



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7993
Fax: (03) 9654 6672

Ms. M. Dale
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union
North Queensland Clerical and Administrative Branch
PO Box 135
TOWNSVILLE QLD 4810

Dear Ms. Dale,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 31 December 2004 - FR 2004/755**

Thank you for providing further information in relation to the financial reports of the North Queensland Clerical and Administrative Branch for the year ended 31 December 2004; this has been placed with the documents previously lodged

The financial documents have now been filed.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. Powell'.

Larry Powell
Statutory Services Branch

14 June 2006

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF**

Page 13

**AUSTRALIAN SERVICES UNION
N Q CLERICAL AND ADMINISTRATIVE BRANCH**

Scope

The financial report comprises the income and expenditure statement, the balance sheet, statement of cash flows, accompanying notes to the financial statements and the committee of management's certificate and accounting officer's certificate for Australian Services Union, N Q Clerical Branch, for the year ended 31 December 2004. The committee are responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Industrial Organisations Act 1997, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the organizations financial position, and of their performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Industrial Organisations Act 1997.

Audit Opinion

In our opinion,

- (i) there were kept by the organisation in respect of the year satisfactory accounting records detailing the sources and nature of the income of the organisation (including income from members) and the nature and purposes of expenditure;
- (ii) the financial statements present fairly the financial position of the Australian Services Union, N Q Clerical and Administrative Branch as at 31 December 2004 and the results of its operations and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards and UIG consensus views and Section 200 of the Industrial Organisations Act 1997;
- (iii) all information and explanations required from officers or employees were given; and
- (iv) the accounting records of the organisation were prepared in a way that readily enabled the auditor to identify a contravention of section 227.

Name of Firm:

WHK - TCM Smith Audit Partnership
Chartered Accountants

Name of Partner:


.....
R J Durst

Dated this 24th day of February 2006.

Professional Association:

Institute of Chartered Accountants

Professional Registration No:

17861

Registered Company Auditor No:

6834

Address:

22 Walker Street, Townsville

FR2004_755_663380.TXT

From: Jeani ne Orzani [jeani ne. orzani @bi gpond. com]
Sent: Tuesday, 6 June 2006 2: 40 PM
To: Larry. powel l@ai r. gov. au
Cc: Margi e Dale
Subject: Austral ian Servi ces Uni on NQ Branch

Hi Larry

Further to our telephone conversation today, please be informed that we now have the signed and dated Auditor's Report for the year ended 31 December 2004, and will be posted to you today.

With regards to the branch's financial reporting for the period 1 January 2005 to 30 June 2005 as detailed in your letter dated 6 December 2005, please be informed that we are in the process of addressing this report and it will be forwarded to you in due course.

Once this period is addressed, the following financial year reports will flow on in accordance with the rules of the organisation.

If you have any further queries or concerns, please do not hesitate to contact the Branch Secretary, Margie Dale, or myself on the number below.

Regards

Jeani ne Orzani
Accounts/Membership
Austral ian Servi ces Uni on
North Queensl and Cleri cal and Admi ni strati ve Branch
Ph: 07 4771 2873
Fax: 07 4721 1582



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7993
Fax: (03) 9654 6672

Ms. M. Dale
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union
North Queensland Clerical and Administrative Branch
PO Box 135
TOWNSVILLE QLD 4810

Dear Ms. Dale,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 31 December 2004 - FR 2004/755**

Reference is made to the financial reports of the North Queensland Clerical and Administrative Branch of the Australian Municipal, Administrative, Clerical and Services Union for the year ended 31 December 2004. The documents were lodged in the Industrial Registry on 10 November 2005.

I refer to our telephone conversation of 14 November 2005 wherein the financial reporting period of the branch was raised. An examination of the records of this office shows that the rules of the branch then known as the Federated Clerks Union of Australia, Northern Queensland Branch, provided for the financial year of the branch to be 31 December. I note however that upon the Federated Clerks Union of Australia's amalgamation which took effect on 1 July 1993 forming the Australian Municipal, Administrative, Clerical and Services Union, no such financial year was transposed into the amalgamated organisation's North Queensland Clerical and Administrative Branch's rules.

It would therefore appear that, without a specific rule indicating that the financial year of the branch is 31 December, it is in fact 30 June – refer section 6 of Schedule 1B of the RAO Schedule.

If it is the branch's wish for its financial year to be 31 December, a suitable rule alteration would have to be effected. If not, the branch will have to arrange for its financial documents to be prepared with a financial year ended 30 June. In order for the branch to comply with such, a financial report for the 6 month period from 1 January 2005 to 30 June 2005 will be required to be prepared.

Section 240 of Schedule 1B states:

“Where the rules of an organisation change the period constituting the financial year of the organisation, the period between:

- (a) the commencement of the first financial year after the change; and
- (b) the end of the preceding financial year;

is to be taken, for the purposes of this Part, to be a financial year.”

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under the RAO Schedule. Please note that these matters are generally advised for assistance in the future preparation of financial reports. With the exception of the comments concerning item 1(b) no further action is required in respect of the subject documents.

Upon receipt of a dated and signed auditor's report the financial documents will be filed.

1. Auditor's Report

- (a) The opinion expressed by the auditor in their report has been drafted in terms of the previous requirements of the Act. Section 257(5) of the RAO Schedule now sets out the matters on which an auditor is required to state an opinion. An acceptable wording would be as follows:

"In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the RAO Schedule."

- (b) The auditor's report is undated and unsigned.

Subsection 257(9) requires auditors reports to be dated as at the date that the auditor signs that report.

Would you please request the auditor to forward a dated and signed copy of the auditor's report to this office.

- (c) There are a number of references in the Auditor's Report to the *Industrial Organisations Act 1997*. It would appear that those references are to legislation in Queensland. Financial documents lodged in the Industrial Registry should be prepared, audited, supplied to members, presented to a meeting of members or of the committee of management in accordance with Schedule 1B of the Workplace Relations Act 1996 (Commonwealth).

2. Committee of Management Statement

It would appear that the committee of management statement only partially complies with the reporting guidelines issued by the Industrial Registrar for the purposes of s253 of the RAO Schedule. Under item 17 of the reporting guidelines, the committee of management statement must include declarations as to whether in the opinion of the committee of management:

- (a) *the financial statements and notes comply with the Australian Accounting Standards;*
- (b) *the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;*
- (c) *the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;*
- (d) *there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and*
- (e) *during the financial year to which the GPFR relates and since the end of that year:*
 - (i) *meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and*
 - (ii) *the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and*
 - (iii) *the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and*

- (iv) *where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and*
- (v) *the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and*
- (vi) *there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.*

In addition to these requirements, the committee of management statement must be made in accordance with such resolution passed by the committee in relation to the matters requiring declaration. The statement must also specify the date of the resolution.

3. Dating and Signing of Documents

It is noted that the operating report and the committee of management statement are undated and unsigned.

All documents should be dated and signed as a matter of course.

4. Accounting Officer's Certificate

There is no requirement under the RAO Schedule to lodge an accounting officer's certificate. Such certificate was previously required by section 273(2) of the Act and regulation 109(1)(a) of the *Workplace Relations Regulations*.

5. Notice to members

I note that the notice to members provides the provisions of section 274 of the Workplace Relations Act 1996. The accounts should set out the provisions of subsections 272(1), (2) and (3) of the RAO Schedule. Would you please ensure those subsections are copied into the GPFR in the next financial report of the Branch.

6. Lodgement of financial documents

Please note that unless an extension is granted, financial documents must be lodged in the Industrial Registry within 14 days of the meeting at which they were presented - refer section 268.

It should be noted that the Industrial Registrar attaches importance to reporting units both fully satisfying the obligations under Schedule 1B and to those obligations being discharged within the requisite timeframes. Your reporting unit should therefore ensure that future financial returns fully satisfy the above obligations.

Electronic lodgment

I encourage you to take advantage of the electronic lodgment service provided by the Registry for future lodgments. You may register as a user and then lodge your documents via the Electronic Lodgment page of the AIRC website at www.airc.gov.au Alternatively, you may send an email with the documents attached to: riateam3@air.gov.au. Please note that the Rules of the Commission allow for electronic signatures to be used, other than for statutory declarations (see subrule 74A(1)). Where documents are lodged electronically, there will be no need to forward hard copies of the documents.

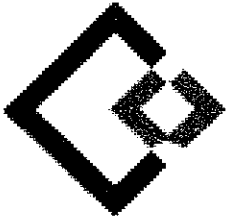
Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at larry.powell@air.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read "L. Powell". The signature is written in a cursive style with a large, looping initial "L" and a trailing flourish.

Larry Powell
Statutory Services Branch

6 December 2005



A•S•U

**Australian
Services
Union**

**North Queensland
Clerical and
Administrative
Branch**

**Federated Clerks Union
North Queensland Union
of Employees**

185 Flinders St
Townsville
QLD 4810

Postal Address:
PO Box 135
Townsville
QLD 4810

Phone: 07 4771 2873

Fax: 07 4721 1582

Email:

Branch Secretary

Margie Dale

msunqca@bigpond.com

Organiser

Justine Moran

justine.moran@bigpond.com

Accounts/Membership

Jeanine Orzani

jeanine.orzani@bigpond.com

7th November 2005

Statutory Services Branch
GPO Box 1994S
MELBOURNE VIC 3001

Dear Sir/Madam

**Re: Australia Municipal Administrative Clerical and Services
Union North Queensland Clerical and Administrative Branch –
annual return of information for year 2004**

We refer to the above mentioned matter and in accordance with subsection 268(3) of the Workplace Relations Act 1996 we lodge the following information relating to records required under subsection 268(1) of the Act and Regulation 102(b) of the Workplace Relations Regulations.

- Financial Report for 2004

The 2004 Financial Report was presented to our Branch Executive on the 31st May 2005 where the Executive approved it to be sent to Members. A copy of the Audit was sent to all members in our June Newsletter. The members have been given every opportunity to raise any concerns re the Financial Report. The 2004 Financial Report was again presented to the Branch Executive on the 15th September 2005 where it was endorsed.

If there is any further information that you require please contact me.

Yours sincerely

Margie Dale
Branch Secretary



AUSTRALIAN SERVICES UNION
N Q CLERICAL AND ADMINISTRATIVE BRANCH
31 DECEMBER 2004

**AUSTRALIAN SERVICES UNION
N Q CLERICAL AND ADMINISTRATIVE BRANCH**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2004**

CONTENTS

Operations Statement	1 - 3
Income and Expenditure Statement	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 10
Committee of Management's Certificate	11
Accounting Officer's Certificate	12
Auditor's Report	13

OPERATING REPORT FOR YEAR ENDED 31 DECEMBER 2004 - S254**Principal activities**

The principal activities of the Australian Services Union North Queensland Clerical & Administrative Branch (ASU NQ C&A) during the reporting period of 2004 were to provide industrial and organising services to the members consistent with the objects of the Union and particularly the object of protecting and improving the interests of the members.

The Unions' principal activities resulted in maintaining and improving the wages and conditions of employment of the membership, particularly for those members in collective enterprise agreements negotiated by the Union.

During 2004 the ASU NQ C&A Branch negotiated a number of collective enterprise bargaining agreements with members, which improved their working conditions and included reasonable and fair wage increases.

The ASU NQ C&A Branch also actively:

- Provides information and guidance on entitlements in awards, EBA's or Contracts
- Negotiates better outcomes on wage issues
- Provides protection and support to members when they need it
- Assists with promotional appeals
- Provides representation to members in negotiations with management
- Advises on workplace issues

There were no significant changes in the nature of the Branch's principal activities during the reporting period.

There were no significant changes in the Branch's financial affairs during the financial period.

Manner of resignation

The Rules of the ASU NQ C&A Branch provide the mechanism by which members can resign. National Rule 27:h ii. Provides that each Branch Secretary shall inform applicants for membership, in writing, of the circumstances, and the manner, in which a member may resign from the organisation. National Rule 32 sets out the way in which a resignation can be made which reads as follows:

32 – Resignation

a. A member may resign membership of the ASU by written notice addressed and delivered to the Branch Secretary

b. A notice of resignation takes effect:

- (i) where the member ceases to be eligible for membership of the Union:
 - (1) on the day on which the notice is received; or
 - (2) the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;whichever is later; or
- (ii) in any other case:

- (1) at the end of two weeks, after the notice is received; or
 - (2) on the day specified in the notice;
- whichever is later.

- c. Notice of resignation shall be addressed to the Branch Secretary and delivered to that officer.
- d. Any member resigning shall be liable for the payment of all subscriptions, fines and levies owing to the ASU under these Rules at the date of leaving, and such monies may be sued for and recovered in the name of the Union.
- e. Any subscription paid by a member in respect of a period in which the member's notice of resignation expires shall be remitted to the member if so requested and a member who pays annual subscription by instalments shall not be liable to pay any instalment for any period after the end of the quarter in which the member's notice of resignation expires and a member who resigns where the member ceased to be eligible to become a member of the ASU as herein-before mentioned shall be entitled to the same remission.
- f. A notice delivered to the Branch Secretary shall be taken to have been received by the ASU when it was delivered.
- g. A notice of resignation that has been received by the ASU is not invalid because it was not addressed and delivered to the Branch Secretary.
- h. A resignation from membership of the ASU is valid even if not affected in accordance with sub-clauses a. to g. of this Rule, if the member is informed in writing by or on behalf of the Union, that the resignation has been accepted.
- i. A member on leaving the ASU after compliance with this Rule shall be entitled, on written application to the Secretary of the member's Branch, to a clearance certificate in the prescribed form."

Membership Numbers

The number of persons who, at the end of the reporting period (31st December 2004), were recorded on the Register of Members of the ASU NQ C&A Branch was 1061.

Number of employees

The number of persons who were, at the end of the reporting period (31st December 2004), employees of the ASU NQ C&A Branch was 5 (includes .8 casual employee full time equivalent employee).

Members of Committee of Management

The persons who held office as members of the Committee of Management of the ASU NQ C&A Branch, at the commencement and during the reporting period are:

BRANCH PRESIDENT (1) DAVID LOWE
BRANCH VICE-PRESIDENT (1) VACANT
BRANCH SECRETARY (1) MARGARET DALE
BRANCH TRUSTEE (2) DAVID LOWE / MARGARET DALE
BRANCH COUNCILLOR FROM THE WHOLE OF THE MEMBERSHIP (1)
JUSTINE MORAN
BRANCH COUNCILLORS FROM THE FOLLOWING DISTRICTS –
MACKAY (1) DENISE BLOXSOM
MOUNT ISA (1) MARGARET ARDREY
TOWNSVILLE (1) RAY GOODMANSON
CAIRNS (1) VACANT

BRANCH EXECUTIVE COUNCILLORS (2) NICOLE BURRELL / MICHAEL HUNT
NATIONAL CONFERENCE DELEGATES (3) NICOLE BURRELL / MICHAEL
HUNT / VACANT

NATIONAL EXECUTIVE REPRESENTATIVE (2) MARGARET DALE / JUSTINE
MORAN
FIRST ALTERNATIVE NATIONAL CONFERENCE DELEGATE (1) RAY
GOODMANSON
SECOND ALTERNATIVE NATIONAL CONFERENCE DELEGATE: VACANT

There were no officers who were trustees of superannuation entities or directors of a company that is a trustee of such an entity.

signed Margie Dale (Branch Secretary)

date

**AUSTRALIAN SERVICES UNION
NQ CLERICAL AND ADMINISTRATIVE BRANCH**

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2004**

	2004	2003
	\$	\$
INCOME		
Members' contributions	237,974	229,038
Rental office space	3,776	3,776
Airline Branch Transfer	-	11,834
Miscellaneous	83	678
Interest	35	35
	<u>241,867</u>	<u>245,362</u>
EXPENDITURE		
Advertising	915	916
Audit	3,807	3,477
Bank charges	3,026	2,110
Commission	9,640	9,412
Computer expenses	1,842	1,065
Consultancy / Contractors	-	-
Depreciation	7,047	8,249
Discounts given	2,351	2,379
Donations	230	513
Doubtful debts	-	-
Equipment hire/lease	2,784	2,784
Fringe benefit tax	579	1,230
Insurance	3,406	3,470
Internet Usage	1,493	1,506
Interest expense	846	1,851
Legal fees and industrial cases	-	-
Light and power	3,594	3,532
Loss on Disposal	-	3,028
Meetings	-	1,137
Motor vehicle expenses	3,163	3,008
Newspapers and industrial publications	-	2
Organising expenses	8,267	9,255
Petty cash and postage	1,682	1,885
Printing and stationery	2,173	2,748
Rent & rates	3,485	3,395
Repairs and maintenance	1,224	4,375
Salaries - office holders	69,761	62,982
Salaries - employees	74,582	66,824
Security costs	569	719
Superannuation	12,098	11,106
Subscriptions - National	19,509	19,564
Subscriptions - Other	1,173	891
Subscriptions - QCU	3,090	3,042
Subscriptions-ALP	3,686	-
Sundry	1,166	913
Telephone	8,624	10,344
Training expenses	4,770	8,979
Workers compensation	691	805
	<u>261,271</u>	<u>257,496</u>
Operating surplus/(deficiency) for the year	<u>(19,404)</u>	<u>(12,134)</u>

**AUSTRALIAN SERVICES UNION
NQ CLERICAL AND ADMINISTRATIVE BRANCH**

**BALANCE SHEET
AS AT 31 DECEMBER 2004**

	Note	2004 \$	2003 \$
CURRENT ASSETS			
Cash	2	1,955	2,068
Prepayments		-	1,818
Investments	3	12,861	13,796
Receivables	4	<u>7,141</u>	<u>13,516</u>
TOTAL CURRENT ASSETS		<u>21,957</u>	<u>31,198</u>
NON CURRENT ASSETS			
Land		23,217	23,217
Buildings, Vehicles & Equipment	5	<u>124,247</u>	<u>131,294</u>
TOTAL NON CURRENT ASSETS		<u>147,464</u>	<u>154,512</u>
TOTAL ASSETS		<u>169,421</u>	<u>185,710</u>
CURRENT LIABILITIES			
Creditors and Borrowings	6	36,040	25,638
Provisions	7	<u>20,710</u>	<u>16,433</u>
TOTAL CURRENT LIABILITIES		<u>56,750</u>	<u>42,071</u>
NON-CURRENT LIABILITIES			
Creditors and Borrowings	6	<u>-</u>	<u>11,564</u>
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>11,564</u>
TOTAL LIABILITIES		<u>56,750</u>	<u>53,635</u>
NET ASSETS		<u><u>112,671</u></u>	<u><u>132,075</u></u>
MEMBERS' FUNDS			
Balance at start of year		132,075	144,209
Operating surplus / (deficiency) for the year		<u>(19,404)</u>	<u>(12,134)</u>
TOTAL MEMBERS' FUNDS		<u><u>112,671</u></u>	<u><u>132,075</u></u>

**AUSTRALIAN SERVICES UNION
NQ CLERICAL AND ADMINISTRATIVE BRANCH**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2004**

	Note	2004 \$	2003 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members		272,606	245,106
Interest received		35	34
Interest paid		(877)	(1,851)
Payments to suppliers and employers		<u>(269,571)</u>	<u>(239,075)</u>
Net cash provided by / (used in) operating activities	8(a)	2,192	4,214
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Property, Plant & Equipment		-	(361)
Receipts from sale of equipment		<u>-</u>	<u>-</u>
Net cash provided by / (used in) investing activities		-	(361)
CASH FLOWS FROM FINANCING ACTIVITIES			
less capital portion of repayments		<u>(3,240)</u>	<u>(4,701)</u>
Net cash provided by / (used in) financing activities		(3,240)	(4,701)
Net increase / (decrease) in cash for the period		(1,048)	(848)
Cash at beginning of year		<u>15,864</u>	<u>16,712</u>
Cash at end of year	8(b)	<u><u>14,816</u></u>	<u><u>15,864</u></u>

**AUSTRALIAN SERVICES UNION
NQ CLERICAL AND ADMINISTRATIVE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004**

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

Basis of accounting

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of non-current assets.

The accounting policies have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year.

Adoption of Australian Equivalents to International Financial Reporting Standards

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The committee is aware of the upcoming changes and all pending Australian Equivalents to IFRSs are being progressively reviewed for possible implications on policies, procedures, systems and financial impacts arising from such changes.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Income Tax

The organisation is exempt from income tax pursuant to Section 23(e) of the ITAA. Accordingly no tax has been provided for.

(b) Buildings, Vehicles and Equipment

Buildings, vehicles and equipment are depreciated over their estimated useful lives. The straight line and reducing balance methods of depreciation are used. Buildings, vehicles and equipment are first depreciated in the year of acquisition.

(c) Employee Entitlements

The provision for employee entitlements relates to amounts expected to be paid for annual leave and long service leave and are based on legal and contractual entitlements and assessments having regard to experience of staff departures and leave utilisation.

Current wage rates are used in the calculation of the provisions.

**AUSTRALIAN SERVICES UNION
NQ CLERICAL AND ADMINISTRATIVE BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004**

	2004 \$	2003 \$
NOTE 2: CASH		
Cash on hand	150	341
Cash at bank	1,800	429
Savings Account	5	1,298
	1,955	2,068
NOTE 3: INVESTMENTS		
Credit Union Aust. Ltd	12,861	13,796
NOTE 4: RECEIVABLES		
Members' contributions	7,141	13,516
	7,141	13,516
NOTE 5: BUILDINGS, VEHICLES & EQUIPMENT		
Buildings	186,873	186,873
Accumulated depreciation	80,464	77,736
	106,409	109,137
Airconditioning Unit	8,000	8,000
Accumulated depreciation	6,642	6,532
	1,358	1,468
Motor Vehicles	25,984	25,984
Accumulated depreciation	14,105	10,656
	11,879	15,328
Office Furniture & Equipment	80,650	80,650
Accumulated depreciation	76,049	75,289
	4,601	5,361
Total written down value	124,247	131,294

RECONCILIATION OF PROPERTY PLANT AND EQUIPMENT

Classification	Opening Balance 01/01/2004	Acquisitions	Disposals	Depreciation Expense	Closing Balance 31/12/2004
Land	23,217.00	-	-	-	23,217.00
Buildings	186,873.00				186,873.00
Accumulated Depreciation	(77,736.00)			(2,728.00)	(80,464.00)
	109,137.00				106,409.00
Airconditioning Unit	8,000.00				8,000.00
Accumulated Depreciation	(6,532.00)			(110.00)	(6,642.00)
	1,468.00				1,358.00
Motor-Vehicle	25,984.00				25,984.00
Accumulated Depreciation	(10,656.00)			(3,449.00)	(14,105.00)
	15,328.00				11,879.00
Office Furniture & Equipment	80,650.27				80,650.27
Accumulated Depreciation	(75,289.00)			(750.00)	(76,049.00)
	5,361.27				4,601.27
TOTALS	154,511.27	-	-	(7,047.00)	147,464.27

**AUSTRALIAN SERVICES UNION
NQ CLERICAL AND ADMINISTRATIVE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004**

	2004	2003
	\$	\$
NOTE 6: CREDITORS AND BORROWINGS		
CURRENT		
Creditors & accrued charges	17,425	15,876
GST liability	7,052	6,522
Loans	-	-
Hire-purchase liability	11,881	4,086
Unexpired interest	(318)	(846)
	<u>36,040</u>	<u>25,638</u>
NON-CURRENT		
Hire-purchase liability	-	11,881
Unexpired interest	-	(318)
	<u>-</u>	<u>11,564</u>
NOTE 7: PROVISIONS		
Provision for annual leave	10,225	14,830
Provision for long service leave	10,485	-
Provision for GST	-	1,603
	<u>20,710</u>	<u>16,433</u>
NOTE 8: CASH FLOW STATEMENT		
(a) Reconciliation of Net Cash provided by Operating Activities to Loss from Ordinary Activities		
Loss from Operating Activities	(19,404)	(12,134)
Non cash flows in Operating Surplus (Deficiency)		
Depreciation	7,047	8,249
Profit / Loss on Sale of Assets	-	3,028
Provision for Doubtful Debts	-	(5,688)
Changes in assets and liabilities		
Decrease (increase) in receivables	6,375	5,325
Decrease (increase) in prepayments	1,818	(407)
Increase (decrease) in GST liability	530	445
Increase (decrease) in provisions	4,277	1,986
Increase (decrease) in creditors	1,549	3,409
Net cash provided by Operating Activities	<u>2,192</u>	<u>4,214</u>
(b) Cash is represented by:		
Cash on hand	150	341
Cash at bank	1,800	429
Savings Account	5	1,298
Investments	12,861	13,796
	<u>14,816</u>	<u>15,864</u>

**AUSTRALIAN SERVICES UNION
NQ CLERICAL AND ADMINISTRATIVE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004**

9. LEASING COMMITMENTS

	2004	2003
	\$	\$
a. Hire Purchase Commitments		
Payable		
- Not later than 1 year	11,881	4,086
- later than 1 year but not later than 5 years	-	11,881
Minimum Lease Payments	11,881	15,967
Less future finance charges	318	1,164
Total Lease Liability	11,563	14,803

NOTE 10: SEGMENT INFORMATION

The business operates solely in the unions industry wholly within Australia.

NOTE 11. COMMITMENTS AND CONTINGENT LIABILITIES

No other commitments or contingent liabilities exist which are not otherwise reflected in the accounts.

NOTE 12: EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the committee, to affect significantly the operations of the union, the results of those operations, or the state of affairs of the union, in subsequent financial years.

NOTE 13: UNION DETAILS

The registered office of the union is:

Australian Services Union
485 Flinders Street
Townsville, Queensland 4810

NOTE 14: PRESCRIBED INFORMATION

Prescribed information is available to members on request as detailed in s. 274 of the Act set out below:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

**COMMITTEE OF MANAGEMENT'S
CERTIFICATE**

We, Margaret Dale and David Lowe, being two members of the Committee of Management of the Australian Services Union, N Q Clerical and Administrative Branch, do state on behalf of the Committee and in accordance with a resolution passed by the Committee, that:

- (i) in the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the organisation as at 31 December 2004;
- (ii) in the opinion of the Committee of Management, the attached accounts were prepared in accordance with the Act;
- (iii) in the opinion of the Committee of Management, Australian Services Union, N Q Clerical and Administrative Branch was solvent during the entire year;
- (iv) in the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 December 2004 in accordance with the rules of the organisation;
- (v) to the knowledge of any member of the Committee, there have been no instances where records of the organisation or other documents have not been made available to a member of the organisation under the Act, regulations or rules;
- (vi) the audit report and accounts for the organisation's financial year immediately before the year the accounts are about have been presented to an annual general meeting of the organisation under section 209(1) of the Act, and given to its members under section 212(1) of the Act.

.....
Margaret Dale

.....
David Lowe

ACCOUNTING OFFICER'S CERTIFICATE

I, MARGARET DALE, being the officer responsible for keeping the accounting records of the Australian Services Union, N Q Clerical and Administrative Branch, certify that as at 31 December, 2004 the number of members of the organization was 837.

In my opinion,

- (i) the attached accounts show a true and fair view of the financial affairs of the organization as at 31 December, 2004; and
- (ii) a record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the organization; and
- (iii) before any expenditure was incurred by the organization, approval of the incurring of the expenditure was obtained in accordance with the rules of the organization; and
- (iv) if the accounts were prepared under section 223(6) of the Act – any payment was made from a special account for a purpose other than the purpose for which the account was operated and, if any such payment was so made, it was approved under the rules of the industrial organization; and
- (v) if the accounts were prepared under section 223(6) of the Act, any payment was made out of an account for the purpose other than the purpose for which the account was operated and, if any such payment was so made, it was approved under the rules of the industrial organization; and
- (vi) all loans or other financial benefits granted to persons holding office in the organization were authorized in accordance with the Rules of the organization; and
- (vii) the register of members of the organization was maintained in accordance with the Act.

.....

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF**

Page 13

**AUSTRALIAN SERVICES UNION
N Q CLERICAL AND ADMINISTRATIVE BRANCH**

Scope

The financial report comprises the income and expenditure statement, the balance sheet, statement of cash flows, accompanying notes to the financial statements and the committee of management's certificate and accounting officer's certificate for Australian Services Union, N Q Clerical Branch, for the year ended 31 December 2004. The committee are responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Industrial Organisations Act 1997, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the organizations financial position, and of their performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Industrial Organisations Act 1997.

Audit Opinion

In our opinion,

- (i) there were kept by the organisation in respect of the year satisfactory accounting records detailing the sources and nature of the income of the organisation (including income from members) and the nature and purposes of expenditure;
- (ii) the financial statements present fairly the financial position of the Australian Services Union, N Q Clerical and Administrative Branch as at 31 December 2004 and the results of its operations and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards and UIG consensus views and Section 200 of the Industrial Organisations Act 1997;
- (iii) all information and explanations required from officers or employees were given; and
- (iv) the accounting records of the organisation were prepared in a way that readily enabled the auditor to identify a contravention of section 227.

Name of Firm:

WHK - TCM Smith Audit Partnership
Chartered Accountants

Name of Partner:

.....
R J Dunstan

Dated this day of May 2005.

Professional Association:

Institute of Chartered Accountants

Professional Registration No:

17861

Registered Company Auditor No:

6834

Address:

22 Walker Street, Townsville