



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 6672
Email: iain.stewart@air.gov.au

Ms Kristyn Thompson
Secretary
Australian Services Union
New South Wales and Australian Capital Territory (Services) Branch
PO BOX 1865
STRAWBERRY HILLS NSW 2012

Dear Ms Thompson

**Re: Financial Reports for year ended 30 June 2004 - ASU - NSW & ACT (Services) Branch -
FR 2004/421**

I acknowledge receipt of your letter of 23 February 2005 enclosing a Committee of Management Statement. The correspondence was received in the Registry on 24 February 2005.

The documents have now been filed.

Yours sincerely

A handwritten signature in black ink, appearing to be the initials 'IS'.

Iain Stewart
Statutory Services Branch

28 February 2005



Australian Government
Australian Industrial Registry

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

Ms. K. Thompson
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union
New South Wales & ACT (Services) Branch
PO Box 1865
STRAWBERRY HILLS NSW 2012

Dear Ms. Thompson,

Schedule 1B - Workplace Relations Act 1996
Extension of time to present to general meeting of members
financial report of reporting unit
(FR 2004/421)

I refer to your letter dated 23 December 2004, in relation to a request for an extension of time to present a copy of the financial report of the New South Wales & ACT (Services) Branch of the Australian Municipal, Administrative, Clerical and Services Union to a general meeting of its members.

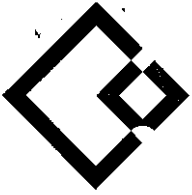
I hereby grant to the reporting unit under subsection 265(5) of Schedule 1B of the Act an extension of time until 31 January 2005 to present to a general meeting of the members of the reporting unit a copy of the financial report prepared for the year ended 30 June 2004.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'T. Nassios', written over a horizontal line.

T. Nassios
DEPUTY INDUSTRIAL REGISTRAR

4 January 2005



AUSTRALIAN SERVICES UNION

Iain Stewart
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001

By facsimile: 03 9654 6672

ATTENTION: IAIN STEWART

23 February 2005

Dear Mr Stewart


**Re : Financial Return
NSW and ACT (Services) Branch - Australian Services Union
FR2004/421**

Further to your letter dated 15 February 2005, please find attached the requested Committee of Management Statement.

We note your comments concerning preparation of future financial reports.

Should you require further information, please do not hesitate to contact either Donna Cooper or Azri Aziz at our Redfern office by telephoning 02 9310 4000.

Yours sincerely,


Sally McManus
Executive President

Filing Ref: B/08/1479

Cc: Azri Aziz
Financial Controller

**NSW AND ACT (SERVICES) BRANCH
AUSTRALIAN SERVICES UNION**

COMMITTEE OF MANAGEMENT STATEMENT

On 7 February 2005, the Committee of Management of the NSW and ACT (Services) Branch of the Australian Services Union passed the following resolution in relation to the General Purpose Financial Report of the reporting unit for the year ended 30 June 2004.

"That the Committee of Management declares in relation to the General Purpose Financial Report that in its opinion:

- a) The financial statements and notes comply with the Australian Accounting Standards
- b) the financial statements and notes comply with the reporting guidelines of the industrial Registrar
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the ASU NSW & ACT Services Branch for the financial year in which they relate
- d) there are reasonable grounds to believe that the ASU NSW & ACT Services Branch will be able to pay its debts as and when they become due and payable
- e) during the financial year to which the GPFR relates and since the end of that year:
 - i) meetings of the Committee of Management were held in accordance with the rules of the NSW & ACT Services Branch of the ASU;
 - ii) the financial affairs of the ASU NSW and ACT Services Branch have been managed in accordance with the Rules of the Union;
 - iii) the financial records of the Union have been kept and maintained in accordance with the RAO Schedule and the RAO regulations;
 - iv) there is only one set of financial records;
 - v) no request has been made under section 272 of the RAO Schedule during the period and
 - vi) there has been no order for the inspection of financial records during the period".

For the Committee of Management:
Title of Office Held:

Sally McManus
Executive President

Signature: *Sally McManus*
Date: *23/2/05*


.....
23 February 2005



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 6672
Email: iain.stewart@air.gov.au

Ms Kristyn Thompson
Secretary
Australian Services Union
New South Wales and Australian Capital Territory (Services) Branch
PO BOX 1865
STRAWBERRY HILLS NSW 2012

COPY

Dear Ms Thompson

Re: Financial Reports for year ended 30 June 2004 - ASU - NSW & ACT (Services) Branch - FR 2004/421

I have received the financial reports of the Australian Services Union - NSW & ACT Services Branch for the year ended 30 June 2004. The documents were lodged in the Industrial Registry on 8 February 2005. I also note that the Branch was granted an extension of time to present the full report to a general meeting of members until 31 January 2004.

Before the documents can be filed, the Branch will need to lodge a Committee of Management Statement (see comments below).

I make the following comments to assist you when you next prepare financial reports. Apart from the matter above, you are not required to take any further action in respect of the financial reports already lodged.

1. Operating Report

(a) Subsection 254(2)(a) of Schedule 1B provides the report should contain "a review of the reporting unit's principal activities", amongst other things. I think this requirement demands more than a statement that the principal activity of the branch was "to represent the interest of the members". I suggest as a minimum the branch need state, in broad terms at least, how it represented those members.

(b) Rights of members to resign

A reporting unit is required to include in its operating report details of the rights of members to resign as members of the reporting unit (see s254(2)(c) of RAO Schedule. It is our view that this requirement necessitates, as a minimum, the inclusion of a reference to the specific rule in the rules of the reporting unit and/or registered organisation, which makes provision for the resignation of members. Of course, if you choose to reproduce the whole of the relevant rule that would clearly satisfy the requirements of that provision.

(c) In addition to providing the names of person on the Committee of Management regulation 159(c) of the RAO Regulations requires that the person's position on the committee is identified

2. General Purpose Financial Report

I advise that Reporting Guideline 11 of the reporting guidelines for the purposes of section 253 of RAO Schedule provides that: "Balances for the following items must be disclosed by the reporting unit in the notes to the financial statement unless already disclosed on the face of the profit and loss

statement ...". The guideline thereafter sets out various matters that should be disclosed. I cannot locate various items including, for example, those set out at regulation 11

- “(g) employee benefits to holders of office of the reporting unit;
- (h) employee benefits to employees (other than holders of offices) of the reporting unit;”

I note that there is reference in the detailed Statement of Financial Performance to staff costs, however, whilst this document is attached to the financial report submitted it does not form part of the audited accounts. The Auditor's report refers to auditing the financial report "as set out on pages 1 to 16. The Statement of Financial Performance, which partially provides some of the material, required to be disclosed is preceded by a disclaimer and, as such, is a special purpose financial report. That being the case it does not comply with the requirement that the reporting unit c prepare a general purpose report.

- (b) Notes to financial statements

I think the reference in Note 1(a) to the Industrial Relations Act 1991 should be to the Workplace Relations Act 1996.

3. Committee of Management Statement

The Certificate by Committee of Management as lodged appears to be a Certificate prepared in accord with the previous legislative scheme. I enclose a Committee of Management Statement which has been filed without comment in the Registry.

4. Accounting Officer's Certificate

This certifice is not required under part 3, Chapter 8 of the RAO.

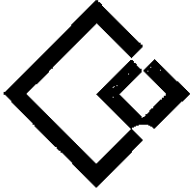
If you wish to discuss any of the matters referred to above, or any related matters, I can be contacted on (03) 8661 7787 (Mon-Thurs).

Yours sincerely



Iain Stewart
Statutory Services Branch

15 February 2005



AUSTRALIAN SERVICES UNION

Industrial Registrar
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001

FR2004/421

By facsimile: 03 9654 6672

ATTENTION: CLANCY LAPIERRE

7 February 2005

Dear Registrar,

**Re : Financial Return
NSW and ACT (Services) Branch - Australian Services Union
FR2004/421**

Further to our correspondence of 23 December seeking an extension of time for lodgement of our financial report and your reply of 4 January, enclosed please find the following documents:

1. General Purpose Financial Report (full and concise reports)
2. Operating Report
3. Auditor's Report

Also enclosed is the required certificate, verifying the documents have been provided to our members and adopted by the second meeting of our Committee of Management

Should you require further information, please do not hesitate to contact either Donna Cooper or Azri Aziz at our Redfern office by telephoning 02 9310 4000.

Yours sincerely,

Kristyn L. Thompson

Kristyn Thompson
Branch Secretary

Filing Ref: B/08/1479

Cc: Azri Aziz
Financial Controller

Paul Slape
National Secretary

ACTIVE STRONG UNITED

AUSTRALIAN SERVICES UNION OF NSW

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE, 2004**

| | 2004 \$ | 2003 \$ |
|-------------------------------|------------------|------------------|
| CURRENT ASSETS | | |
| Cash | 227,934 | 13,814 |
| Receivables | 52,334 | 64,692 |
| Investments | <u>3,454,177</u> | <u>2,845,949</u> |
| Total Current Assets | <u>3,734,445</u> | <u>2,924,455</u> |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 848,627 | 335,504 |
| Investments | <u>1,049,838</u> | <u>2</u> |
| Total Non-Current Assets | <u>1,898,465</u> | <u>335,506</u> |
| TOTAL ASSETS | <u>5,632,910</u> | <u>3,259,961</u> |
| CURRENT LIABILITIES | | |
| Payables | <u>9,400</u> | <u>11,560</u> |
| Total Current Liabilities | <u>9,400</u> | <u>11,560</u> |
| TOTAL LIABILITIES | <u>9,400</u> | <u>11,560</u> |
| NET ASSETS | <u>5,623,510</u> | <u>3,248,401</u> |
| EQUITY | | |
| Retained profits | <u>5,623,510</u> | <u>3,248,401</u> |
| TOTAL EQUITY | <u>5,623,510</u> | <u>3,248,401</u> |

AUSTRALIAN SERVICES UNION OF NSW

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE, 2004**

| | 2004 \$ | 2003 \$ |
|---|-----------------|----------------|
| Revenue from ordinary activities | 347,937 | 183,085 |
| Administration expenses | 61,677 | 54,086 |
| Provision for doubtful debts - incl support to Australian Services Union NSW and ACT (Services) Branch | 270,635 | - |
| Depreciation expense | 24,443 | 24,372 |
| Rental property expenses | 52,458 | 47,213 |
| Management fees | 16,150 | - |
| Other expenses from ordinary activities | 11,889 | 4,353 |
| Total operating expenses | <u>437,252</u> | <u>130,024</u> |
| Profit/(Loss) from ordinary activities | <u>(89,315)</u> | <u>53,061</u> |
| Total changes in equity | <u>(89,315)</u> | <u>53,061</u> |

**AUDITORS' DISCLAIMER
TO THE MEMBERS OF THE AUSTRALIAN SERVICES UNION OF NSW**

The additional financial information, being the detailed income and expenditure accounts have been compiled by the Accounting Officer of the Australian Services Union of NSW.

No audit or review has been performed by us and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which person, other than the Australian Services Union of NSW may suffer arising from any negligence on our part. No person should rely on the additional financial information without having an audit or review conducted.

SNEDDON McKEOWN

MEGAN MAYBURY

Partner

December, 2004

**AUSTRALIAN SERVICES UNION NSW AND ACT
(SERVICES) BRANCH**

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

CERTIFICATE OF BRANCH SECRETARY

S268 OF Schedule 1B *Workplace Relations Act 1996*

I, Kristyn Thompson, being the Branch Secretary of the NSW & ACT (Services) Branch of the Australian Services Union, certify:

- That the documents lodged herewith are copies of concise report referred to in s268 of the RAO schedule; and
- That the concise report was provided to members via post during the week commencing 3 January 2005.
- That the full report (copy enclosed) was presented to our Union's Executive Committee of Management Meeting on Monday, 7 February 2005.



Kristyn Thompson
Branch Secretary

7 February 2005



AUSTRALIAN SERVICES UNION

NSW AND ACT (SERVICES) BRANCH AUSTRALIAN SERVICES UNION

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2004

In accordance with s.254 of the Workplace Relations Act 1996 ("the Act"), your Committee of Management presents the following report.

Principal Activities

The principal activity of the Branch during the year was that of a registered trade union. No significant change occurred in the nature of those activities during the year.

Operating Result

The operating result of the Branch for the year ended 30 June 2004 was a deficit of \$171,108. No provision for tax was necessary as the Branch is considered exempt.

Significant changes

There was no significant change in the financial affairs of the Branch.

Rights of Members

Subject to the rules of the organisation and s.174 of the Act, members have the right to resign from membership of the Branch by written notice addressed to and delivered to the Secretary of the Branch.

Superannuation Office Holders

No officers and/or members of the Branch are directors of companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation.

Other Prescribed Information (continued)

In accordance with Regulation 159 of the Workplace Relations (Registration and Accountability of organisations) Regulations –

- (a) the number of persons who, at the end of the financial year, were recorded in the register of members for s.230 of the RAQ Schedule and who are taken to be members of the Branch under s244 of the RAQ Schedule was 11,828.

ACTIVE STRONG UNITED

- (b) the number of persons who were, at the end of the financial year, employees of the Branch (including both full-time and part-time employees measured on a full-time equivalent basis) was 36.6.
- (c) the names of those who have been members of the Committee of Management of the Branch at any time during the financial year and the periods for which he or she held office were:

| Name | Period |
|-------------------|----------------------------|
| Barry Rule | 1 July 2003 – 30 June 2004 |
| Fran Teirney | 1 July 2003 – 30 June 2004 |
| Robert McLean | 1 July 2003 – 30 June 2004 |
| Narelle Clay | 1 July 2003 – 30 June 2004 |
| Geoffrey Fuller | 1 July 2003 – 30 June 2004 |
| John Maher | 1 July 2003 – 30 June 2004 |
| Paul Rowe | 1 July 2003 – 30 June 2004 |
| Joe von Bornemann | 1 July 2003 – 30 June 2004 |
| Ed Gilmore | 1 July 2003 – 30 June 2004 |
| Stephen Brodie | 1 July 2003 – 30 June 2004 |
| Gerry Bryce | 1 July 2003 – 31 Dec 2003 |
| Kim Sattler | 1 July 2003 – 30 June 2004 |
| Robyn Cassidy | 1 July 2003 – 30 June 2004 |
| Kristyn Thompson | 1 July 2003 – 30 June 2004 |
| Sally McManus | 1 July 2003 – 30 June 2004 |
| Rod Masters | 1 July 2003 – 30 June 2004 |
| Maree McDermott | 1 July 2003 – 30 June 2004 |
| Craig Dunn | 1 July 2003 – 30 June 2004 |
| Harvey Purse | 1 July 2003 – 30 June 2004 |
| Jane Walker | 1 July 2003 – 30 June 2004 |
| Bill Hosking | 1 July 2003 – 30 June 2004 |
| Marie O'Hare | 1 July 2003 – 30 June 2004 |
| Owen Caughley | 1 July 2003 – 30 June 2004 |
| John Clement | 1 July 2003 – 30 June 2004 |
| Kylie McDonogh | 1 July 2003 – 30 June 2004 |
| John Douglas | 1 July 2003 – 31 Dec 2003 |
| Rod Williams | 1 July 2003 – 2 Jan 2004 |

Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management

Kristyn L. Thompson

Branch Secretary

21 December 2004

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

FINANCIAL REPORT

30 JUNE, 2004

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AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

FOR THE YEAR ENDED 30 JUNE, 2004

CERTIFICATE BY ACCOUNTING OFFICER

I, Kristyn Thompson, being the Officer responsible for keeping the accounting records of the Australian Services Union, NSW & ACT (Services) Branch, certify that as at 30 June 2004, the number of members of the Union was 11,896.

In my opinion:

- (i) The attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2004.
- (ii) A record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the Union.
- (iii) Before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union.
- (iv) With regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- (v) No loans or other financial benefits, other than remuneration in respect of their full time employment with the Union, were made to persons holding office in the Union.
- (vi) The register of members of the Union was maintained in accordance with the Workplace Relations Act, 1996.

Kristyn L. Thompson

Kristyn Thompson
Accounting Officer

Date: December 2004

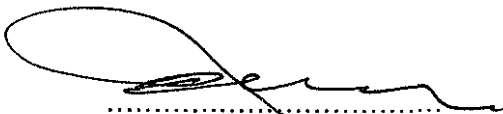
AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

FOR THE YEAR ENDED 30 JUNE, 2004

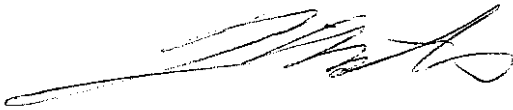
CERTIFICATE BY COMMITTEE OF MANAGEMENT

We, Barry Rule and Rodney Masters, being two members of the Committee of Management of the Australian Services Union, NSW & ACT (Services) Branch, do state on behalf of the Committee, and in accordance with a resolution passed by the Committee that:

- (i) In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2004.
- (ii) In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 30 June 2004 in accordance with the rules of the Union.
- (iii) To the knowledge of any member of the Committee, there have been no instances where records of the Union or other documents (not being documents containing information made available to a member of the Union under Sub-Section 274(2) of the Workplace Relations Act, 1996), or copies of these records or documents, or copies of the rules of the Union, have not been furnished, or made available to members in accordance with the requirements of the Workplace Relations Act, 1996, the Regulations thereto, or the rules of the Union.
- (iv) The Union has complied with Sub-Sections 279(1) and (6) of the Workplace Relations Act, 1996 in relation to the financial accounts in respect of the year ended 30 June 2004 and the Auditors' Report thereon.



.....
Barry Rule
President



.....
Rodney Masters
Treasurer

Date: December 2004

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE, 2004**

| | Note | 2004 \$ | 2003 \$ |
|---|------|-------------------------|------------------------|
| Revenue from ordinary activities | 2 | 4,015,272 | 3,870,973 |
| Administration expenses | | 3,500,528 | 3,300,360 |
| Depreciation expense | | 48,390 | 47,689 |
| Employee benefits expenses | | 369,936 | 405,300 |
| Occupancy expenses | | 135,175 | 130,647 |
| Other expenses from ordinary activities | | <u>132,351</u> | <u>84,798</u> |
| Total operating expenses | | <u>4,186,380</u> | <u>3,968,794</u> |
| Profit/(Loss) from ordinary activities | 3 | <u>(171,108)</u> | <u>(97,821)</u> |
| Total changes in equity | | <u><u>(171,108)</u></u> | <u><u>(97,821)</u></u> |

The accompanying notes form part of these financial statements.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE, 2004**

| | Note | 2004 \$ | 2003 \$ |
|--------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash | 4 | 138,667 | 35,179 |
| Receivables | 5 | 175,759 | 765,551 |
| Investments | 6 | 503,102 | 193,433 |
| Other financial assets | 7 | <u>48,347</u> | <u>40,206</u> |
| Total Current Assets | | <u>865,875</u> | <u>1,034,369</u> |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 8 | <u>147,557</u> | <u>133,873</u> |
| Total Non-Current Assets | | <u>147,557</u> | <u>133,873</u> |
| TOTAL ASSETS | | <u>1,013,432</u> | <u>1,168,242</u> |
| CURRENT LIABILITIES | | | |
| Payables | 9 | 357,747 | 358,950 |
| Provisions | 10 | <u>270,094</u> | <u>772,347</u> |
| Total Current Liabilities | | <u>627,841</u> | <u>1,131,297</u> |
| NON-CURRENT LIABILITIES | | | |
| Payables | 9 | 523,004 | 279,257 |
| Provisions | 10 | <u>276,007</u> | <u>-</u> |
| Total Non-Current Liabilities | | <u>799,011</u> | <u>279,257</u> |
| TOTAL LIABILITIES | | <u>1,426,852</u> | <u>1,410,554</u> |
| NET ASSETS | | <u>(413,420)</u> | <u>(242,312)</u> |
| EQUITY | | | |
| Retained profits | 11 | <u>(413,420)</u> | <u>(242,312)</u> |
| TOTAL EQUITY | | <u>(413,420)</u> | <u>(242,312)</u> |

The accompanying notes form part of these financial statements.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE, 2004**

| | 2004 | 2003 |
|--|-----------------------|-----------------------|
| | \$ | \$ |
| Note | Inflows (Outflows) | Inflows (Outflows) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts in the course of operations | 4,465,792 | 3,699,582 |
| Payments to Suppliers and Employees | (4,264,246) | (3,747,181) |
| Interest Received | 26,058 | 14,463 |
| | <u>227,604</u> | <u>(33,136)</u> |
| Net Cash provided/(used) by operating activities | 15 | (33,136) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payment for Property, Plant & Equipment | (82,200) | (48,058) |
| Proceeds from disposal of non-current assets | 24,006 | - |
| Purchase of investments | (309,669) | (15,425) |
| | <u>(367,863)</u> | <u>(63,483)</u> |
| Net Cash used by investing activities | (367,863) | (63,483) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from Borrowings: | | |
| - Australian Services Union of NSW | 243,747 | - |
| | <u>243,747</u> | <u>-</u> |
| Net Cash provided by financing activities | 243,747 | - |
| Net increase/(decrease) in Cash Held | 103,488 | (96,619) |
| Cash at Beginning of Financial Year | 35,179 | 131,798 |
| | <u>138,667</u> | <u>35,179</u> |
| Cash at End of Financial Year | 4 | 35,179 |

The accompanying notes form part of these financial statements.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2004**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Industrial Relations Act 1991.

The financial report has been prepared on an accruals basis and is based on historical costs and except where stated does not take into account changing money values or current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report.

The policies have been consistently applied and are consistent with those of the previous year.

b) Cash

For the purposes of the statement of cash flows, cash includes:

- Cash on hand and at call deposits with banks or financial institutions, net of overdrafts; and
- Investments in money market instruments with less than 14 days to maturity.

c) Property, Plant and Equipment

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

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Plant & Equipment

Plant & equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

c) Property, Plant and Equipment (con't)

Depreciation

Items of property, plant and equipment, including buildings but excluding freehold land, are depreciated over their estimated useful lives. The straight line and reducing balance methods of depreciation are used. The depreciation rates used for each class of asset are as follows:-

| Asset Class | % |
|----------------------|------|
| Furniture & Fixtures | 10 |
| Computer Equipment | 33.3 |
| Motor Vehicles | 20 |

e) Receivables

Trade debtors to be settled within 60 days are carried at amounts due. The collectability of debtors is regularly assessed and specific provision is made for any doubtful debts.

f) Accounts Payable

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Union.

g) Employee Entitlements

Provision is made for employee entitlements arising from services rendered by employees to balance date. Employee entitlements arising from wages and salaries, annual leave and sick leave, have been measured at their nominal amount.

Contributions made by the economic entity to employee superannuation funds and are charged as expenses when incurred.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

h) Revenue

Revenue from membership fees are recognised upon receipt of monies from members.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from grant income is recognised upon receipt of monies.

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

i) Goods and Services Tax (GST)

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 in the statement of financial position are shown inclusive of GST.

j) Adoption of Australian Equivalents to International Financial Reporting Standards

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

The economic entity's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. We will seek to keep stakeholders informed as to the impact of these new standards as they are finalised.

The directors are of the opinion that the key differences in the economic entity's accounting policies which will arise from the adoption of IFRS are:

- Impairment of Assets

The economic entity currently determines the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the assets use and subsequent disposal. In terms of pending AASB 136: Impairment of Assets, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use. It is likely that this change in accounting policy will lead to impairments being recognised more often than under the existing policy.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

j) Adoption of Australian Equivalents to International Financial Reporting Standards (con't)

- Non-current Investments

Under the pending AASB 139: Financial Instruments: Recognition and measurement, financial instruments that are classified as available for sale instruments must be carried at fair value. Unrealised gains or losses may be recognised either in income or directly to equity. Current accounting policy is to measure non-current investments at cost, with an annual review by directors to ensure that the carrying amounts are not in excess of the recoverable value of the instrument.

k) Comparatives

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

l) Income Tax

The Australian Services Union NSW and ACT (Services) Branch is an exempt organisation for income tax purposes as per Section 50-15 of the Income Tax Assessment Act (1997).

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCI

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2004**

| | 2004 \$ | 2003 \$ |
|--|-------------------------|-------------------------|
| 2 REVENUE | | |
| Membership income | 3,633,275 | 3,546,597 |
| Grant income | 100,000 | 49,950 |
| Interest income | 26,058 | 14,463 |
| Other income | <u>255,939</u> | <u>259,963</u> |
| | <u><u>4,015,272</u></u> | <u><u>3,870,973</u></u> |
| 3 LOSS FROM ORDINARY ACTIVITIES | | |
| Loss from ordinary activities before income tax has been determined after: | | |
| a) Expenses | | |
| Depreciation of non-current assets: | | |
| Furniture and Fixtures | 15,000 | 15,034 |
| Computer Equipment | 23,694 | 29,146 |
| Motor Vehicles | <u>9,696</u> | <u>3,509</u> |
| | <u><u>48,390</u></u> | <u><u>47,689</u></u> |
| b) Revenue and Net Gains | | |
| Net gain on disposal of non-current assets: | | |
| Computer Equipment | 252 | - |
| Motor Vehicles | <u>3,628</u> | <u>-</u> |
| | <u><u>3,880</u></u> | <u><u>-</u></u> |
| 4 CASH ASSETS | | |
| Cash at bank, on deposit and on hand | <u><u>138,667</u></u> | <u><u>35,179</u></u> |

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2004**

| | 2004 | 2003 |
|--|------------------|------------------|
| | \$ | \$ |
| 5 RECEIVABLES | | |
| CURRENT | | |
| Trade Debtors | 67,632 | 126,462 |
| Sundry Debtors | 108,127 | 639,089 |
| | <u>175,759</u> | <u>765,551</u> |
| | <u>175,759</u> | <u>765,551</u> |
| 6 INVESTMENTS | | |
| CURRENT | | |
| Term Deposits | <u>503,102</u> | <u>193,433</u> |
| 7 OTHER FINANCIAL ASSETS | | |
| CURRENT | | |
| Prepayments | <u>48,347</u> | <u>40,206</u> |
| 8 PROPERTY, PLANT & EQUIPMENT | | |
| Furniture and Fixtures | 485,714 | 483,630 |
| Less: Accumulated Depreciation | <u>(447,026)</u> | <u>(432,026)</u> |
| | 38,688 | 51,604 |
| Computer Equipment | 163,800 | 138,549 |
| Less: Accumulated Depreciation | <u>(94,019)</u> | <u>(70,834)</u> |
| | 69,781 | 67,715 |
| Motor Vehicles | 69,317 | 35,087 |
| Less: Accumulated Depreciation | <u>(30,229)</u> | <u>(20,533)</u> |
| | 39,088 | 14,554 |
| Total property, plant & equipment | <u>147,557</u> | <u>133,873</u> |

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2004**

8 NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT (cont)

(a) Movements in Carrying Amounts

Reconciliations of the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:

| | Balance at the beginning of the year \$ | Additions \$ | Disposals \$ | Depreciation expense \$ | Carrying amount at the end of the year \$ |
|------------------------|--|-----------------|-----------------|-------------------------------|--|
| Furniture and Fixtures | 51,604 | 2,084 | - | (15,000) | 38,688 |
| Computer Equipment | 67,715 | 27,250 | (1,490) | (23,694) | 69,781 |
| Motor Vehicles | 14,554 | 52,866 | (18,636) | (9,696) | 39,088 |
| Total | 133,873 | 82,200 | (20,126) | (48,390) | 147,557 |

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2004**

| | 2004 \$ | 2003 \$ |
|--|------------------|------------------|
| 9 PAYABLES | | |
| CURRENT | | |
| Trade creditors and accruals | 301,435 | 317,883 |
| GST Clearing | <u>56,312</u> | <u>41,067</u> |
| | <u>357,747</u> | <u>358,950</u> |
| NON-CURRENT | | |
| ASU of NSW Transferred Funds | <u>523,004</u> | <u>279,257</u> |
| 10 PROVISIONS | | |
| CURRENT | | |
| Annual leave | 200,353 | 264,065 |
| Long service leave | <u>69,741</u> | <u>508,282</u> |
| | <u>270,094</u> | <u>772,347</u> |
| NON-CURRENT | | |
| Long service leave | <u>276,007</u> | <u>-</u> |
| (a) Aggregate employee entitlements liability | <u>546,101</u> | <u>772,347</u> |
| (b) Number of employees at year end | <u>46</u> | <u>40</u> |
| 11 RETAINED PROFITS | | |
| Balance at the beginning of year | (242,312) | (646,616) |
| Capital Injection - Amalgamation of ASU Airlines | - | 502,125 |
| Net profit/(loss) for the year | <u>(171,108)</u> | <u>(97,821)</u> |
| Balance at end of year | <u>(413,420)</u> | <u>(242,312)</u> |

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2004**

| | | |
|--|------|------|
| | 2004 | 2003 |
| | \$ | \$ |

12 AUDITORS' REMUNERATION

Remuneration of auditor for:
Audit of the financial report

| | |
|--------|--------|
| 13,500 | 18,700 |
|--------|--------|

13 RELATED PARTY DISCLOSURE

A related union, the Australian Services Union of NSW, provides financial support to the Union. As at 30 June 2004, the Union had a liability to Australian Services Union of NSW of \$523,004. Note 14 details this financial support.

14 GOING CONCERN

As at 30 June 2004, the Union had net liabilities of \$413,420 and an operating deficit of \$171,108 for the 2004 financial year. The Union is reliant on the financial support of a related union, the Australian Services Union of NSW. The Australian Services Union of NSW has resolved to provide financial support in order for the Australian Services Union NSW and ACT Services Branch to meet its debts as and when they fall due.

Specific investments of \$523,004 have been allocated by that union for the purposes of providing financial support.

15 CASH FLOW INFORMATION

(a) Reconciliation of cash flow from Operations with Profit from ordinary activities.

| | | |
|---|------------------|-----------------|
| Profit/(Loss) from Ordinary Activities | (171,108) | (97,821) |
| Non-Cash flows in profit from ordinary activities: | | |
| Depreciation | 48,390 | 47,689 |
| Loss on sale of non-current assets | (3,880) | - |
| | <u>(126,598)</u> | <u>(50,132)</u> |
| Change in Assets & Liabilities | | |
| Decrease/(Increase) in Trade Debtors | 58,830 | - |
| Decrease/(Increase) in Other Debtors | 530,962 | (147,269) |
| Decrease/(Increase) in Prepayments | (8,141) | (9,476) |
| Increase/(Decrease) in Trade Creditors | (1,203) | 72,284 |
| Increase/(Decrease) provision for Employee Entitlements | <u>(226,246)</u> | <u>101,457</u> |
| Cash flow from operations | <u>227,604</u> | <u>(33,136)</u> |

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2004**

16 FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rates on classes of financial liabilities, is as follows:

| | Weighted Average Effective Interest Rate | Floating Interest Rate \$ | Fixed Interest Rate Maturing | | Non Interest Bearing \$ | Total \$ |
|------------------------------------|--|------------------------------------|---------------------------------|-----------------------|----------------------------------|----------------|
| | | | Within 1 Year \$ | 1 to 5 Years \$ | | |
| Cash assets | 1.50% | 138,667 | - | - | - | 138,667 |
| Receivables | N/A | - | - | - | 175,759 | 175,759 |
| Investments | 4.09% | 34,503 | 463,092 | - | - | 497,595 |
| Total Financial Assets | | 173,170 | 463,092 | - | 175,759 | 812,021 |
| Payables | N/A | - | - | - | 880,751 | 880,751 |
| Total Financial Liabilities | | - | - | - | 880,751 | 880,751 |

Comparative information for the year ended 30 June 2003:

| | Weighted Average Effective Interest Rate | Floating Interest Rate \$ | Fixed Interest Rate Maturing | | Non Interest Bearing \$ | Total \$ |
|------------------------------------|--|------------------------------------|---------------------------------|-----------------------|----------------------------------|----------------|
| | | | Within 1 Year \$ | 1 to 5 Years \$ | | |
| Cash assets | 1.50% | 35,179 | - | - | - | 35,179 |
| Receivables | N/A | - | - | - | 765,551 | 765,551 |
| Investments | 4.05% | 193,443 | - | - | - | 193,443 |
| Total Financial Assets | | 228,622 | - | - | 765,551 | 994,173 |
| Payables | N/A | - | - | - | 638,207 | 638,207 |
| Total Financial Liabilities | | - | - | - | 638,207 | 638,207 |

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2004**

16 FINANCIAL INSTRUMENTS (cont'd)

(b) Credit Risk

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, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

(c) Net Fair Values

Financial assets and liabilities included in the Statement of Financial position are carried at amounts that approximate net fair value

17 SUBSEQUENT EVENTS

A new membership system is planned to be implemented during December 2004. The total project cost is estimated at approximately \$110,000. This amount is to be financed from the Australian Services Union of NSW.

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**

SCOPE

We have audited the financial report of Australian Services Union NSW and ACT (Services) Branch for the financial year ended 30 June 2004 as set out on pages 1 to 16.

The Union's Committee of Management and the Accounting Officer are responsible for the preparation and presentation of the financial report and the information it contains. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the union's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

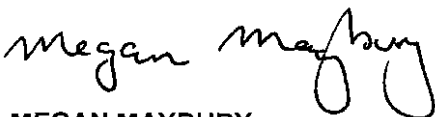
We have received all the information and explanations required for the purpose of our audit.

In our opinion:

- (a) satisfactory records were kept by the Union in respect of the year under review, detailing the sources and nature of income of the Union (including income from members) and the nature and purpose of expenditure; and
- (b) the attached financial report including the Certificates of the Committee of Management and the Accounting Officer is prepared in accordance with Section 273 of the Workplace Relations Act, 1996. The report has been prepared from the accounting records of the Union and is properly drawn up so as to give a true and fair view of:
 - (i) the financial position of the Union as at 30 June 2004; and
 - (ii) the financial performance of the Union for the year ended on that date;

and is in accordance with the applicable Accounting Standards and other mandatory professional reporting requirements in Australia.

SNEDDON McKEOWN



MEGAN MAYBURY
Partner

5 January, 2005

AUDITORS' DISCLAIMER

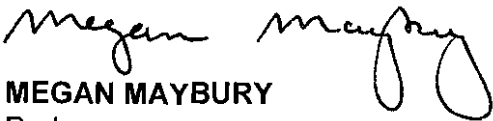
**TO THE MEMBERS OF THE AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES)
BRANCH**

The additional financial information, being the detailed income and expenditure accounts have been compiled by the Accounting Officer of the Australian Services Union NSW and ACT (Services) Branch.

No audit or review has been performed by us and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which person, other than the Australian Services Union NSW and ACT (Services) Branch may suffer arising from any negligence on our part. No person should rely on the additional financial information without having an audit or review conducted.

SNEDDON McKEOWN


MEGAN MAYBURY
Partner

5 January, 2005

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE, 2004**

| | 2004 | 2003 |
|--|----------------------|---------------------|
| | \$ | \$ |
| Revenue | | |
| Membership Income | 3,633,275 | 3,546,597 |
| Grant Income | 100,000 | 49,950 |
| Interest Income | 26,058 | 14,463 |
| Other Income | 255,939 | 259,963 |
| | <u>4,015,272</u> | <u>3,870,973</u> |
| Expenditure | | |
| Affiliation fees | 369,936 | 405,300 |
| Cost of sale of non-current asset | 1,489 | - |
| Donations | 2,775 | 9,357 |
| Equipment expense | 143,436 | 113,341 |
| Legal Fees | 56,742 | 37,622 |
| Motor vehicle expense | 135,175 | 130,647 |
| Office supplies | 19,189 | 45,913 |
| Other expenses | 42,470 | 34,024 |
| Postage | 29,382 | 27,179 |
| Printing | 75,662 | 63,231 |
| Professional fees | 48,441 | 18,700 |
| Property expenses | 238,557 | 261,869 |
| Staff Costs | 2,614,550 | 2,339,311 |
| Stationery | 24,503 | 139,878 |
| Telephone | 161,473 | 173,409 |
| Travel expense | 69,449 | 63,415 |
| Welfare Contributions | 20,800 | 20,800 |
| Workcover assist project | 132,351 | 84,798 |
| | <u>4,186,380</u> | <u>3,968,794</u> |
| Profit/(Loss) from ordinary activities | <u>(171,108)</u> | <u>(97,821)</u> |