



FAIR WORK  
AUSTRALIA

25 May 2012

Mr Graeme Kelly  
Secretary

Australian Municipal, Administrative, Clerical and Services Union - New South Wales Local  
Government Clerical, Administrative, Energy, Airlines & Utilities Branch

email: [united@usu.org.au](mailto:united@usu.org.au)

Dear Mr Kelly

**Re: Financial Report for the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government Clerical, Administrative, Energy, Airlines & Utilities Branch for year ended 30 June 2011 – FR2011/2802**

I acknowledge receipt of the financial report for the Australia, Municipal, Administrative, Clerical and Services Union, New South Wales Local Government Clerical, Administrative, Energy, Airlines & Utilities Branch (the Branch) for the year ended 30 June 2011. The report was lodged with Fair Work Australian on 22 May 2011.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

**Documents must be lodged with Fair Work Australia within 14 days of Committee of Management Meeting**

Section 268 of the Fair Work (Registered Organisations) Act (RO Act) requires the Branch to lodge its financial documents with FWA **within 14 days** of the date of the meeting of the Committee of Management. In future years please ensure that this obligation is complied with.

The documents were presented to a Committee of Management Meeting on 9 December 2011 but were not lodged with Fair Work Australia (FWA) until 22 May 2012.

**Operating Report**

Regulation 159(c) of the *Fair Work (Registered Organisations) Regulations 2009* (RO Regulations) provides that the operating report should contain the name of each person who has been a member of the Committee of Management (or Branch Executive) of the reporting unit at any time during the reporting period, and the period for which he or she held such a position.

I note the operating report does not fully comply with this requirement. The operating report does not refer to the relevant period of appointment, namely 2010 - 2011. The operating report also fails to provide detail of the positions that were held by each Branch Executive member during the relevant period.

Of most important note is the date of your operating report, which appears to be the same date as your previous operating report from the preceding financial year, the 6 September 2010. Although a portion of the operating report appears to be updated, it is imperative that every financial document lodged is updated in its entirety. A failure to comply with this obligation in the future may result in a refusal by FWA to lodge your return.

## **Committee of Management Statement to be made in accordance with resolution**

Item 26 of the [Reporting Guidelines](#) requires that the Committee of Management Statement be **made in accordance** with such resolution as is passed by the Committee of Management.

I note that the Committee of Management Statement (or Branch Executive's statement) lodged by the Branch provides that a resolution was passed, however it should expressly provide that the statement is made in accordance with that resolution. For example:

*The Branch Executive declares in accordance with a resolution passed by the Branch Executive and in relation to the GPFR that in its opinion...*

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7988.

Yours sincerely,



Libby Kirby  
Organisations, Research and Advice  
Fair Work Australia  
Tel: 03 8661 7988

Email: [elizabeth.kirby@fwa.gov.au](mailto:elizabeth.kirby@fwa.gov.au)



21 May 2012

General Manager  
FairWork Australia  
GPO Box 1994S  
MELBOURNE VIC 3001

By Email: [Kevin.donnellan@fwa.gov.au](mailto:Kevin.donnellan@fwa.gov.au)

Attention: Kevin Donnellan  
Organisations, Research and Advice

Dear Sir/Madam

Re: Annual return of information for 2012 and financial report for year ended 2011, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch of the Australian Services Union

Please find attached the following documents:

1. Maintenance of Register of Members
2. List of Offices
3. List of Office Holders
4. List of Branches
5. Addresses of Organisation and Branches
6. Statement concerning number of members
7. Financial Report for Year End 30 June 2011

The attached copy of records lodged is a correct statement of information contained in those records.

During the year 2011 the Branch did not have any

- > Branches commence operation
- > Branches cease operation
- > During this year there are no scheduled elections.

Yours faithfully



Graeme Kelly  
BRANCH SECRETARY



**Designated Officer's Certificate or other Authorised Officer**

*S268 Fair Work (Registered Organisations) Act 2009*

I *Graeme Kelly* being the *Branch Secretary* of New South Wales Local Government, Clerical Administrative, Energy, Airlines and Utilities Branch of the Australian Municipal, Administrative, Clerical Services Union certify:

- that the documents lodged herewith are copies of the full report, *for the financial year ended 30 June 2011*, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the Full Report, was provided to members on *19 September 2011* and
- that the full report was presented to *a meeting of the committee of management* of the reporting unit on *9 December 2011* in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:



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Date:

18 May 2012

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL, ADMINISTRATIVE,  
ENERGY, AIRLINES & UTILITIES BRANCH**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2011**

## **AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

### **NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL, ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH**

#### **OPERATING REPORT**

The Branch Executive, being the Committee of Management for the purposes of the Fair Work (Registered Organisations) Act 2009, presents its operating report of the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch for the financial year ended 30 June 2011.

1. Review of principal activities during the year: The principal operating activities of the Branch continued to be those of industrial activities that are normally carried out by the Trade Union; there are no significant changes in the principal operating activities

The branch as part of the Union continued to promote worker's rights, campaigned for the same, community support, the introduction of Fair Work, and the recruitment of members to support the Union movement. Despite tough economic times, the branch was able to sustain membership.

2. Financial affairs: during the year there were no significant changes to the financial affairs of the Union.
3. All members have a right to resign from the branch in accordance with Rule 32 and Section 174(1) of the Fair Work (Registered Organisations) Act 2009. In accordance with Section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.
4. Members holding positions on Superannuation Boards:
  - Member Ian Tarrant continues to hold position as Director on the Board of Energy Industry Superannuation Scheme. Member John Beacroft is appointed as Chairman of Local Government Superannuation Scheme (LGSS) from March 2011 and continues to hold position as Director on the Board of Local Government Financial Services (LGFS); USU employee Graeme Kelly replaced member Monica Clavijo to holds the other position of Director of LGSS effective from March 2011. Member Emma Maiden and John Christopher Joyce hold positions as Directors of LegalSuper.
5. At the end of the financial year the total registered members were 34,079.
6. The Branch does not employ any staff members.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH**

**OPERATING REPORT (Cont'd)**

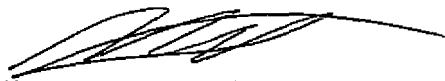
7. The names of the Branch Executive members during the year ending 30 June 2010 were:

<b>Name</b>	<b>Period of Appointment</b>
Steven Birney	01/07/2009 – 30/06/2010
Rhonda Barton	01/07/2009 – 30/06/2010
Phil Bowering	01/07/2009 – 30/06/2010
Les Coyle	01/07/2009 – 30/06/2010
Libby Cumming	01/07/2009 – 30/06/2010
Tony Dean	01/07/2009 – 30/06/2010
Mark Gill	01/07/2009 – 30/06/2010
Jim Taylor	01/07/2009 – 30/06/2010
Marilyn Timmins	01/07/2009 – 30/06/2010
Benjamin Kruse	01/07/2009 – 30/06/2010
John Mackay	01/07/2009 – 30/06/2010
Robyn Davis	01/07/2009 – 30/06/2010
Russell Woods	01/07/2009 – 30/06/2010
Christina Savage	01/07/2009 – 30/06/2010
Beverley Spearpoint	01/07/2009 – 30/06/2010
Doug Woodhouse	01/07/2009 – 30/06/2010
Paul Strutt	01/07/2009 – 30/06/2010
Ross Crawford	01/07/2009 – 30/06/2010
Shane Clapham	01/07/2009 – 30/06/2010
Myra Bowman	01/07/2009 – 30/06/2010
Sharon Sewell	01/07/2009 – 30/06/2010
Maryanne Stuart	01/07/2009 – 14/06/2010
Chris Zorzo	01/07/2009 – 30/06/2010
Steven Gillespie	15/06/2010 – 30/06/2010

Signed in accordance with a resolution of the Branch Executive.



.....  
**GRAEME KELLY**



.....  
**STEPHEN BIRNEY**

6 September 2010



**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH**

**BRANCH EXECUTIVE'S STATEMENT**

On 19 September 2011 the Branch Executive of the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the branch for the year ended 30 June 2011.

The Branch Executive declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the branch for the financial year ended 30 June 2011;
- (d) there are reasonable grounds to believe that the branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 June 2011 and since the end of the financial year:
  - (i) meetings of the Branch Executive were held in accordance with the rules of the organisation and the rules of the branch; and
  - (ii) the financial affairs of the branch have been managed in accordance with the rules of the organisation and the rules of the branch; and
  - (iii) the financial records of the branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
  - (iv) the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and national office of the organisation; and
  - (v) no information has been sought in any request of a member of the branch or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (vi) no order for inspection of the financial records has been made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 .
- f) during the financial year ended 30 June 2011 the branch did not participate in any recovery of wages activity.

For the Branch Executive:

  
.....  
**GRAEME KELLY**

19 September 2011



**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION****NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
<b>INCOME</b>			
Contributions		58,224	56,869
Less Service Fee United Services Union		(58,224)	(56,869)
Interest Income		124	27
Rent Received		31,570	30,936
Sundry		-	11
Contribution received for funding of the Branch		<u>791,523</u>	<u>723,310</u>
<b>TOTAL INCOME</b>		<u>823,217</u>	<u>754,284</u>
<b>EXPENDITURE</b>			
<b>Depreciation</b>			
Property, Plant & Equipment		<u>5,733</u>	<u>5,733</u>
<b>Other Expenses</b>			
ASU National Office – Capitation Fees		814,467	750,249
Bank Charges		273	304
Clerk's Union History		-	(6,148)
Federal Election Seat Campaign		30,137	-
TUCAR Donations		1,570	1,826
Professional Services	7	<u>4,000</u>	<u>5,000</u>
		<u>850,447</u>	<u>751,231</u>
<b>TOTAL EXPENDITURE</b>		<u>856,180</u>	<u>756,964</u>
<b>DEFICIT FOR YEAR</b>		<u>(32,963)</u>	<u>(2,680)</u>
<b>Other Comprehensive Income</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(32,963)</u>	<u>(2,680)</u>

(The attached Notes form part of the financial statements)

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH**

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	4	3,212	8,142
Receivables	5	<u>65,835</u>	<u>64,966</u>
<b>Total Current Assets</b>		<u>69,047</u>	<u>73,108</u>
<b>Non Current Assets</b>			
Property, Plant and Equipment	6	<u>161,968</u>	<u>167,701</u>
<b>Total Non Current Assets</b>		<u>161,968</u>	<u>167,701</u>
<b>TOTAL ASSETS</b>		<u>231,015</u>	<u>240,809</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	8	<u>240,272</u>	<u>217,103</u>
<b>Total Current Liabilities</b>		<u>240,272</u>	<u>217,103</u>
<b>TOTAL LIABILITIES</b>		<u>240,272</u>	<u>217,103</u>
<b>NET (LIABILITIES) ASSETS</b>		<u>(9,257)</u>	<u>23,706</u>
<b>ACCUMULATED (DEFICITS) FUNDS</b>		<u>(9,257)</u>	<u>23,706</u>

(The attached Notes form part of the financial statements)

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>Accumulated Funds</b>	<b>Total</b>
<b>Balance at 30 June 2009</b>	26,386	26,386
Total Comprehensive Income for the Year	<u>(2,680)</u>	<u>(2,680)</u>
<b>Balance at 30 June 2010</b>	<u>23,706</u>	<u>23,706</u>
Total Comprehensive Income for the Year	<u>(32,963)</u>	<u>(32,963)</u>
<b>Balance at 30 June 2011</b>	<u>(9,257)</u>	<u>(9,257)</u>

(The attached Notes form part of the financial statements)

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>Note</b>	<b>2011</b>	<b>2010</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from Members		58,711	52,101
Payment of ASU National Office Capitation Fees		(789,229)	(740,616)
Payments to Suppliers		(96,932)	(59,518)
Interest Received		124	27
Rent Received		30,873	29,612
Other Receipts		<u>791,523</u>	<u>723,321</u>
<b>NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>	10(b)	<u>(4,930)</u>	<u>4,927</u>
<b>NET (DECREASE) INCREASE IN CASH</b>		(4,930)	4,927
<b>CASH AT BEGINNING OF YEAR</b>		<u>8,142</u>	<u>3,215</u>
<b>CASH AT END OF YEAR</b>	10(a)	<u>3,212</u>	<u>8,142</u>

(The attached Notes form part of the financial statements)

# **AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

## **NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL, ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011**

#### **1. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009.

#### **GOING CONCERN**

Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch incurred a deficit of \$32,963 for the year ended 30 June 2011 and had net liabilities of \$9,257 as at 30 June 2011. The financial statements have been prepared on a going concern basis due to the factors referred to in Note 12."

#### **BASIS OF PREPARATION**

The financial report is for the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch and in accordance with the Fair Work (Registered Organisations) Act 2009 the Branch is a reporting unit. The Australian Municipal, Administrative, Clerical and Services Union is an organisation registered under the Fair Work (Registered Organisations) Act 2009. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Branch are not subject to the Corporations Act 2001.

The financial report has been prepared on an accruals basis and are based on historical costs. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Branch in the preparation of the financial report.

#### **(a) Revenue**

Contributions are accounted for on an accrual basis. In the previous year they were accounted for on a cash basis. This change in accounting policy is disclosed at Note 2 to the accounts.

#### **(b) Income tax**

No provision for Income Tax is necessary as Industrial Trade Unions are exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011 (Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**(c) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and any impairment in value.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Branch commencing from the time the asset is ready for use. The depreciation rates used for each class of asset are:

Buildings	2%
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The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the income statement in the year that the item is derecognised.

**(d) Impairment**

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the statement of comprehensive income for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. For the purpose of assessing value in use of assets not held primarily to generate cash, this represents depreciated current replacement cost, as the Branch is a not-for-profit organisation.

**(e) Receivables**

Receivables are recognised at original invoice amounts. Collectability of receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off.

**(f) Goods and Services Tax**

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

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011 (Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**(g) Accounting Standards Issued But Not Yet Effective**

There have been no accounting standards issued which will impact the financial report in future periods and which are not yet effective.

**2. ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical accounting estimates and assumptions**

The Branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

**(b) Critical judgments in applying the Branch's accounting principles**

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities

**3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER  
OF FAIR WORK AUSTRALIA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 the attention of members is drawn to the provisions of Sections 272 of Fair Work (Registered Organisations) Act 2009 which read as follows:

1. A member of a reporting unit, or the General Manager of Fair Work Australia, 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).



**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011 (Cont'd)**

	2011 \$	2010 \$
<b>4. CASH AND CASH EQUIVALENTS</b>		
Cash at Bank	<u>3,212</u>	<u>8,142</u>
<b>5. RECEIVABLES</b>		
<b>Current</b>		
ASU National Office	42,227	41,530
Contributions in Arrears	5,823	7,893
Sundry Debtors	<u>17,785</u>	<u>15,543</u>
	<u>65,835</u>	<u>64,966</u>
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Property</b>		
Property – Unit 6, ACTU Building, Canberra At Cost	286,665	286,665
Less Accumulated Depreciation	<u>124,697</u>	<u>118,964</u>
<b>TOTAL PROPERTY PLANT AND EQUIPMENT</b>	<u>161,968</u>	<u>167,701</u>
<b>MOVEMENTS IN CARRYING AMOUNTS</b>	<b>Land and Buildings</b>	<b>Total</b>
	\$	\$
Balance at 1 July 2010	167,701	167,701
Additions	-	-
Disposals	-	-
Depreciation	(5,733)	(5,733)
Balance at 30 June 2011	<u>161,968</u>	<u>161,968</u>
	<b>2011 \$</b>	<b>2010 \$</b>
<b>7. PROFESSIONAL SERVICES</b>		
Remuneration of Auditors for:		
- Audit of the Financial Report	4,000	4,000
- Audit of the Financial Report - Prior Years	<u>-</u>	<u>1,000</u>
	<u>4,000</u>	<u>5,000</u>

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011 (Cont'd)**

	2011 \$	2010 \$
<b>8. PAYABLES</b>		
ASU National Office Capitation Fees	230,033	204,794
Contributions in Advance	1,542	3,125
United Services Union	4,641	5,128
Other	4,056	4,056
	<u>240,272</u>	<u>217,103</u>

**9. RELATED PARTY TRANSACTIONS**

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

The ultimate controlling entity of the Branch is the Australian Municipal, Administrative, Clerical and Services Union. A related entity the New South Wales Local Government, Clerical, Administrative, Energy, Airlines and Utilities Union ("United Services Union") or ("The State Union") has the same Committee of Management, same members and substantively the same rules as the Branch.

Transactions with Ultimate Controlling Entity

- (a) ASU National Office Capitation Fees are disclosed as an expense in the statement of comprehensive income and as a payment in the statement of cash flows.
- (b) ASU National Office Capitation Fees payable are disclosed at Note 8 of the accounts.

Transactions with a Related Entity

- a) Contributions received for funding the branch from the United Services Union are disclosed as income in the statement of comprehensive income.
- b) Services Fees paid to the United Services Union are disclosed as an expense in the statement of comprehensive income.
- c) Amounts payable to the United Services Union are disclosed at Note 8 of the accounts.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011 (Cont'd)

	2011 \$	2010 \$
<b>10. CASH FLOW INFORMATION</b>		
a) For the purposes of the statement of cash flows, cash at the end of the year is reconciled to the following items in the statement of financial position:		
Cash at Bank	<u>3,212</u>	<u>8,142</u>
<b>b) RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH DEFICIT FOR YEAR</b>		
<b>Deficit for year</b>	(32,963)	(2,680)
<b>Non-cash flows in deficit</b>		
Depreciation	5,733	5,733
<b>Changes in Assets and Liabilities</b>		
(Decrease) in Provision for Union History	-	(6,148)
Increase in Creditors	23,169	18,025
(Increase) in Receivables	<u>(869)</u>	<u>(10,003)</u>
<b>NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>	<u>(4,930)</u>	<u>4,927</u>

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION**

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011 (Cont'd)**

**11. FINANCIAL RISK MANAGEMENT**

**Financial Instruments**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>		
Cash and cash equivalents	3,212	8,142
Loans and Receivables	48,050	49,423
	<u>51,262</u>	<u>57,565</u>
<b>Financial Liabilities</b>		
Sundry Liabilities	10,239	12,309
ASU National Office	230,033	204,794
	<u>240,272</u>	<u>217,103</u>

*(a) General objectives, policies and processes*

The Branch is exposed to risks that arise from its use of financial instruments. This note describes the Branch's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the Branch's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Branch's financial instruments consist mainly of a bank account and sundry receivables and payables. The main risks the Branch is exposed to through its financial instruments are liquidity risk and credit risk.

The Branch Executive has overall responsibility for the determination of the Branch's risk management objectives and policies. The Branch Executive does not make any investment decisions as the Branch has no investments.

*(b) Credit Risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Branch.

The Branch's major debtor is the ASU National Office. There is no history of defaulting by this debtor to the Branch.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
ASU National Office	42,227	41,530
Contributions in Arrears	5,823	7,893
	<u>48,050</u>	<u>49,423</u>

There has been no history of default and all receivables are likely to be repaid within the expected terms.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011 (Cont'd)**

**11. FINANCIAL RISK MANAGEMENT (Cont'd)**

*(c) Liquidity Risk*

Liquidity risk is the risk that the Branch may encounter difficulties raising funds to meet commitments associated with financial instruments.

The Branch manages liquidity risk by monitoring cash flows.

The total current liabilities of the Branch amounting to \$240,272 (2010 \$217,103) mature within six months.

The Branch is not significantly exposed to liquidity risk as the New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union has agreed to provide the financial support necessary to enable the Branch to pay its debts as and when they fall due.

There has been no history of default by the Union and all creditors are likely to be repaid within the expected terms.

*(d) Market Risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk). The branch is not exposed to this risk.

*(e) Interest Rate Risk*

Interest rate risk is the risk that a financial instrument's value fluctuates as a result of changes in market interest rates. The Branch is not exposed to this risk.

*(f) Other Price Risks*

The Branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

*(g) Foreign Exchange Risk*

The Branch is not exposed to foreign exchange rate risk.

**12. FINANCIAL DEPENDENCE**

The Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch is dependent upon the ongoing financial support of the New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union ("The State Union") in order to pay its debts as and when they fall due.

In this regard the branch entered into a deed with the State Union on the 13 January 2003 which states "The State Union will pay to the Branch of the Union such sums of money which will enable the Branch of the Union to meet its obligations to pay capitation or other amounts to the Union pursuant to the Rules of the Union. Such capitation or other amounts do not include or create any obligation for the State Union to pay any subscription fee for or on behalf of any member of the Branch of the Union".

It is the Branch Executives view that the State Union has the financial capacity to provide such support.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011 (Cont'd)**

**13. REGISTERED OFFICE**

The registered office and principal place of business of the Branch is;  
Level 8  
321 Pitt Street  
Sydney NSW 2000

## INDEPENDENT AUDITOR'S REPORT

To the members of the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch.

We have audited the accompanying financial report of the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch, which comprises the statement of financial position as at 30 June 2011 statement of comprehensive income, statement of changes in accumulated funds and reserves, statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the branch executive's statement.

### *Branch Executive's and Branch Secretary's Responsibility for the Financial Report*

The branch executive and branch secretary of the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

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

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

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

### *Independence*

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.





## INDEPENDENT AUDITOR'S REPORT

### *Auditor's Opinion*

In our opinion the general purpose financial report of Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch is presented fairly in accordance with Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.



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BDO Audit (NSW-VIC) Pty Ltd



**Jeff Abela**  
Director  
Member of Institute of Chartered Accountants  
And Holder of Current Public Practice Certificate  
Registered Company Auditor  
SYDNEY NSW 2000

19 September 2011