



10 November 2017

Mr Graeme Kelly
Secretary, New South Wales Local Government, Clerical, Administrative, Energy, Airlines
and Utilities Branch
Australian Municipal, Administrative, Clerical and Services Union

Sent via email: mclavijo@usu.org.au

Dear Mr Kelly

**Re: – New South Wales Local Government, Clerical, Administrative, Energy, Airlines
and Utilities Branch, Australian Municipal, Administrative, Clerical and Services Union
- financial report for year ending 30 June 2017 (FR2017/138)**

I refer to the financial report of the New South Wales Local Government, Clerical, Administrative, Energy, Airlines and Utilities Branch of the Australian Municipal, Administrative, Clerical and Services Union. The documents were lodged with the Registered Organisations Commission ('the ROC') on 27 September 2017. An amended designated officer's certificate was received today

The financial report has now been filed. The financial report was filed based on a primary review. This involved confirming whether 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.

You are not required to take any further action in respect of the report lodged. Please note that the financial report for the period ending 30 June 2018 may be subject to an advanced compliance review.

Reporting Requirements

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Please note that new Reporting Guidelines will apply to organisations and branches with financial years *commencing* on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Financial Reporting
Registered Organisations Commission

-----Original Message-----

From: Monica Clavijo [mailto:mclavijo@usu.org.au]

Sent: Friday, 10 November 2017 2:46 PM

To: KELLETT,Stephen

Subject: Amended and Signed re Certificate by Prescribed Designated Officer

Stephen

Apologies I missed this email from my accountant, now amended and signed by the General Secretary.

Monica Clavijo
Manager Administration & Finance

United Services Union
Sydney NSW 2000
P: 02 9265 8211
F: 02 9269 0573
M: 0417 676 164
E: mclavijo@usu.org.au
W: www.usu.org.au



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AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

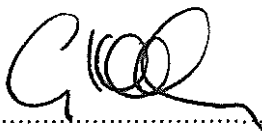
**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES BRANCH**

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 30 June 2017

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

- that the documents lodged herewith are copies of the full report for the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 13 September 2017; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 13 September 2017 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



.....
GRAEME KELLY
Branch Secretary
13 September 2017

From: Monica Clavijo [<mailto:mclavijo@usu.org.au>]
Sent: Wednesday, 27 September 2017 4:46 PM
To: ROC - Registered Org Commission
Cc: Graeme Kelly; John Nucifora
Subject: RE: lodgement Financial Statements 30 June 2017

Dear Officer

Please find attached Financial Statement for 30 June 2017.

Monica Clavijo
Manager Administration & Finance

United Services Union
Level 7 / 321 Pitt Street
Sydney NSW 2000
P: 02 9265 8211
F: 02 9269 0573
M: 0417 676 164
E: mclavijo@usu.org.au



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Lodgement Financial
Statements 30 June



Cover Letter
2017.pdf



Federal Financial
Report 30 June 2017.



27 September 2017

General Manager
FairWork Australia
GPO Box 1994S
MELBOURNE VIC 3001

By Email: orgs@fwc.gov.au

Dear Officer

Re: Annual return of information for 2017 and financial report for year ended 30 June 2017, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch of the Australian Services Union

Re: Audited Financial Accounts for 30 June 2017

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

During the year 2017 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

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 30 June 2017

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

- that the documents lodged herewith are copies of the full report for the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to executive members of the reporting unit on 13 September 2017; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 13 September 2017 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



.....
GRAEME KELLY
Branch Secretary
13 September 2017

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

ABN 77 278 017 470

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017**

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

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AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 30 June 2017

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

- that the documents lodged herewith are copies of the full report for the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to executive members of the reporting unit on 13 September 2017; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 13 September 2017 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



.....
GRAEME KELLY
Branch Secretary
13 September 2017

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 Management Committee for the purposes of the Fair Work (Registered Organisations) Act 2009, presents its operating report of the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch for the financial year ended 30 June 2017.

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 workers' rights and campaigned for 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 Yasemin Onat continues to hold position as Director on the Board of Energy Industry Superannuation Scheme.
 - Jim Montague as Director of Local Government Superannuation Scheme (LGSS) from October 2013;
 - Member Craig Peate holds the other position of Director of LGSS since October 2012;
 - Member Emma Maiden and John Christopher Joyce hold positions as Directors of Legal Super.
 - Member Greg McLean continued to hold position as Director of CARE Super since April 2016.
5. At the end of the financial year the total number of registered members was 30,237 (2016: 30,550).
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 ended 30 June 2017 were:

Name	Period of Appointment
Stephen Birney	01/07/2016 – 30/06/2017
Sharon Sewell	01/07/2016 – 30/06/2017
Tony Dean	01/07/2016 – 30/06/2017
Mark Gill	01/07/2016 – 30/06/2017
Graeme Kelly	01/07/2016 – 30/06/2017
Russell Woods	01/07/2016 – 30/06/2017
Beverley Spearpoint	01/07/2016 – 30/06/2017
Ross Crawford	01/07/2016 – 30/06/2017
Shane Clapham	01/07/2016 – 30/06/2017
Stephen Mulholland	01/07/2016 – 30/06/2017
Glen McAtear	01/07/2016 – 30/06/2017
Frank Holobowski	01/07/2016 – 30/06/2017
Shane Lummis	01/07/2016 – 20/03/2017
James O'Malley	21/03/2017 – 30/06/2017
Katerina Tahija	01/07/2016 – 30/06/2017
Larry Freeman	01/07/2016 – 30/06/2017
Brendan Scott	01/07/2016 – 30/06/2017
Annamaria Saglimbeni	01/07/2016 – 30/06/2017
Amanda Pearce	01/07/2016 – 02/09/2017
Ho Lau	03/09/2016 – 22/09/2016
Lisa Turner	23/09/2016 – 30/06/2017
David Walsh	01/07/2016 – 30/06/2017
Christopher Wellington	01/07/2016 – 30/06/2017
Jeff Wearing	01/07/2016 – 30/06/2017
Katie Gillen	01/07/2016 – 30/06/2017

Signed in accordance with a resolution of the Branch Executive.


.....
GRAEME KELLY
Branch Secretary


.....
STEPHEN BIRNEY
Branch President

13 September 2017

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

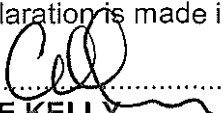
**BRANCH EXECUTIVE'S STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

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

The Branch 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;
- (c) the financial statements 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 2017;
- (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 2017 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
 - (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 Commission 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 Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- f) during the financial year ended 30 June 2017 the Branch did not participate in any recovery of wages activity.

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


.....
GRAEME KELLY
Branch Secretary
13 September 2017

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017	2016
		\$	\$
INCOME			
Membership Subscription		44,197	43,444
Interest Income		668	102
Rent Received		60,407	79,801
TUCAR Donations	4	-	-
Contribution received for funding of the Branch		858,598	792,423
Financial Support received from other Reporting Units		-	-
TOTAL INCOME		<u>963,870</u>	<u>915,770</u>
EXPENDITURE			
Depreciation			
Property, Plant & Equipment		<u>5,733</u>	<u>5,733</u>
Other Expenses			
Employees Expenses		-	-
United Services Union - Service Fee		44,197	43,444
ASU National Office – Capitation Fees		858,598	792,423
Bank Charges		55	55
ACT Property Costs		24,874	39,568
Auditors' Remuneration	9	5,000	5,000
Administration Expenses	5	-	-
		<u>932,723</u>	<u>880,490</u>
TOTAL EXPENDITURE		<u>938,456</u>	<u>886,223</u>
SURPLUS FOR YEAR		25,414	29,547
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>25,414</u>	<u>29,547</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 2017

	Note	2017	2016
		\$	\$
ASSETS			
Current Assets			
Cash & Cash Equivalents	6	152,535	104,188
Trade & Other Receivables	7	40,520	271,148
Total Current Assets		<u>193,055</u>	<u>375,336</u>
Non-Current Assets			
Property, Plant and Equipment	8	<u>127,568</u>	<u>133,302</u>
Total Non-Current Assets		<u>127,568</u>	<u>133,302</u>
TOTAL ASSETS		<u>320,623</u>	<u>508,638</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	10	<u>16,106</u>	<u>229,535</u>
Total Current Liabilities		<u>16,106</u>	<u>229,535</u>
TOTAL LIABILITIES		<u>16,106</u>	<u>229,535</u>
NET ASSETS		<u>304,517</u>	<u>279,103</u>
EQUITY			
Accumulated Surplus		<u>304,517</u>	<u>279,103</u>
TOTAL EQUITY		<u>304,517</u>	<u>279,103</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 EQUITY
FOR THE YEAR ENDED 30 JUNE 2017**

	Accumulated Surplus	Total
Balance at 30 June 2015	249,556	249,556
Surplus for the year	29,547	29,547
Balance at 30 June 2016	<u>279,103</u>	<u>279,103</u>
Surplus for the year	25,414	25,414
Balance at 30 June 2017	<u>304,517</u>	<u>304,517</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 2017**

	Note	2017	2016
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members		46,333	40,464
Payment of ASU National Office Capitation Fees		(1,074,770)	(576,251)
Payments to Suppliers		149,611	(308,875)
Interest Received		668	102
Rent Received		67,907	79,801
Other Receipts		<u>858,598</u>	<u>792,423</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	15(b)	<u>48,347</u>	<u>27,664</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
NET CASH USED BY INVESTING ACTIVITIES		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH USED BY FINANCING ACTIVITIES		<u>-</u>	<u>-</u>
NET INCREASE IN CASH		48,347	27,664
CASH AT BEGINNING OF YEAR		<u>104,188</u>	<u>76,524</u>
CASH AT END OF FINANCIAL YEAR	15(a)	<u><u>152,535</u></u>	<u><u>104,188</u></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**

**RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash asset's in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed	-	-
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages	-	-

AUSTRALIAN 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 2017

1. SIGNIFICANT ACCOUNTING POLICIES

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 is in accordance with the Fair Work (Registered Organisations) Act 2009. The Branch is a reporting unit of The Australian Municipal, Administrative, Clerical and Services Union and 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.

GOING CONCERN AND FINANCIAL DEPENDENCE ON “THE STATE UNION”

The Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch generated a surplus of \$25,414 for the year ended 30 June 2017 (2016: \$29,547) and had net assets of \$304,517 as at 30 June 2017 (2016: \$279,103).

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 that “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”.

The financial statements have been prepared on a going concern basis as the Branch Executives have formed a view that the State Union has the financial capacity to provide such support. During the year \$858,598 (2016: \$792,423) was received.

The reporting unit has not agreed to provide financial support to ensure another reporting unit has the ability to continue as a going concern.

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 Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch is a not-for-profit entity.

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 2017 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

BASIS OF PREPARATION (CONT'D)

The financial statements have been prepared on an accruals basis and in accordance with the historical cost, except for the cash flow information and certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

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

(a) Revenue

Revenue from contributions are accounted for on a cash basis and is recorded as revenue in the year to which it relates.

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

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

All revenue is stated net of the amount of Goods and Services Tax (GST).

(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.

(c) Property, Plant and Equipment

Asset Recognition Threshold

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

Cost - Buildings

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

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.

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 2017 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Property, Plant and Equipment (Cont'd)

Property is measured using the cost method

Depreciation

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

Depreciation rates applying to each class of depreciable assets are as follows:

Buildings	2 %
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Derecognition

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

(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) Trade 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 and expenses 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.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(h) Financial Assets

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

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.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Financial Assets (Cont'd)

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.

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.

(i) Financial Liability

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

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(j) Comparative Figures

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

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(k) Contingent Liabilities and Contingent Assets

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

(l) Adoption of new and revised accounting standards

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

(m) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Branch has decided against early adoption of these Standards. The Branch's assessment of the new and amended pronouncements that are relevant to the Branch but applicable in future reporting periods is set out below:

- AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Branch on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) New Accounting Standards and Interpretations (Cont'd)

The Branch Executive anticipate that the adoption of AASB 9 will not have an impact on the Branch's financial instruments.

- AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2018, as deferred by AASB 2015-8: Amendments to Australian Accounting Standards – Effective date of AASB 15).

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 Branch Executives anticipate that the adoption of AASB 15 will not have an impact on the Branch's financial statements.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) New Accounting Standards and Interpretations (Cont'd)

- AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The directors anticipate that the adoption of AASB 16 will not have an impact on the Branch's financial statements.

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FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)**

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. 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).

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FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)

	2017	2016
	\$	\$
4. INCOME		
a) Capitation fees	-	-
Total capitation fees	<u>-</u>	<u>-</u>
b) Levies	-	-
Total levies	<u>-</u>	<u>-</u>
c) Grants or donations		
Grants	-	-
TUCAR Donations	-	-
Total grants or donations	<u>-</u>	<u>-</u>
	2017	2016
	\$	\$
5. EXPENSES		
a) Affiliation fees	-	-
Total affiliation fees/subscriptions	<u>-</u>	<u>-</u>
b) Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Total administration expense	<u>-</u>	<u>-</u>
c) Employee expenses	-	-
Total employee expenses	<u>-</u>	<u>-</u>
d) Capitation fees	-	-
Total capitation fees	<u>-</u>	<u>-</u>

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FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)

5. EXPENSES (Cont'd)

	2017 \$	2016 \$
e) Grants or donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	<u>-</u>	<u>-</u>
f) Legal costs		
Litigation	-	-
Other legal matters	-	-
Total legal costs	<u>-</u>	<u>-</u>
g) Other expenses		
Penalties - via RO Act or RO Regulations	-	-
Total other expenses	<u>-</u>	<u>-</u>

6. CASH AND CASH EQUIVALENTS

	\$	\$
Cash at Bank	<u>152,535</u>	<u>104,188</u>
	<u>152,535</u>	<u>104,188</u>

7. TRADE & OTHER RECEIVABLES

Current		
ASU National Office	35,534	47,733
Contributions in Arrears	422	2,680
Sundry Debtors	4,564	220,735
Receivable from other reporting Unit	-	-
Less provision for doubtful debts from other reporting Unit	-	-
	<u>40,520</u>	<u>271,148</u>

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FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)**

8. PROPERTY, PLANT AND EQUIPMENT

	2017 \$	2016 \$
Buildings		
Unit 6, ACTU Building, Canberra		
At Cost	286,665	286,665
Less Accumulated Depreciation	<u>(159,097)</u>	<u>(153,363)</u>
TOTAL PROPERTY PLANT AND EQUIPMENT	<u>127,568</u>	<u>133,302</u>

VALUATION OF BUILDINGS

A valuation of the strata office unit was performed on 30 June 2016 by CBRE Valuations Pty Limited, an accredited independent valuer. As at the date of valuation the strata office's fair value was \$500,000. The value of the strata office was determined by using a Capitalisation approach.

In accordance with the accounting policy disclosed at Note 1 (c), the Branch has continued to show the strata office unit at cost in the financial statements.

	Buildings 2017 \$	Total 2017 \$
Balance at 1 July 2016	133,301	133,301
Depreciation	<u>(5,733)</u>	<u>(5,733)</u>
Balance at 30 June 2017	<u>127,568</u>	<u>127,568</u>

9. AUDITORS' REMUNERATION

Remuneration of the auditors for:

	2017 \$	2016 \$
Audit of the Financial Report	<u>5,000</u>	<u>5,000</u>
	<u>5,000</u>	<u>5,000</u>

10. TRADE & OTHER PAYABLES

ASU National Office - Capitation Fees	-	216,172
Contributions in Advance	1,205	1,327
United Services Union – Service Fee	5,064	7,199
Other	9,837	4,837
Consideration to Employers for Deductions	-	-
Legal Cost:	-	-
- Litigation	-	-
- Other Legal Matters	-	-
Payable to other reporting Unit	-	-
	<u>16,106</u>	<u>229,535</u>

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FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)**

11. EMPLOYEE PROVISIONS

	2017	2016
	\$	\$
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	<u>-</u>	<u>-</u>
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	<u>-</u>	<u>-</u>
Total employee provisions	<u>-</u>	<u>-</u>
Current	-	-
Non Current	-	-
Total employee provisions	<u>-</u>	<u>-</u>

12. FINANCIAL INSTRUMENTS

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

The Branch's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2017	2016
	\$	\$
Financial Assets		
Cash and cash equivalents	152,535	104,188
Trade and other receivables	40,520	271,148
Total financial assets	<u>193,055</u>	<u>375,336</u>
Financial Liabilities		
Financial liabilities at amortised cost		
Trade and other payables	16,106	229,535
Total financial liabilities	<u>16,106</u>	<u>229,535</u>

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FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)**

12. FINANCIAL INSTRUMENTS (Cont'd)

(a) 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 Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch and arises principally from Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch's receivables.

It is Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch's policy that all customers who wish to trade on credit terms undergo a credit assessment process which takes into account the customer's financial position, past experience and other factors. Credit limits are then set based on ratings in accordance with the limits set by the branch executive, and these limits are reviewed on a regular basis.

(b) Liquidity risk

Liquidity risk arises from the possibility that Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Branch 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 on a monthly basis;
- 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
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

13. ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

Name of entity providing service:	United Services Union
Terms and conditions:	Under a Deed of Agreement on 13 January 2003
Nature of expenses/consultancy service:	Administration Service

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13. ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY (Cont'd)

Detailed breakdown of revenues collected and/or expenses incurred:

	2017	2016
	\$	\$
Revenue		
Contribution	44,197	43,444
Total revenue	<u>44,197</u>	<u>43,444</u>
Expenses		
Service Fee	44,197	43,444
Total expenses	<u>44,197</u>	<u>43,444</u>

14. 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 Management Committee, same members and substantively the same rules as the Branch.

Transactions with the 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 10 of the accounts.
- (c) ASU National Office have an informal arrangement with the branch that 50% of all Rental Return that it receives on the property it owns (Note 6) should be shared with the Branch. The 50% share of the Branch's income is disclosed as an income item listed as Rent Received and expense item listed as ACT property costs in the statement of comprehensive income.

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 10 of the accounts.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017 (Cont'd)**

	2017 \$	2016 \$
15. CASH FLOW INFORMATION		
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>152,535</u>	<u>104,188</u>
b) RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH (DEFICIT)/SURPLUS FOR YEAR:		
Surplus/(Deficit) for year	25,414	29,547
Non-cash flows in Surplus		
Depreciation	5,733	5,733
Changes in Assets and Liabilities		
Decrease/(Increase) in Trade & Other Payables	(213,428)	217,390
Decrease(Increase) in Trade & Other Receivables	<u>230,628</u>	<u>(225,006)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>48,347</u>	<u>27,664</u>

16. KEY MANAGEMENT PERSONNEL

The key management personnel of the Branch are Officers of the State Union. They receive no direct remuneration from the Branch. The Officers are paid by "the State Union" from income received from members. The amount of the officer's time is incorporated in the Service Fee charged by "the State Union".

17. 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 Branch, the results of those operations, or the state of affairs of the Branch in future financial years.

18. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In the opinion of the branch executive, the Branch did not have any contingencies at 30 June 2017 (30 June 2016: None).

19. REGISTERED OFFICE

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

Independent Audit Report to the members of Australian Municipal, Administrative, Clerical and Service Union, NSW Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch

ABN: 77 278 017 470

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of the Australian Municipal, Administrative, Clerical and Service Union, NSW Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch (the Reporting Unit), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the Committee of Management Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Australian Municipal, Administrative, Clerical and Service Union, NSW Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

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

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis of Opinion

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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.

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

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

Responsibilities of Committee of Management for the Financial Report

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

In preparing the financial report, the 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 Responsibilities for the Audit of the Financial Report

My 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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.
- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I declare that I am an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

Report on the Recovery of Wages Activity financial report

With reference to the Committee of Management's statement, on page 5 of the financial statements, the Australian Municipal, Administrative, Clerical and Service Union, NSW Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch (the Reporting Unit) has not undertaken any recovery of wages activity during the reporting year ended 30 June 2017 and that no opinion can be provided in relation to recovery of wages activity.

Bentleys NSW Audit Pty Ltd
BENTLEYS NSW AUDIT PTY LTD
Chartered Accountants

R J Evett
R J Evett
Director
Sydney

Dated: *September 13, 2017.*

Registration number: AA2017/113