



FAIR WORK
AUSTRALIA

7 January 2010

Sally McManus
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union-New South Wales and ACT
(Services) Branch
By email: sally@asu.org.au

Cc: David McLean
A J Williams & Co
Fax: (02) 9286 5599

Dear Ms McManus,

Re: Financial report for year ended 30 June 2009 - FR2009/10108 - Australian Municipal, Administrative, Clerical and Services Union–New South Wales and ACT (Services) Branch

I acknowledge receipt of the financial report of the New South Wales and ACT (Services) Branch of the Australian Municipal, Administrative, Clerical and Services Union for the year ended 30 June 2009. The documents were lodged with Fair Work Australia on 17 December 2009.

The financial report has now been filed.

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

References to Schedule 1B

Note 3 to the Branch's financial statements refers to Schedule 1B of the *Workplace Relations Act 1996*. For any actions prior to 1 July 2009 such references should be to Schedule 1 of the *Workplace Relations Act 1996*. For any actions on or after 1 July 2009 such references should be to the *Fair Work (Registered Organisations) Act 2009*.

Loans, Grants and Donations Statement

I acknowledge receipt on 17 December 2009 of a statement of loans, grants and donations. For future years, please note that section 237(1) of the *Fair Work (Registered Organisations) Act 2009* requires that this statement be lodged within 90 days after the end of the financial year.

Please call on 03 8661 7882 if you have any queries or wish to discuss any of these matters further. I have also provided your auditor with a copy of this letter.

Yours sincerely,

Rebecca Lee
Tribunal Services and Organisations
Fair Work Australia
Tel: 03 8661 7882
Email: rebecca.lee@fwa.gov.au

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001
Telephone: (03) 8661 7777
International: (613) 8661 7777
Facsimile: (03) 9655 0401
Email: melbourne@fwa.gov.au



AUSTRALIAN SERVICES UNION

ASU

AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION

NSW AND ACT SERVICES BRANCH

CERTIFICATE OF SECRETARY

S268 Fair Work (Registered Organisations) Act 2009

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 *Fair Work (Registered Organisations) Act 2009*; and
- that the full report, was provided to members on 25 November 2009; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 10 December 2009; in accordance with section 266 of the RAO Schedule.

Sally McManus
Branch Secretary

17 December 2009

ACTIVE STRONG UNITED

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

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2009

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2009

In accordance with the 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 2009 (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 10,990.
- (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 30.
- (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 2008 – 30 June 2009
John Maher	Deputy Branch President (1)	1 July 2008 – 30 June 2009
Robert McLean	Deputy Branch President (2)	1 July 2008 – 30 June 2009
Marlene McAlear	Vice President (SACS)	1 July 2008 – 10 June 2009
Geoffrey Fuller	Vice President (Water)	1 July 2008 – 30 June 2009
Robert Hucker	Vice President (Transport)	1 July 2008 – 30 June 2009
Di Horafios	Vice President (Airlines, Shipping and Travel)	1 July 2008 – 30 June 2009
Vacant	Vice President (Info Tech)	1 July 2008 – 30 June 2009
Nola Dyball	Vice President (Ports)	1 July 2008 – 30 June 2009
Vivien Voss	Vice President (Women) (1)	1 July 2008 – 30 June 2009
Jacqueline Flynn	Vice President (Women) 2)	1 July 2008 – 30 June 2009
Sally McManus	Branch Secretary	1 July 2008 – 30 June 2009
Naomi Arrowsmith	Deputy Secretary	1 July 2008 – 11 December 2008
Michael Flinn	Deputy Secretary	11 December 2008 – 30 June 2009
Fran Teirney	Treasurer	1 July 2008 – 30 June 2009
Maree McDermott	Executive Councillor (SACS)	1 July 2008 – 30 June 2009
Jorge Segovia	Executive Councillor (SACS)	1 July 2008 – 30 June 2009
Larissa Jay	Executive Councillor Water (1)	1 July 2008 – 30 June 2009
William Wotton	Executive Councillor (Water) (2)	1 July 2008 – 30 June 2009
Dragan Bircevic	Executive Councillor (Transport) (1)	1 July 2008 – 30 June 2009
Rodney Masters	Executive Councillor (Transport) (2)	1 July 2008 – 30 June 2009
Craig Carr	Executive Councillor (Airlines, Shipping and Travel)	1 July 2008 – 30 June 2009
Mark Potter	Executive Councillor (Info Tech)	1 July 2008 – 30 June 2009
Vacant	Executive Councillor (Ports)	1 July 2008 – 30 June 2009
Max Johns	Executive Councillor (Hunter Water)	1 July 2008 – 13 November 2008
Peter Hull	Executive Councillor (Hunter Water)	13 November 2008 – 30 June 2009

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2009 (Continued)**

Other Relevant Information

Nil

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



Sally McManus
Branch Secretary



Michael Flinn
Deputy Branch Secretary

○ 25 November 2009

○

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 20 November 2009, 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 2009.

The Branch Committee of Management declares that in relation to the GPFR of the reporting unit for the year ended 30 June 2009:

- 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 2009;
- 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 2009 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 2009 the Branch did not participate in any recovery of wages activity

For the Branch Committee of Management



Sally McManus
Branch Secretary

20 November 2009

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
INCOME			
Membership Fees		3,941,493	3,877,679
Administration Fee – Australian Services Union of NSW		-	72,465
Interest Income		6,118	7,247
Other Income		70,911	20,006
Distributions from Available-for-Sale Financial Assets		3,487	6,073
Gain on Disposal of Non-Current Asset		2,595	-
		<u>4,024,604</u>	<u>3,983,470</u>
EXPENDITURE			
Depreciation			
Furniture and Fittings		158	2,567
Computer Equipment		27,208	36,305
Motor Vehicles		40,247	34,914
		<u>67,613</u>	<u>73,786</u>
Employee Benefits Expense			
Salaries and Allowances			
- Officials		252,683	187,742
- Employees		1,790,945	1,790,081
Accrued Annual Leave		166,364	156,128
Long Service Leave		57,308	22,002
Fringe Benefits Tax		10,932	7,927
Superannuation		227,458	213,162
		<u>2,505,690</u>	<u>2,377,042</u>
Other Expenses			
Accounting		52,087	42,512
Affiliation Fees		74,479	82,029
ASU National Office Capitation Fees		317,932	342,734
Campaigns		29,767	134,691
Contributions to Welfare and Emergency Fund		20,800	20,800
Delegates		26,928	16,136
Donations		5,760	3,628
Equipment Expense		128,078	78,530
Loss on disposal of Non-Current Assets		-	2,176
Loss on sale of Available-for-Sale Financial Assets		1,141	-
Meetings		22,687	11,601
Motor Vehicle Expense		91,096	88,508
Office Supplies		23,953	19,184
Payroll Tax		104,451	93,890
Postage		35,701	24,605
Printing		187,998	130,453
Professional Fees	10	36,816	194,076
Property Expenses		64,528	47,978
Stationery		29,756	26,474
Telephone		92,572	107,341
Balance carried forward		<u>1,346,530</u>	<u>1,467,346</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009 (cont'd)**

	2009	2008
	\$	\$
Balance brought forward	1,346,530	1,467,346
Travel Expense	<u>76,957</u>	<u>61,163</u>
	<u>1,423,487</u>	<u>1,528,509</u>
TOTAL EXPENDITURE	<u>3,996,790</u>	<u>3,979,337</u>
NET SURPLUS FOR THE YEAR	<u>27,814</u>	<u>4,133</u>

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

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**BALANCE SHEET
AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	197,511	291,576
Receivables	5	301,514	123,775
Investments	6	<u>19,985</u>	<u>127,379</u>
Total Current Assets		<u>519,010</u>	<u>542,730</u>
Non-Current Assets			
Property, plant and equipment	7	<u>179,157</u>	<u>161,308</u>
Total Non-Current Assets		<u>179,157</u>	<u>161,308</u>
TOTAL ASSETS		<u>698,167</u>	<u>704,038</u>
LIABILITIES			
Current Liabilities			
Payables	8	348,150	368,845
Provision for Employee Entitlements	9	<u>251,292</u>	<u>285,153</u>
Total Current Liabilities		<u>599,442</u>	<u>653,998</u>
Non-Current Liabilities			
Payables	8	69,059	92,376
Provision for Employee Entitlements	9	<u>67,407</u>	<u>23,084</u>
Total Non-Current Liabilities		<u>136,466</u>	<u>115,460</u>
TOTAL LIABILITIES		<u>735,908</u>	<u>769,458</u>
NET LIABILITIES		<u>(37,741)</u>	<u>(65,420)</u>
ACCUMULATED (DEFICIT) AND RESERVES			
Available-for-sale Investment Reserve	16	-	135
Accumulated (Deficit)		<u>(37,741)</u>	<u>(65,555)</u>
ACCUMULATED (DEFICIT) AND RESERVES		<u>(37,741)</u>	<u>(65,420)</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 2009**

	Accumulated (Deficit)	Available- for-Sale Investment Reserve	Total
	\$	\$	\$
Balance at 30 June 2007	(69,688)	(1,037)	(70,725)
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>
Transfer to loss on sale of available-for-sale financial assets	-	(135)	(135)
Net Surplus for the Year	<u>27,814</u>	<u>-</u>	<u>27,814</u>
Balance at 30 June 2009	<u>(37,741)</u>	<u>-</u>	<u>(37,741)</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 2009**

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members		3,938,037	3,884,198
Payments to Suppliers and Employees		(3,875,520)	(3,904,194)
Interest Received		6,118	7,247
Other Receipts		<u>70,911</u>	<u>92,471</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	14(b)	<u>139,546</u>	<u>79,722</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Purchase of Property, Plant & Equipment		(96,958)	(6,084)
Proceeds from Sale of Property, Plant & Equipment		14,091	2,727
Payments for Purchase of Investments		(1,526)	(1,559)
Proceeds from Sale of Investments		<u>111,131</u>	<u>85,000</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES		<u>26,738</u>	<u>80,084</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of finance leases		(20,456)	(9,338)
Payments to Australian Services Union of NSW		<u>(239,893)</u>	<u>(139,330)</u>
NET CASH (USED IN) FINANCING ACTIVITIES		<u>(260,349)</u>	<u>(148,668)</u>
NET (DECREASE) / INCREASE IN CASH HELD		(94,065)	11,138
CASH AT BEGINNING OF FINANCIAL YEAR		<u>291,576</u>	<u>280,438</u>
CASH AT END OF FINANCIAL YEAR	14(a)	<u>197,511</u>	<u>291,576</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 2009

1. STATEMENT OF 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 accounted for on a cash receipt basis.

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 2009 (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	20%
Computer Equipment	33.3%
Motor Vehicles	20% - 33.3%

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 2009 (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 2009 (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 judgments 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 judgments that have a significant risk of causing a material adjustment to the carrying amounts of 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 2009
(Cont'd)**

	2009 \$	2008 \$
4. CASH AND CASH EQUIVALENTS		
Cash on Hand - Petty Cash	1,100	1,100
Cash at bank	<u>196,411</u>	<u>290,476</u>
	<u>197,511</u>	<u>291,576</u>
5. RECEIVABLES		
Current		
Advances to Officers and Employees	10,721	17,217
ASU of NSW	248,545	8,652
Sundry Debtors	18,812	15,356
Prepayments	<u>23,436</u>	<u>82,550</u>
	<u>301,514</u>	<u>123,775</u>
6. INVESTMENTS		
(Non Public Investments)		
Cash and Cash Equivalents		
At Call Deposits – Credit Unions	<u>19,985</u>	<u>18,459</u>
Available for Sale Financial Assets		
Managed Funds (at Fair Value)	<u>-</u>	<u>108,920</u>
	<u>19,985</u>	<u>127,379</u>
7. PROPERTY, PLANT AND EQUIPMENT		
Furniture and Fixtures – at cost	2,450	-
Less: Accumulated Depreciation	<u>(158)</u>	<u>-</u>
	<u>2,292</u>	<u>-</u>
Computer Equipment – at cost	329,722	271,740
Less: Accumulated Depreciation	<u>(279,152)</u>	<u>(251,943)</u>
	<u>50,570</u>	<u>19,797</u>
Motor Vehicles – at cost	76,302	68,534
Less: Accumulated Depreciation	<u>(24,061)</u>	<u>(27,071)</u>
	<u>52,241</u>	<u>41,463</u>
Leased Motor Vehicles – at cost	129,975	129,975
Less: Accumulated Amortisation	<u>(55,921)</u>	<u>(29,927)</u>
	<u>74,054</u>	<u>100,048</u>
Total Property, Plant and Equipment	<u>179,157</u>	<u>161,308</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009
(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 2008	-	19,797	41,463	100,048	161,308
Additions	2,450	57,981	36,527	-	96,958
Disposals	-	-	(11,496)	-	(11,496)
Depreciation	<u>(158)</u>	<u>(27,208)</u>	<u>(14,253)</u>	<u>(25,994)</u>	<u>(67,613)</u>
Balance at 30 June 2009	<u>2,292</u>	<u>50,570</u>	<u>52,241</u>	<u>74,054</u>	<u>179,157</u>

	Note	2009 \$	2008 \$
8. PAYABLES			
Current			
Trade creditors and accruals		235,944	284,995
GST Clearing		88,275	62,780
Lease Liability	17	<u>23,931</u>	<u>21,070</u>
		<u>348,150</u>	<u>368,845</u>
Non-Current			
Lease Liability	17	<u>69,059</u>	<u>92,376</u>
9. PROVISION FOR EMPLOYEE ENTITLEMENTS			
Current			
Annual Leave		192,360	185,813
Long Service Leave		<u>58,932</u>	<u>99,340</u>
		<u>251,292</u>	<u>285,153</u>
Non- Current			
Long Service Leave		<u>67,407</u>	<u>23,084</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont'd)

	2009	2008
	\$	\$
10. PROFESSIONAL SERVICES		
Remuneration of Auditor for:		
Audit of the financial Report	30,000	22,500
Audit of the financial report – prior year	<u>1,400</u>	<u>5,500</u>
	31,400	28,000
Legal Fees	<u>5,416</u>	<u>166,076</u>
	<u>36,816</u>	<u>194,076</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 \$17,975 (2008: \$17,217).
- (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 now fully repaid (2008 - \$630).
- (e) A related union, the Australian Services Union of NSW, provides financial support to the Union.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009
(Cont'd)**

13. GOING CONCERN

As at 30 June 2009, the Branch had net liabilities of \$37,741 (2008: \$65,420) and its current liabilities of \$599,442 exceeded its current assets of \$519,010. 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.

	2009	2008
	\$	\$
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>196,411</u>	<u>290,476</u>
	<u>197,511</u>	<u>291,576</u>
(b) Reconciliation of cash flow from operations with operating result		
Surplus	27,814	4,133
Non-Cash flows in surplus		
Depreciation	67,613	73,786
(Gain)/Loss on disposal of non-current assets	(2,595)	2,176
Reinvestment of income from managed funds	(3,487)	(6,073)
Loss on sale of available-for-sale financial assets	1,141	-
Change in Assets & Liabilities		
Decrease in Sundry Debtors	3,040	879
Decrease/(Increase) in Prepayments	59,114	(62,230)
(Decrease)/Increase in Payables	(23,556)	4,312
Increase in Provision for Employee Entitlements	<u>10,462</u>	<u>62,739</u>
Cash flow from operations	<u>139,546</u>	<u>79,722</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009
(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	2009 \$	2008 \$
Cash and cash equivalents			
- Cash at Bank	4	196,411	290,476
- At Call Deposits	6	19,985	18,459
		<u>216,396</u>	<u>308,935</u>
The cash and cash equivalents are held in high quality Australian financial institutions.			
Sundry Debtors - current	5	18,812	15,356
Advances to officers & Employees	5	10,721	17,217
ASU of NSW	5	248,545	8,652
Total loans and receivables		<u>278,078</u>	<u>41,225</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009
(Cont'd)

15. FINANCIAL RISK MANAGEMENT (Cont'd)

(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 2009, it had \$217,496 (\$310,035 – 2008) of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 June, 2009 totalled \$328,934 (\$398,441 – 2008). 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 cash flows 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 2009	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	0.25%	196,411	-	-	1,100	197,511
Receivables	N/A	-	-	-	278,078	278,078
Investments	1.14%	19,985	-	-	-	19,985
Total Financial Assets		216,396	-	-	279,178	495,574
Financial Liabilities						
Payables	16.25%	-	23,931	69,059	235,944	328,934
Net Financial Assets (Liabilities)		216,396	(23,931)	(69,059)	43,234	166,640

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009
(Cont'd)

15. FINANCIAL RISK MANAGEMENT (Cont'd)

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	-	-	-	41,225	41,225
Investments	4.76%	<u>127,379</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,379</u>
Total Financial Assets		<u>417,855</u>	<u>-</u>	<u>-</u>	<u>42,325</u>	<u>460,180</u>
Financial Liabilities						
Payables	16.15%	<u>-</u>	<u>21,070</u>	<u>92,376</u>	<u>284,995</u>	<u>398,441</u>
Net Financial Assets (Liabilities)		<u>417,855</u>	<u>(21,070)</u>	<u>(92,376)</u>	<u>(242,670)</u>	<u>61,739</u>

(f) *Interest Rate Risk*

Sensitivity Analysis

2009	Carrying Amount \$	+0.5% (50 basis points) Profit \$	-0.5% (50 basis points) Loss \$
Cash and Cash Equivalents	216,396	1,082	(1,082)
2008	Carrying Amount \$	+1% (100 basis points) Profit \$	-1% (100 basis points) Loss \$
Cash and Cash Equivalents	308,935	3,089	(3,089)

(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 2009
(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
	\$	\$	\$
2009			
Cash & Bonds	-	-	-
2008			
Cash & Bonds	108,920	1,089	(1,089)

16. RESERVES

Available-for-Sale Investment
Reserve

	2009 \$	2008 \$
Balance at 1 July 2008	135	(1,037)
Transfer to loss on sale of available-for-sale financial assets	(135)	-
Change in fair value during the year	<u>-</u>	<u>1,172</u>
Balance at 30 June 2009	<u>-</u>	<u>135</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 2009
(Cont'd)**

17. COMMITMENTS

	Notes	2009 \$	2008 \$
Finance Lease Commitments			
Payable			
- Not later than 12 months		36,822	36,822
- Between 12 Months and 5 Years		<u>85,474</u>	<u>122,296</u>
		122,296	159,118
Less future finance charges		<u>(29,306)</u>	<u>(45,672)</u>
Present Value of Minimum lease payments		<u>92,990</u>	<u>113,446</u>
Current Liability	8	23,931	21,070
Non Current Liability	8	<u>69,059</u>	<u>92,376</u>
		<u>92,990</u>	<u>113,446</u>

At 30 June 2009 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 \$1,710,186.

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 2009, 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 Workplace Relations Act 1996.



A J Williams & Co



David McLean

Member of Institute of Chartered Accountants
And Holder of Current Public Practice Certificate
Registered Company Auditor (Registration Number 3878)
SYDNEY NSW 2000

25 November 2009