



**Australian Government**  
**Australian Industrial Registry**

Level 5  
11 Exhibition Street, Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7993  
Fax: (03) 9654 6672

Ms S McManus  
Branch Secretary  
Australian Municipal, Administrative, Clerical and Services Union  
New South Wales and ACT (Services) Branch  
PO Box 1865  
Strawberry Hills NSW 2012

Dear Ms McManus,

**Re: Schedule 1 of the Workplace Relations Act 1996 (Schedule 1)  
Financial Report for year ended 30 June 2007 - FR 2007/281**

Receipt is acknowledged of the financial report of the New South Wales and ACT (Services) Branch of the Australian Municipal, Administrative, Clerical and Services Union for year ended 30 June 2007. The documents were lodged in the Industrial Registry on 13 December 2007.

The financial report has been filed.

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

**1. Auditor's Report**

**(a) Auditor's Qualifications**

It is not clear from the Report whether or not the Auditor is an approved auditor. In this regard I draw your attention to the definition of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

**(b) Auditor's Opinion**

The opinion expressed by the auditor in their report has not fully met the requirements of the Act. Section 257(5) of Schedule 1 now sets out the matters on which an auditor is required to state an opinion. An acceptable wording would be as follows:

"In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of Schedule 1."

**3. Reference to Schedule 1B**

I note that the section 272 notice contained in Note 3 to the financial documents refers to Schedule 1B of the Workplace Relations Act 1966. Such references should now be to Schedule 1.

**Electronic Lodgment**

I encourage you to take advantage of the electronic lodgement service provided by the Registry for future lodgements. You may register as a user and then lodge your documents via the Electronic Lodgement page of the AIRC website at [www.airc.gov.au](http://www.airc.gov.au). Alternatively, you may send an email with the documents attached to [riateam3@air.gov.au](mailto:riateam3@air.gov.au)

Should you wish to discuss any of the matters raised in this letter, I may be contacted on (03) 8661 7993 or by email at [larry.powell@air.gov.au](mailto:larry.powell@air.gov.au).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. Powell', with a large, stylized initial 'L'.

Larry Powell  
Statutory Services Branch

2 January 2008

FE2007/281

AUSTRALIAN SERVICES UNION NSW  
AND ACT (SERVICES) BRANCH

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

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

### **OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2007**

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

#### **Principal Activities**

The principal activity of the Branch during the year was that of a branch of a registered trade union. Those activities included but were not limited to representing members in the Industrial Commission, negotiating Enterprise Agreements, providing legal advice relating to Workers Compensation, representing members with individual and collective grievances, provision of industrial advice, provision of training, provision of union journals, protection of members health and safety at work, promoting the interests of the members, improvement of living standards and quality of life for members.

The results of the Branch's principal activities were to improve the wages and conditions of employment of the Branch membership and to uphold members industrial rights.

#### **Significant changes in the Nature of the Principal Activities**

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

#### **Significant changes in the Branch's Financial Affairs**

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

#### **Rights of Members – Manner of Resignation**

All members have a right to resign in accordance with rule 32 of the Union's Registered Rules and section 174(1) of the Workplace Relations Act. In accordance with section 174(1) of the Workplace Relations Act 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.

#### **Superannuation Fund Office Holders**

No officer or member of the Branch is a trustee of a superannuation entity or a director of a company that is a trustee of a superannuation fund where the criteria for the officer or member being the trustee or a director is that the officer or member is an officer or member of the union.

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

### OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2007 (Continued)

#### Other Prescribed Information

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 RAO Schedule and who are taken to be members of the Branch under s244 of the RAO Schedule was 11,906.
- (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 31.
- (c) the names of those who have been members of the Branch Executive at any time during the financial year and the periods for which he or she held office were:

<u>Name</u>	<u>Position</u>	<u>Period</u>
Barry Rule	Branch President	1 July 2006 – March 2007
Narelle Clay	Branch President	March 2007 – 30 June 2007
Frances Teirney	Deputy Branch President (1)	1 July 2006 – March 2007
John Maher	Deputy Branch President (1)	March 2007 – 30 June 2007
Robert McLean	Deputy Branch President (2)	1 July 2006 – 30 June 2007
Narelle Clay	Vice President (SACS)	1 July 2006 – March 2007
Marlene McAlear	Vice President (SACS)	March 2007 – 30 June 2007
Geoffrey Fuller	Vice President (Water)	1 July 2006 – 30 June 2007
John Maher	Vice President (Transport)	1 July 2006 – March 2007
Robert Hucker	Vice President (Transport)	March 2007 – 30 June 2007
Paul Rowe	Vice President (Airlines)	1 July 2006 – March 2007
Di Horafios	Vice President (Airlines, Shipping And Travel)	March 2007 – 30 June 2007
Joe von Bornemann	Vice President (Info Tech)	1 July 2006 – 30 June 2007
Kim Sattler	Vice President (Women) (1)	1 July 2006 – March 2007
Vivien Voss	Vice President (Women) (1)	March 2007 – 30 June 2007
Robyn Merrill	Vice President (Women) (2)	1 July 2006 – 12 December 2006
Jacqueline Flynn	Vice President (Women) (2)	12 December 2006 – 30 June 2007
Sally McManus	Branch Secretary	1 July 2006 – 30 June 2007
Naomi Arrowsmith	Deputy Secretary	1 July 2006 – 30 June 2007
Rod Masters	Treasurer	1 July 2006 – March 2007
Fran Teirney	Treasurer	March 2007 – 30 June 2007
Maree McDermott	Executive Councillor (SACS)	1 July 2006 – 30 June 2007
Larissa Jay	Executive Councillor Water (1)	12 December 2006 – 30 June 2007
William Wotton	Executive Councillor (Water) (2)	30 June 2006 – 1 July 2007
Dragan Bircevic	Executive Councillor (Transport) (1)	1 July 2006 – 30 June 2007
Robert Hucker	Executive Councillor (Transport) (2)	1 July 2006 – 30 June 2007
Marie O'Hare	Executive Councillor (Airlines)	1 July 2006 – March 2007
Craig Carr	Executive Councillor (Airlines, Shipping And Travel)	March 2007 – 30 June 2007
Max Johns	Executive Councillor (Hunter Water)	1 July 2006 – 30 June 2007
Owen Caughley	Executive Councillor (Info Tech)	1 July 2006 – March 2007
Mark Potter	Executive Councillor (Info Tech)	March 2007 – 30 June 2007


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


**OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2007 (Continued)**

**Other Relevant Information**

Nil

Signed for and on behalf of the Committee of Management.

  
Sally McManus  
**Branch Secretary**

  
Narelle Clay  
**Branch President**

26 September 2007

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

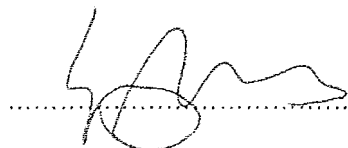
### BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 26 September 2007, the Branch Committee of Management of the Australian Services Union NSW and ACT (Services) Branch (the reporting unit) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 30 June 2007.

The Branch Committee of Management declares that in relation to the GPFR of the reporting unit for the year ended 30 June 2007.

- 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 branch for the financial year ended 30 June 2007;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- e) during the financial year ended 30 June 2007 and since the end of the financial year:
  - (i) meetings of the Branch Committee of Management 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 RAO Schedule and the RAO Regulations; 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 a Registrar under section 272 of the RAO Schedule.
  - (vi) no order for inspection of the financial records has been made by the Commission under section 273 of the RAO Schedule.
- f) during the financial year ended 30 June 2007 the branch did not participate in any recovery of wages activity.

For the Branch Committee of Management



Sally McManus  
Branch Secretary

26 September 2007

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

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
<b>INCOME</b>			
Membership Fees		4,025,069	4,224,369
Administration Fee – Australian Services Union of NSW		-	20,000
Interest Income		5,778	3,402
Other Income		36,940	77,829
WorkCover Assist Project		16,800	36,332
Distributions from Available-for-Sale Financial Assets		8,777	25,825
		<u>4,093,364</u>	<u>4,387,757</u>
<b>EXPENDITURE</b>			
<b>Depreciation</b>			
Furniture and Fittings		284	17,500
Computer Equipment		27,536	43,522
Motor Vehicles		28,001	33,027
		<u>55,821</u>	<u>94,049</u>
<b>Employee Benefits Expense</b>			
Salaries and Allowances			
- Officials		176,434	157,386
- Employees		1,970,024	1,774,149
Accrued Annual Leave		134,142	221,374
Long Service Leave		7,366	102,733
Fringe Benefits Tax		11,516	13,603
Superannuation		192,769	227,879
		<u>2,492,251</u>	<u>2,497,124</u>
<b>Other Expenses</b>			
Accounting		35,514	33,029
Affiliation Fees		90,166	69,923
ASU National Office Capitation Fees		333,202	319,738
Campaigns		227,255	242,909
Contributions to Welfare and Emergency Fund		20,800	20,800
Delegates		8,889	12,322
Donations		4,018	7,020
Equipment Expense		59,227	94,472
Loss on disposal of Non-Current Assets		7,180	25,182
Meetings		11,269	14,909
Motor Vehicle Expense		84,005	112,510
Office Supplies		16,920	20,479
Payroll Tax		126,675	126,153
Postage		25,242	27,450
Printing		99,432	68,133
Professional Fees	10	94,530	200,885
Property Expenses		44,226	86,745
Stationery		22,038	23,297
Telephone		104,086	159,234
Balance carried forward		<u>1,414,674</u>	<u>1,665,190</u>



AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007 (cont'd)

	Note	2007 \$	2006 \$
Balance brought forward		1,414,674	1,665,190
Travel Expense		51,980	69,514
Workcover Assist Project		<u>26,707</u>	<u>22,768</u>
		<u>1,493,361</u>	<u>1,757,472</u>
<b>TOTAL EXPENDITURE</b>		<u>4,041,433</u>	<u>4,348,645</u>
<b>NET SURPLUS FOR THE YEAR</b>		<u>51,931</u>	<u>39,112</u>

(The accompanying notes form part of these financial statements.)

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

**BALANCE SHEET  
AS AT 30 JUNE 2007**

	Note	2007 \$	2006 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	280,438	147,225
Receivables	5	53,772	239,355
Investments	6	<u>203,575</u>	<u>189,538</u>
Total Current Assets		<u>537,785</u>	<u>576,118</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	7	<u>184,741</u>	<u>188,742</u>
Total Non-Current Assets		<u>184,741</u>	<u>188,742</u>
<b>TOTAL ASSETS</b>		<u>722,526</u>	<u>764,860</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	8	486,870	314,932
Provision for Employee Entitlements	9	<u>227,403</u>	<u>419,523</u>
Total Current Liabilities		<u>714,273</u>	<u>734,455</u>
<b>Non-Current Liabilities</b>			
Payables	8	60,883	29,647
Provision for Employee Entitlements	9	<u>18,095</u>	<u>127,001</u>
Total Non-Current Liabilities		<u>78,978</u>	<u>156,648</u>
<b>TOTAL LIABILITIES</b>		<u>793,251</u>	<u>891,103</u>
<b>NET LIABILITIES</b>		<u>(70,725)</u>	<u>(126,243)</u>
<b>ACCUMULATED (DEFICIT) AND RESERVES</b>			
Available-for-sale Investment Reserve		(1,037)	(4,624)
Accumulated (Deficit)		<u>(69,688)</u>	<u>(121,619)</u>
<b>ACCUMULATED (DEFICIT) AND RESERVES</b>		<u>(70,725)</u>	<u>(126,243)</u>

(The accompanying notes form part of these financial statements.)

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

STATEMENT OF CHANGES IN ACCUMULATED (DEFICIT) AND RESERVES  
FOR THE YEAR ENDED 30 JUNE 2007

	Accumulated (Deficit)	Available- for-Sale Investment Reserve	Total
	\$	\$	\$
<b>Balance at 30 June 2005</b>	(162,300)	-	(162,300)
Adjustment on adoption of AASB 132 and AASB 139	1,569	(1,569)	-
Net decrease in value of Available-for sale financial assets	-	(3,055)	(3,055)
Net Surplus for the Year	<u>39,112</u>	<u>-</u>	<u>39,112</u>
<b>Balance at 30 June 2006</b>	<u>(121,619)</u>	<u>(4,624)</u>	<u>(126,243)</u>
Net increase in value of Available-for sale financial assets	-	3,587	3,587
Net Surplus for the Year	<u>51,931</u>	<u>-</u>	<u>51,931</u>
<b>Balance at 30 June 2007</b>	<u>(69,688)</u>	<u>(1,037)</u>	<u>(70,725)</u>

(The accompanying notes form part of these financial statements.)

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

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Members		4,069,134	4,218,471
Payments to Suppliers and Employees		(4,237,680)	(4,222,925)
Interest Received		4,105	3,402
Other Receipts		<u>92,051</u>	<u>124,332</u>
<b>NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES</b>	14(b)	<u>(72,390)</u>	<u>123,280</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for Purchase of Property, Plant & Equipment		(51,608)	(138,810)
Proceeds from Sale of Property, Plant & Equipment		39,040	52,303
Payments for Purchase of Investments		-	(176,362)
Proceeds from Sale of Investments		<u>-</u>	<u>462,518</u>
<b>NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES</b>		<u>(12,568)</u>	<u>199,649</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts from Australian Services Union of NSW		218,171	-
Payments to Australian Services Union of NSW		<u>-</u>	<u>(486,682)</u>
<b>NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES</b>		<u>218,171</u>	<u>(486,682)</u>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		133,213	(163,753)
<b>CASH AT BEGINNING OF FINANCIAL YEAR</b>		<u>147,225</u>	<u>310,978</u>
<b>CASH AT END OF FINANCIAL YEAR</b>	14(a)	<u>280,438</u>	<u>147,225</u>

(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 2007

#### 1. SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Workplace Relations Act 1996.

Compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS) except for:

- Segment reporting because AASB 114 "Segment Reporting" does not apply to not-for-profit organisations.
- Impairment of assets under AASB 136 "Impairment of assets"

#### **Basis of Preparation**

The financial report is for the Australian Services Union NSW and ACT (Services) Branch, and in accordance with the Workplace Relations Act, 1996 the Branch is a reporting unit. The Australian Services Union is an organisation registered under the Workplace Relations Act. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the branch are not subject to the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs modified by the revaluation of selected financial assets and liabilities for which the fair value basis of accounting has been applied. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

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

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

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).

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007  
(Cont'd)**

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

**(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**

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

*Depreciation*

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

The depreciation rates used for each class of asset are:

Furniture & Fixtures	10%
Computer Equipment	33.3%
Motor Vehicles	20%

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

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

*Leases*

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership are transferred to the branch are classified as finance leases.

Finance Leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007  
(Cont'd)**

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

**(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 income statement 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) Employee Entitlements**

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on costs.

Other employee benefits payable later than one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. In the case of Long Service Leave this results in an amount not materially different to that achieved by discounting future cash flows.

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

**(f) Investments**

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date, which is the date on which the entity commits to purchase, or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

*Available-for-sale financial assets*

Investments, which are classified as available for sale, are measured at fair value. Unrealised gains or losses on these investments are recognised directly to equity in the Available-for-Sale Investment Reserve until the investment is sold or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported for that asset is included in the income statement.

**(g) Goods and Services Tax**

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

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007  
(Cont'd)**

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

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

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

**2. ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

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

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

**3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Sub-Sections [1], [2] and [3] of Section 272 of Schedule 1B which read as follows:-

- [1] A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- [2] The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- [3] A Reporting unit must comply with an application made under subsection (1).



AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007  
(Cont'd)

	2007 \$	2006 \$
<b>4. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand - Petty Cash	1,100	1,000
Cash at bank	<u>279,338</u>	<u>146,225</u>
	<u>280,438</u>	<u>147,225</u>
<b>5. RECEIVABLES</b>		
<b>Current</b>		
Advances to Officers and Employees	11,577	308
ASU of NSW	-	87,493
Trade Debtors	929	39,240
Sundry Debtors	20,946	76,280
Prepayments	<u>20,320</u>	<u>36,034</u>
	<u>53,772</u>	<u>239,355</u>
<b>6. INVESTMENTS</b>		
(Non Public Investments)		
<b>Cash and Cash Equivalents</b>		
Term Deposits – Credit Unions	<u>16,900</u>	<u>14,507</u>
<b>Available for Sale Financial Assets</b>		
Managed Funds (at Fair Value)	<u>186,675</u>	<u>175,031</u>
	<u>203,575</u>	<u>189,538</u>
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
Furniture and Fixtures	486,198	486,196
Less: Accumulated Depreciation	<u>(483,631)</u>	<u>(483,345)</u>
	<u>2,567</u>	<u>2,851</u>
Computer Equipment	265,657	251,949
Less: Accumulated Depreciation	<u>(215,639)</u>	<u>(188,103)</u>
	<u>50,018</u>	<u>63,846</u>
Motor Vehicles	74,526	98,448
Less: Accumulated Depreciation	<u>(13,169)</u>	<u>(10,763)</u>
	<u>61,357</u>	<u>87,685</u>
Leased Motor Vehicles	80,803	34,360
Less: Accumulated Amortisation	<u>(10,004)</u>	<u>-</u>
	<u>70,799</u>	<u>34,360</u>
Total Property, Plant and Equipment	<u>184,741</u>	<u>188,742</u>

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007  
(Cont'd)**

**7. PROPERTY, PLANT AND EQUIPMENT (cont'd)**

**MOVEMENTS IN CARRY 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:

	<b>Furniture and Fittings \$</b>	<b>Computer Equipment \$</b>	<b>Motor Vehicles \$</b>	<b>Leased Motor Vehicles \$</b>	<b>Total \$</b>
Balance at 1 July 2006	2,851	63,846	87,685	34,360	188,742
Additions	-	13,708	37,900	46,433	98,041
Disposals	-	-	(46,184)	(37)	(46,221)
Depreciation	(284)	(27,536)	(18,044)	(9,957)	(55,821)
Balance at 30 June 2007	<u>2,567</u>	<u>50,018</u>	<u>61,357</u>	<u>70,799</u>	<u>184,741</u>

	<b>Note</b>	<b>2007 \$</b>	<b>2006 \$</b>
<b>8. PAYABLES</b>			
<b>Current</b>			
ASU of NSW		130,678	-
Trade creditors and accruals		265,601	242,649
GST Clearing		77,862	67,570
Lease Liability	18	<u>12,729</u>	<u>4,713</u>
		<u>486,870</u>	<u>314,932</u>
<b>Non-Current</b>			
Lease Liability	18	<u>60,883</u>	<u>29,647</u>
<b>9. PROVISION FOR EMPLOYEE ENTITLEMENTS</b>			
<b>Current</b>			
Annual Leave		145,077	221,695
Long Service Leave		<u>82,326</u>	<u>197,828</u>
		<u>227,403</u>	<u>419,523</u>
<b>Non- Current</b>			
Long Service Leave		<u>18,095</u>	<u>127,001</u>

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007  
(Cont'd)**

	2007 \$	2006 \$
<b>10. PROFESSIONAL SERVICES</b>		
Remuneration of Auditor for:		
Audit of the financial Report	22,500	18,000
Other services	-	-
	<u>22,500</u>	<u>18,000</u>
Legal Fees	<u>72,030</u>	<u>182,885</u>
	<u>94,530</u>	<u>200,885</u>

**11. SUPERANNUATION**

All employees of the Branch are entitled to benefits from a superannuation plan on retirement, disability or death. The Branch participated in a defined contribution plan. The benefits provided under this plan are based on accumulated contributions and earnings for each employee. The Branch's liability is limited to paying the contributions to the plan.

**12. RELATED PARTIES**

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the income statement under Salaries and Allowances - Officials.
- (b) The aggregate amount paid during the financial period to a superannuation plan in respect of the retirement of officers was \$20,385 (2006: \$32,927).
- (c) With the exception of a transaction referred to at item (d) there have been no other transactions between officers and the union other than those relating to their membership of the union and the reimbursement by the union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.
- (d) During the year ended 30 June 2007 the branch entered into a salary sacrifice arrangement with an officer and other employees of the branch under which amounts were advanced to the officer and other employees to purchase computer equipment. The advance to the officer is repayable over 52 weeks and at 30 June 2007 the amount owing was \$1,819.
- (e) A related union, the Australian Services Union of NSW, provides financial support to the Union.

**13. GOING CONCERN**

As at 30 June 2007, the Branch had net liabilities of \$70,725 (2006: \$126,243) and its current liabilities of \$714,273 exceeded its current assets of \$537,785. The Branch 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.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007  
(Cont'd)

	2007 \$	2006 \$
<b>14. CASH FLOW INFORMATION</b>		
(a) For the purposes of the cash flow statement, cash includes cash on hand and at call deposits with banks and other financial institutions.		
Cash on Hand - Petty Cash	1,100	1,000
Cash at bank	<u>279,338</u>	<u>146,225</u>
	<u>280,438</u>	<u>147,225</u>
(b) Reconciliation of cash flow from operations with operating result		
<b>Surplus</b>	51,931	39,112
<b>Non-Cash flows in surplus</b>		
Depreciation	55,821	94,049
Loss on disposal of non-current assets	7,180	25,182
Reinvestment of income from managed funds	(10,450)	(25,825)
<b>Change in Assets &amp; Liabilities</b>		
Decrease/(Increase) in Trade Debtors	38,311	(9,829)
Decrease/(Increase) in Sundry Debtors	44,065	(5,898)
Decrease in Prepayments	15,714	15,704
Increase in Payables	26,064	41,795
(Decrease) in Provision for Employee Entitlements	<u>(301,026)</u>	<u>(51,010)</u>
<b>Cash flow from operations</b>	<u>(72,390)</u>	<u>123,280</u>

**15. REGISTERED OFFICE**

The registered office and principal place of business of the branch is:

Level 1  
39 to 47 Renwick Street  
Redfern NSW 2016

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007  
(Cont'd)

16. FINANCIAL INSTRUMENTS

Interest Rate Risk

The Branch's exposure to interest rate risk, and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:

30 June 2007	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Interest Rate Maturing		Non Interest Bearing \$	Total \$
			Within 1 Year \$	1 to 5 Years \$		
<b>Financial Assets</b>						
Cash assets	4.35%	279,338	-	-	1,100	280,438
Receivables	N/A	-	-	-	33,452	33,452
Investments	4.78%	<u>203,575</u>	-	-	-	<u>203,575</u>
<b>Total Financial Assets</b>		<u>482,913</u>	<u>-</u>	<u>-</u>	<u>34,552</u>	<u>517,465</u>
<b>Financial Liabilities</b>						
Payables	15.43%	<u>-</u>	<u>12,729</u>	<u>60,883</u>	<u>474,141</u>	<u>547,753</u>
<b>Net Financial Assets (Liabilities)</b>		<u>482,913</u>	<u>(12,729)</u>	<u>(60,883)</u>	<u>(439,589)</u>	<u>(30,288)</u>
30 June 2006	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Interest Rate Maturing		Non Interest Bearing \$	Total \$
			Within 1 Year \$	1 to 5 Years \$		
<b>Financial Assets</b>						
Cash assets	3.75%	146,225	-	-	1,000	147,225
Receivables	N/A	-	-	-	203,321	203,321
Investments	7.28%	<u>189,538</u>	-	-	-	<u>189,538</u>
<b>Total Financial Assets</b>		<u>335,763</u>	<u>-</u>	<u>-</u>	<u>204,321</u>	<u>540,084</u>
<b>Financial Liabilities</b>						
Payables	14.34%	<u>-</u>	<u>4,713</u>	<u>29,647</u>	<u>310,219</u>	<u>344,579</u>
<b>Net Financial Assets (Liabilities)</b>		<u>335,763</u>	<u>(4,713)</u>	<u>(29,647)</u>	<u>(105,898)</u>	<u>195,505</u>

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007  
(Cont'd)**

**16. FINANCIAL INSTRUMENTS (Cont'd)**

**Credit Risk Exposure**

Credit Risk is the risk that counter-parties to a financial asset will fail to discharge their obligation, causing the Branch to incur financial loss.

The credit risk exposure of the Branch to financial assets which have been recognised in the Balance Sheet is generally the carrying amounts, net of any provisions for doubtful debts.

The carrying amounts of cash and non-interest bearing monetary financial assets and liabilities (eg receivables and payables) approximate net fair values.

	Note	2007 \$	2006 \$
<b>17. RESERVES</b>			
<b>Available-for-Sale Investment Reserve</b>			
Balance at 1 July 2006		(4,624)	(1,569)
Change in fair value during the year		<u>3,587</u>	<u>(3,055)</u>
Balance at 30 June 2007		<u>(1,037)</u>	<u>(4,624)</u>

This reserve records unrealised gains and losses on available-for-sale investments which are measured at fair value.

**18. COMMITMENT**

**Finance Lease Commitment**

**Payable**

- Not later than 12 months		23,224	9,783
- Between 12 Months and 5 Years		<u>79,041</u>	<u>39,132</u>
		102,265	48,915
Less future finance charges		<u>(28,653)</u>	<u>(14,555)</u>
Present Value of Minimum lease payments		<u>73,612</u>	<u>34,360</u>
Current Liability	9	12,729	4,713
Non Current Liability	9	<u>60,883</u>	<u>29,647</u>
		<u>73,612</u>	<u>34,360</u>

**19. CONTINGENT LIABILITY**

The Branch has given a guarantee to Sandhurst Trustees as additional security for the Mortgage Loan to Australian Services Union of NSW. The guarantee is secured by the assets of the Branch. As at balance date the mortgage loan so guaranteed by the Branch amounted to \$3,219,173.

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

### INDEPENDENT AUDIT REPORT

To the members of the Australian Services Union NSW and ACT (Services) Branch

#### Report on the Financial Report

We have audited the general purpose financial report of Australian Services Union NSW and ACT (Services) Branch, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in accumulated deficit and reserves and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and branch committee of management's statement for the year then ended.

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

The branch committee of management and the branch secretary of the Branch are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

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

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

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

#### *Independence*

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Workplace Relations Act 1996.

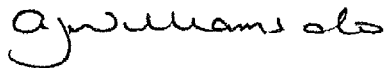
**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**

**INDEPENDENT AUDIT REPORT (cont'd)**

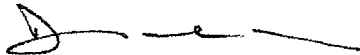
*Auditor's Opinion*

In our opinion the general purpose financial report of Australian Services Union NSW and ACT (Services) Branch is in accordance with the Workplace Relations Act 1996, including:

- (i) giving a true and fair view of the branch's financial position as at 30 June 2007 and its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (iii) complying with any other requirements of the RAO.



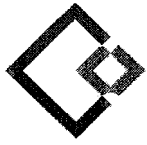
**A J Williams & Co**  
Chartered Accountants



**D S McLean**  
Registered Company Auditor.  
SYDNEY NSW 2000

26 September 2007





AUSTRALIAN SERVICES UNION

# ASU

**AUSTRALIAN SERVICES UNION  
NSW AND ACT SERVICES BRANCH  
FOR THE YEAR ENDED 30 JUNE 2007**

**STATEMENT OF PARTICULARS OF LOANS, GRANTS AND DONATIONS**

I, Sally McManus, Branch Secretary of the NSW and ACT Services Branch of the Australian Services Union, state in respect of the financial year ended 30 June 2007, that no loans, grants or donations exceeding \$1,000 were made.

Sally McManus  
**Branch Secretary**

11 December 2007

**ACTIVE STRONG UNITED**



AUSTRALIAN SERVICES UNION

# ASU

## **AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION**

### **NSW AND ACT SERVICES BRANCH**

#### **CERTIFICATE OF SECRETARY**

S268 of Schedule 1B Workplace Relations Act 1996

I, Sally McManus, being the Branch Secretary of the NSW and ACT (Services) Branch of the Australian Municipal Administrative Clerical and Services Union, certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report, was provided to members on 8 November 2007; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 6 December 2007; in accordance with section 266 of the RAO Schedule.

Sally McManus  
**Branch Secretary**

11 December 2007

**ACTIVE STRONG UNITED**