



A U S T R A L I A N
I N D U S T R I A L
R E L A T I O N S
C O M M I S S I O N

5 January 2009

Ms. S. McManus
Branch Secretary
Australian Municipal, Administrative and Clerical 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 2008 - FR 2008/330**

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 2008. The documents were lodged in the Industrial Registry on 19 December 2008.

The financial report has been filed.

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

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 lodgment service provided by the Registry for future lodgments. You may register as a user and then lodge your documents via the Electronic Lodgment page of the AIRC website at www.airc.gov.au. Alternatively, you may send an email with the documents attached riateam3@airc.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@airc.gov.au.

Yours sincerely,



Larry Powell

Statutory Services Branch



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 20 November 2008; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 11 December 2008; in accordance with section 266 of the RAO Schedule.

Sally McManus
Branch Secretary

19 December 2008

ACTIVE STRONG UNITED

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

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2008

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2008

In accordance with s.254 of the Workplace Relations Act 1996 ("the Act"), the Branch Committee of Management 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 2008 (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 10,743.
- (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>
Narelle Clay	Branch President	1 July 2007 – 30 June 2008
John Maher	Deputy Branch President (1)	1 July 2007 – 30 June 2008
Robert McLean	Deputy Branch President (2)	1 July 2007 – 30 June 2008
Marlene McAlear	Vice President (SACS)	1 July 2007 – 30 June 2008
Geoffrey Fuller	Vice President (Water)	1 July 2007 – 30 June 2008
Robert Hucker	Vice President (Transport)	1 July 2007 – 30 June 2008
Di Horafios	Vice President (Airlines, Shipping and Travel)	1 July 2007 – 30 June 2008
Joe von Bornemann	Vice President (Info Tech)	1 July 2007 – 4 March 2008
Nola Dyball	Vice President (Ports)	1 July 2007 – 30 June 2008
Vivien Voss	Vice President (Women) (1)	1 July 2007 – 30 June 2008
Jacqueline Flynn	Vice President (Women) 2)	1 July 2007 – 30 June 2008
Sally McManus	Branch Secretary	1 July 2007 – 30 June 2008
Naomi Arrowsmith	Deputy Secretary	1 July 2007 – 30 June 2008
Fran Teirney	Treasurer	1 July 2007 – 30 June 2008
Maree McDermott	Executive Councillor (SACS)	1 July 2007 – 30 June 2008
Jorge Segovia	Executive Councillor (SACS)	1 July 2007 – 30 June 2008
Larissa Jay	Executive Councillor Water (1)	1 July 2007 – 30 June 2008
William Wotton	Executive Councillor (Water) (2)	1 July 2007 – 30 June 2008
Dragan Bircevic	Executive Councillor (Transport) (1)	1 July 2007 – 30 June 2008
Rodney Masters	Executive Councillor (Transport) (2)	1 July 2007 – 30 June 2008
Craig Carr	Executive Councillor (Airlines, Shipping and Travel)	1 July 2007 – 30 June 2008
Mark Potter	Executive Councillor (Info Tech)	1 July 2007 – 9 April 2008
Erin Campbell	Executive Councillor (Ports)	1 July 2007 – 2 January 2008
Max Johns	Executive Councillor (Hunter Water)	1 July 2007 – 30 June 2008

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008 (Continued)**

Other Relevant Information

Nil

Signed for and on behalf of the Branch Committee of Management.



Sally McMarus
Branch Secretary



Naomi Arrowsmith
Deputy Branch Secretary

13 November 2008

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

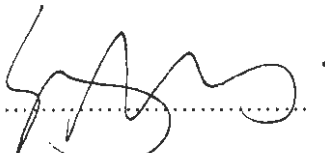
BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 13 November 2008, 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 2008.

The Branch Committee of Management declares that in relation to the GPFR of the reporting unit for the year ended 30 June 2008:

- 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 2008;
- 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 2008 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; and
 - (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 2008 the branch did not participate in any recovery of wages activity.

For the Branch Committee of Management


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Sally McManus
Branch Secretary

13 November 2008

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 \$	2007 \$
INCOME			
Membership Fees		3,877,679	4,025,069
Administration Fee – Australian Services Union of NSW		72,465	-
Interest Income		7,247	5,778
Other Income		20,006	36,940
WorkCover Assist Project		-	16,800
Distributions from Available-for-Sale Financial Assets		6,073	8,777
		<u>3,983,470</u>	<u>4,093,364</u>
EXPENDITURE			
Depreciation			
Furniture and Fittings		2,567	284
Computer Equipment		36,305	27,536
Motor Vehicles		34,914	28,001
		<u>73,786</u>	<u>55,821</u>
Employee Benefits Expense			
Salaries and Allowances			
- Officials		187,742	176,434
- Employees		1,790,081	1,970,024
Accrued Annual Leave		156,128	134,142
Long Service Leave		22,002	7,366
Fringe Benefits Tax		7,927	11,516
Superannuation		213,162	192,769
		<u>2,377,042</u>	<u>2,492,251</u>
Other Expenses			
Accounting		42,512	35,514
Affiliation Fees		82,029	90,166
ASU National Office Capitation Fees		342,734	333,202
Campaigns		134,691	227,255
Contributions to Welfare and Emergency Fund		20,800	20,800
Delegates		16,136	8,889
Donations		3,628	4,018
Equipment Expense		78,530	59,227
Loss on disposal of Non-Current Assets		2,176	7,180
Meetings		11,601	11,269
Motor Vehicle Expense		88,508	84,005
Office Supplies		19,184	16,920
Payroll Tax		93,890	126,675
Postage		24,605	25,242
Printing		130,453	99,432
Professional Fees	10	194,076	94,530
Property Expenses		47,978	44,226
Stationery		26,474	22,038
Telephone		107,341	104,086
Balance carried forward		<u>1,467,346</u>	<u>1,414,674</u>

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH
 INCOME STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2008 (cont'd)**

	Note	2008 \$	2007 \$
Balance brought forward		1,467,346	1,414,674
Travel Expense		61,163	51,980
Workcover Assist Project		-	26,707
		<u>1,528,509</u>	<u>1,493,361</u>
TOTAL EXPENDITURE		<u>3,979,337</u>	<u>4,041,433</u>
NET SURPLUS FOR THE YEAR		<u>4,133</u>	<u>51,931</u>

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

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**BALANCE SHEET
AS AT 30 JUNE 2008**

	Note	2008 \$	2007 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	291,576	280,438
Receivables	5	123,775	53,772
Investments	6	<u>127,379</u>	<u>203,575</u>
Total Current Assets		<u>542,730</u>	<u>537,785</u>
Non-Current Assets			
Property, plant and equipment	7	<u>161,308</u>	<u>184,741</u>
Total Non-Current Assets		<u>161,308</u>	<u>184,741</u>
TOTAL ASSETS		<u>704,038</u>	<u>722,526</u>
LIABILITIES			
Current Liabilities			
Payables	8	368,845	486,870
Provision for Employee Entitlements	9	<u>285,153</u>	<u>227,403</u>
Total Current Liabilities		<u>653,998</u>	<u>714,273</u>
Non-Current Liabilities			
Payables	8	92,376	60,883
Provision for Employee Entitlements	9	<u>23,084</u>	<u>18,095</u>
Total Non-Current Liabilities		<u>115,460</u>	<u>78,978</u>
TOTAL LIABILITIES		<u>769,458</u>	<u>793,251</u>
NET LIABILITIES		<u>(65,420)</u>	<u>(70,725)</u>
ACCUMULATED (DEFICIT) AND RESERVES			
Available-for-sale Investment Reserve	16	135	(1,037)
Accumulated (Deficit)		<u>(65,555)</u>	<u>(69,688)</u>
ACCUMULATED (DEFICIT) AND RESERVES		<u>(65,420)</u>	<u>(70,725)</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 2008**

	Accumulated (Deficit)	Available- for-Sale Investment Reserve	Total
	\$	\$	\$
Balance at 30 June 2006	(121,619)	(4,624)	(126,243)
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>
Balance at 30 June 2007	<u>(69,688)</u>	<u>(1,037)</u>	<u>(70,725)</u>
Net increase in value of Available-for sale financial assets	-	1,172	1,172
Net Surplus for the Year	<u>4,133</u>	<u>-</u>	<u>4,133</u>
Balance at 30 June 2008	<u>(65,555)</u>	<u>135</u>	<u>(65,420)</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 2008**

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members		3,884,198	4,069,134
Payments to Suppliers and Employees		(3,904,194)	(4,230,500)
Interest Received		7,247	4,105
Other Receipts		<u>92,471</u>	<u>92,051</u>
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	14(b)	<u>79,722</u>	<u>(65,210)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Purchase of Property, Plant & Equipment		(6,084)	(51,608)
Proceeds from Sale of Property, Plant & Equipment		2,727	39,040
Payments for Purchase of Investments		(1,559)	-
Proceeds from Sale of Investments		<u>85,000</u>	<u>-</u>
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		<u>80,084</u>	<u>(12,568)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of finance leases		(9,338)	(7,180)
Receipts from Australian Services Union of NSW		-	218,171
Payments to Australian Services Union of NSW		<u>(139,330)</u>	<u>-</u>
NET CASH (USED IN)/ PROVIDED BY FINANCING ACTIVITIES		<u>(148,668)</u>	<u>210,991</u>
NET INCREASE IN CASH HELD		11,138	133,213
CASH AT BEGINNING OF FINANCIAL YEAR		<u>280,438</u>	<u>147,225</u>
CASH AT END OF FINANCIAL YEAR	14(a)	<u>291,576</u>	<u>280,438</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 2008

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 2008 (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 2008 (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 2008 (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 amounts of assets and liabilities.

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

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

3. INFORMATION TO BE PROVIDED TO MEMBERS OR 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 2008

(Cont'd)

	2008 \$	2007 \$
4. CASH AND CASH EQUIVALENTS		
Cash on Hand - Petty Cash	1,100	1,100
Cash at bank	290,476	279,338
	<u>291,576</u>	<u>280,438</u>
5. RECEIVABLES		
Current		
Advances to Officers and Employees	17,217	11,577
ASU of NSW	8,652	-
Sundry Debtors	15,356	21,875
Prepayments	82,550	20,320
	<u>123,775</u>	<u>53,772</u>
6. INVESTMENTS		
(Non Public Investments)		
Cash and Cash Equivalents		
Term Deposits – Credit Unions	18,459	16,900
Available for Sale Financial Assets		
Managed Funds (at Fair Value)	108,920	186,675
	<u>127,379</u>	<u>203,575</u>
7. PROPERTY, PLANT AND EQUIPMENT		
Furniture and Fixtures	-	486,198
Less: Accumulated Depreciation	-	(483,631)
	<u>-</u>	<u>2,567</u>
Computer Equipment	271,740	265,657
Less: Accumulated Depreciation	(251,943)	(215,639)
	<u>19,797</u>	<u>50,018</u>
Motor Vehicles	68,534	74,526
Less: Accumulated Depreciation	(27,071)	(13,169)
	<u>41,463</u>	<u>61,357</u>
Leased Motor Vehicles	129,975	80,803
Less: Accumulated Amortisation	(29,927)	(10,004)
	<u>100,048</u>	<u>70,799</u>
Total Property, Plant and Equipment	<u>161,308</u>	<u>184,741</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008
(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:

	Furniture and Fittings \$	Computer Equipment \$	Motor Vehicles \$	Leased Motor Vehicles \$	Total \$
Balance at 1 July 2007	2,567	50,018	61,357	70,799	184,741
Additions	-	6,084	-	49,172	55,256
Disposals	-	-	(4,903)	-	(4,903)
Depreciation	<u>(2,567)</u>	<u>(36,305)</u>	<u>(14,991)</u>	<u>(19,923)</u>	<u>(73,786)</u>
Balance at 30 June 2008	<u>-</u>	<u>19,797</u>	<u>41,463</u>	<u>100,048</u>	<u>161,308</u>

	Note	2008 \$	2007 \$
8. PAYABLES			
Current			
ASU of NSW		-	130,678
Trade creditors and accruals		284,995	265,601
GST Clearing		62,780	77,862
Lease Liability	18	<u>21,070</u>	<u>12,729</u>
		<u>368,845</u>	<u>486,870</u>
Non-Current			
Lease Liability	18	<u>92,376</u>	<u>60,883</u>
9. PROVISION FOR EMPLOYEE ENTITLEMENTS			
Current			
Annual Leave		185,813	145,077
Long Service Leave		<u>99,340</u>	<u>82,326</u>
		<u>285,153</u>	<u>227,403</u>
Non- Current			
Long Service Leave		<u>23,084</u>	<u>18,095</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (Cont'd)

	2008 \$	2007 \$
10. PROFESSIONAL SERVICES		
Remuneration of Auditor for:		
Audit of the financial Report	22,500	22,500
Audit of the financial report – prior year	<u>5,500</u>	<u>-</u>
	28,000	22,500
Legal Fees	<u>166,076</u>	<u>72,030</u>
	<u>194,076</u>	<u>94,530</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 \$17,217 (2007: \$20,385).
- (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 78 weeks and at 30 June 2008 the amount owing was \$630.
- (e) A related union, the Australian Services Union of NSW, provides financial support to the Union.

13. GOING CONCERN

As at 30 June 2008, the Branch had net liabilities of \$65,420 (2007: \$70,725) and its current liabilities of \$653,998 exceeded its current assets of \$542,730. 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 2008
(Cont'd)

	2008 \$	2007 \$
14. CASH FLOW INFORMATION		
(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	1,100
Cash at bank	<u>290,476</u>	<u>279,338</u>
	<u>291,576</u>	<u>280,438</u>
(b) Reconciliation of cash flow from operations with operating result		
Surplus	4,133	51,931
Non-Cash flows in surplus		
Depreciation	73,786	55,821
Loss on disposal of non-current assets	2,176	7,180
Reinvestment of income from managed funds	(6,073)	(10,450)
Change in Assets & Liabilities		
Decrease in Sundry Debtors	879	82,376
(Increase) /Decrease in Prepayments	(62,230)	15,714
Increase in Payables	4,312	33,244
Increase / (Decrease) in Provision for Employee Entitlements	<u>62,739</u>	<u>(301,026)</u>
Cash flow from operations	<u>79,722</u>	<u>(65,210)</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (Cont'd)

15. FINANCIAL RISK MANAGEMENT

(a) *General objectives, policies and processes*

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

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

The branch's financial instruments consist mainly of deposits with banks, investments, trade receivables and payables. The main risks the branch is exposed to through its financial instruments are credit risk, liquidity risk and market risk (interest rate risk, other price risk and foreign currency risk).

The branch committee of management has overall responsibility for the determination of the branch's risk management objectives and policies and whilst retaining ultimate responsibility for them, the branch committee of management makes investment decisions after considering advice received from advisors.

(b) *Credit Risk*

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

There is no concentration of credit risk with respect to current and non-current receivables.

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

	Note	2008 \$	2007 \$
Cash and cash equivalents	4	290,476	279,338

The cash and cash equivalents are held in high quality Australian financial institutions.

Sundry Debtors - current	5	15,356	21,875
Advances to officers & Employees	5	17,217	11,577
ASU of NSW	5	8,652	-
Total loans and receivables		41,225	33,452

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008
(Cont'd)**

15. FINANCIAL RISK MANAGEMENT (Continued)

(b) *Credit Risk (cont'd)*

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

(c) *Liquidity Risk*

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

The branch is exposed to this risk as at 30 June 2008, it had \$291,576 (\$280,438 – 2007) of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 June, 2008 totalled \$461,221 (\$547,753 – 2007). The branch relies on the ongoing financial support of the Australian Service Union of NSW as disclosed at Note 13 to the accounts.

(d) *Market Risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) *Interest Rate Risk*

The branch'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 those financial assets and liabilities are summarised below:

30 June 2008	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Interest Rate Maturing		Non Interest Bearing \$	Total \$
			Within 1 Year \$	1 to 5 Years \$		
Financial Assets						
Cash assets	2.49%	290,476	-	-	1,100	291,576
Receivables	N/A	-	-	-	123,775	123,775
Investments	4.76%	127,379	-	-	-	127,379
Total Financial Assets		417,855	-	-	124,875	542,730
Financial Liabilities						
Payables	16.15%	-	21,070	92,376	347,775	461,221
Net Financial Assets (Liabilities)		417,855	(21,070)	(92,376)	(222,900)	81,509

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008
(Cont'd)**

15. FINANCIAL RISK MANAGEMENT (Cont'd)

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 \$		
Financial Assets						
Cash assets	4.35%	279,338	-	-	1,100	280,438
Receivables	N/A	-	-	-	53,772	53,772
Investments	4.78%	<u>203,575</u>	-	-	-	<u>203,575</u>
Total Financial Assets		<u>482,913</u>	-	-	<u>54,872</u>	<u>537,785</u>
Financial Liabilities						
Payables	15.43%	-	<u>12,729</u>	<u>60,883</u>	<u>474,141</u>	<u>547,753</u>
Net Financial Assets (Liabilities)		<u>482,913</u>	<u>(12,729)</u>	<u>(60,883)</u>	<u>(419,269)</u>	<u>(9,968)</u>

(f) *Interest Rate Risk*

Sensitivity Analysis

2008	Carrying Amount	+1% (100 basis points) Profit \$	-1% (100 basis points) Loss \$
Cash and Cash Equivalents	290,476	2,904	(2,904)
2007			
Cash and Cash Equivalents	279,338	2,794	(2,794)

(g) *Other Price Risks*

The branch invests surplus cash in managed funds, and in doing so it exposes itself to the fluctuations in price that are inherent in such a market. The branch manages other price risks by monitoring the allocations made by the funds.

The branch's exposure to equity price risk is made up of 100% exposure to cash and bonds.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008
(Cont'd)**

15. FINANCIAL RISK MANAGEMENT (Continued)

(g) *Other Price Risk (cont'd)*

**Sensitivity Analysis - Managed Funds
(external)**

	Carrying Amount	+1% (100 basis points) Other Equity Profit	-1% (100 basis points) Other Equity Loss
	\$	\$	\$
2008			
Cash & Bonds	127,379	1,274	(1,274)
2007			
Cash & Bonds	203,575	2,036	(2,036)

	2008 \$	2007 \$
16. RESERVES		
Available-for-Sale Investment Reserve		
Balance at 1 July 2007	(1,037)	(4,624)
Change in fair value during the year	<u>1,172</u>	<u>3,587</u>
Balance at 30 June 2008	<u>135</u>	<u>(1,037)</u>

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

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (Cont'd)

17. COMMITMENTS

	Notes	2008 \$	2007 \$
Finance Lease Commitments			
Payable			
- Not later than 12 months		36,822	23,224
- Between 12 Months and 5 Years		<u>122,296</u>	<u>79,041</u>
		159,118	102,265
Less future finance charges		<u>(45,672)</u>	<u>(28,653)</u>
Present Value of Minimum lease payments		<u>113,446</u>	<u>73,612</u>
Current Liability	8	21,070	12,729
Non Current Liability	8	<u>92,376</u>	<u>60,883</u>
		<u>113,446</u>	<u>73,612</u>

At 30 June 2008 the Branch had 6 motor vehicle finance lease commitments which all expire at different points of time with the latest being 28 February 2013. The implicit interest rates on the leases vary between 14.34% and 17.70%.

18. 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 is guaranteed by the Branch to the amount of \$3,219,173.

19. 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

INDEPENDENT AUDIT REPORT

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

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 2008, 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 presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996.



A J Williams & Co



D S McLean

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

13 November 2008