peak organisation	Nominated by QCU Delegates
Joseph Scales	SA Unions Executive	South Australian Unions' peak organisation	Nominated by SA/NT Branch and SA Unions' (Executive)
	Unions NT Council	Northern Territory Unions' peak organisation	Nominated by SA/NT Branch
	Progressive Labour Education Association Inc. (PLEA) Committee of Management	Political party	Nominated by SA/NT Branch
	Progressive Left Unions and sub branches Executive	Political party	Membership of PLUS
	Rainbow Labor SA Inc. Executive	Political party	Membership of Rainbow Labor SA
	SA Govt. Superannuation Federation	Federation Management	Nominated by SA/NT Branch
	Premier's Climate Change Council	Political party	Nominated by Minister for Climate Change (South Australian Government)
Abbie Spencer	ALP Morphett sub branch	Political party	Conference delegates
	Progressive Left Unions and sub branches	Political party	Conference delegates
	Deputy member SA Unions Executive	SA Unions' peak organisation	Nominated by SA/NT Branch
	Australian Labor Party SA Branch State Executive	Political party	Conference delegates
Scott Cowen	Member, Rainbow Labor South Australia Inc. Executive	Political party	Conference delegates
Paul O'Neill	Standards Australia – Committee EL-052, Electrical Energy Networks, Construction & Operation	Advisory	Nominated by Standards Australia Working Group
Greg McLean	Government Skills Australia – Industry	Advisory	Nominated by ASU

Name of officer or employee	Name of company or board	Principal activities of company or board	How appointed [by virtue of position held, nomination by union or other]
	Skills Council		
Keith Harvey	Aspire Training and Consulting Ltd, Director	Training company	Nominated by ASU

## 7. Number of Members

[Refer regulation 159(a) and s.254(2)(f)]

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 **122,520** [2017: 121,114].

## 8. Number of Employees

[Refer regulation 159(b) and s.254(2)(f)]

The number of 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 14.

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

[Refer regulation 159(c) and s.254(2)(f)]

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	
Stephen Birney	National President	01/07/17	30/06/18
Ingrid Stitt	National Vice President	01/07/17	30/06/18
David Smith	National Secretary	01/07/17	30/06/18
Linda White	Assistant National Secretary	01/07/17	30/06/18
Greg McLean	Assistant National Secretary	01/07/17	08/07/17
Robert Potter	Assistant National Secretary	08/07/17	30/06/18
Alex Scott	National Executive Representative	01/07/17	30/06/18
Vivienne Doogan	National Executive Representative	01/07/17	30/06/18
Irene Monro	National Executive Representative	01/07/17	30/06/18
Natalie Lang	National Executive Representative	01/07/17	30/06/18
Judith Wright	National Executive Representative	01/07/17	30/06/18
Angus McFarland	National Executive Representative	01/07/17	30/06/18
Graeme Kelly	National Executive Representative	01/07/17	30/06/18
Sharon Sewell	National Executive Representative	01/07/17	30/06/18
Neil Henderson	National Executive Representative	01/07/17	30/06/18
Jennifer Thomas	National Executive Representative	01/07/17	30/06/18
Lynette Henson	National Executive Representative	01/07/17	30/06/18
Joseph Scales	National Executive Representative	01/07/17	27/04/18
Abbie Spencer	National Executive Representative	01/07/17	30/06/18
Scott Cowen	National Executive Representative	27/04/17	30/06/18
Jeff Lapidos	National Executive Representative	01/07/17	30/06/18
Ancel Greenwood	National Executive Representative	01/07/17	30/06/18
Richard Duffy	National Executive Representative	01/07/17	10/11/17
Lisa Darmanin	National Executive Representative	01/07/17	30/06/18
Wendy Phillips	National Executive Representative	01/07/17	30/06/18
Michelle Jackson	National Executive Representative	28/11/17	26/06/18
Billy King	National Executive Representative	26/06/18	30/06/18
David Leydon	National Executive Representative	01/07/17	30/06/18
Wayne Wood	National Executive Representative	01/07/17	30/06/18
Paul O'Neill	National Executive Representative	01/07/17	30/06/18

**9.1 [National Office only] Disclosure statements – Remuneration and non-cash benefits of ASU full-time National Elected Officers**

[ASU Financial Management and Administration Policy, July 2016]

[Note: Remuneration is based on actual cash and non-cash benefits received by the beneficiary and differs from what is reported within the financial statements which is calculated in accordance with the Australian Accounting Standards Board]

	Position	Name of National Officer	Actual amount of relevant remuneration \$	Value of or form of non-cash benefits \$
1.	National Secretary	David Smith		
2.	Assistant National Secretary	Linda White		
3.	Assistant National Secretary	Robert Potter		
4.	Assistant National Secretary	Greg McLean		

**10. Disclosure statements – Officers’ material personal interests**

[Refer s293C and ASU Rules 57E and 57F]

The following Officer/s of the Union/Branch have disclosed the following 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 June 30<sup>th</sup> 2018:

Date	Name	Nature of relationship	Purpose of payment	Amount	Other relevant details
Fortnightly	David Smith	National Secretary	Superannuation		Vision Super Agreement with employer contribution
Fortnightly	Linda White	Assistant National Secretary	Superannuation		Vision Super Agreement with employer contribution
Fortnightly	Robert Potter	Assistant National Secretary	Superannuation		Vision Super Agreement with employer contribution
Fortnightly	Greg McLean	Assistant National Secretary	Superannuation		Vision Super Agreement with employer contribution

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

[Refer s293J and ASU Rule 57G and 57H]

The Union has made a total payment to the following declared persons or bodies of the Union/Branch in the year ended June 30<sup>th</sup> 2018. Note: a declared person or body comes into existence if an officer of the union/Branch has made a declaration of a material personal interest in a matter that relates to the affairs of the Union/Branch – see item 9 above:

Declared person or body	If declared body, name of officer to whom the declaration relates	Total of payments made \$
David Smith	Vision Super employer super payment	
Linda White	Vision Super employer super payment	
Robert Potter	Vision Super employer super payment	
Greg McLean	Vision Super employer super payment	

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

Signature of designated officer:



Name and title of designated officer:

**David Smith**

National Secretary

Australian Municipal, Administrative and Clerical Services Union

Dated:

4th October 2018