



FAIR WORK  
COMMISSION

30 May 2014

Ms Sally McManus  
Branch Secretary, New South Wales and ACT (Services) Branch  
Australian Services Union  
PO Box 1865  
STRAWBERRY HILLS NSW 2012

Dear Ms McManus

**Re: Lodgement of Financial Statements and Accounts - Australian Municipal, Administrative, Clerical and Services Union, New South Wales and ACT (Services) Branch - for year ended 30 June 2013 (FR2013/328)**

I refer to the financial report of the Australian Municipal, Administrative, Clerical and Services Union, New South Wales and ACT (Services) Branch ('the reporting unit') for the year ended 30 June 2013. The documents were lodged with the Fair Work Commission on 6 February 2014.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and whether various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2014 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. The Fair Work Commission will confirm these matters have been addressed prior to filing next year's report.

Disclosure of employee expenses/provisions to office holders and other employees

The Reporting Guidelines require reporting units to disclose in the statement of comprehensive income or in the notes to the financial statements employee expenses to holders of office (item 17(f)) and employee expenses to other employees (item 17(g)).

The financial statements disclosed wages and superannuation expenses separately for officers and wages expenses separately for employees, but did not separately disclose superannuation expenses for employees, or leave entitlements, separation/redundancy or other employee expenses for officers and employees. The balances for superannuation, leave expenses and other employee benefits expenses were single amounts. The Reporting Guidelines require that all employee and officer benefits, not merely wages, are reported separately.

The Reporting Guidelines also require either the statement of financial position or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 21(c) and 21 (d)). Note 9 discloses annual and long service leave liabilities for officers and employees but does not disclose provisions for separation/redundancy or other employee

benefits provisions for office holders and other employees. In future years please ensure that all provisions are disclosed separately for office holders and other employees.

Activities under Reporting Guideline not disclosed

Item(s) 18 and 22 of the Reporting Guidelines state that if any activities identified in items(s) 17 and 21 have not occurred in the reporting period, a statement to this effect (or a nil balance) must be included in the notes to the GPFR. I note that for separation/redundancy and 'other employee benefits, no such disclosure was made.

Auditor's report: declaration regarding going concern

Paragraph 45 of the reporting guidelines requires an auditor to include in the auditor's statement a declaration that as part of the audit of the financial statement they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statement.<sup>1</sup>

Finally, in respect of the late lodgement, I refer you to the Delegate's letter attached.

If you have any queries regarding this letter, please contact me on (02) 6746 3283 or via email at [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au).

Yours sincerely

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

Stephen Kellett  
Senior Adviser, Regulatory Compliance Branch

---

<sup>1</sup> See also paragraph 44 of the Reporting Guidelines which requires a declaration by the auditor in relation to his or her qualifications as an approved auditor



30 May 2014

Ms Sally McManus  
Branch Secretary, New South Wales and ACT (Services) Branch  
Australian Services Union  
PO Box 1865  
STRAWBERRY HILLS NSW 2012

Dear Ms McManus

**Re: Application for extension of time - s265(5) Fair Work (Registered Organisations) Act 2009 - Australian Services Union, New South Wales and ACT (Services) Branch - for year ended 30 June 2013 (FR2013/328)**

I refer to your letter dated 4 February 2014 in which you request an extension of time in respect of the lodgement of the financial return. The letter accompanied the financial documents which were received on 6 February 2014.

Under subsection 265(5) I may extend the period in which the meeting required by section 266 must be held or the period in which the financial report must be provided to members by no more than one month. The effect of a grant of extension of time will be to extend the time by which the report must be lodged.

Although the request for an extension was not framed specifically in respect of these periods I note that the Branch did not provide copies of the financial report to the members within the 5 month period prescribed by subsection 265(5)(b) and did not present the full report to its second committee of management meeting within the six month period prescribed by section 266.

I have had regard to the circumstances outlined in your letter contributing to the lateness of lodgement. However, I also note that the request for an extension of time was not made until the date of actual lodgement and after careful consideration, taking into account that the period that would have applied had an extension been granted has expired, I decline to grant an extension on this occasion.

I advise that the correspondence requesting the extension and the financial report have been filed.

Yours sincerely

Chris Enright  
Delegate of the General Manager  
Fair Work Commission

**From:** KELLETT, Stephen  
**To:** ["sally@asu.org.au"](mailto:sally@asu.org.au)  
**Subject:** Attention Ms Sally McManus - financial report y/e 30 June 2013 - filing  
**Date:** Friday, 30 May 2014 12:09:00 PM  
**Attachments:** [ASU NSW FR2013 328 \(primary final\).pdf](#)  
[ASU NSW FR2013 328 \(Delegate\) letter.pdf](#)

---

Dear Ms McManus,

Please see attached my letter and a letter from the Delegate, in relation to the above.

Yours sincerely

STEPHEN KELLETT  
Regulatory Compliance Branch  
**FAIR WORK COMMISSION**

80 William Street  
EAST SYDNEY NSW 2011

(ph) (02) 6723 7237  
(email) [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au)



AUSTRALIAN SERVICES UNION

4 February 2014

Attn: Catherine Bebbington

General Manager  
Regulatory Compliance Branch  
Fair Work Australia  
GPO Box 1994  
Melbourne Vic 3001



Dear Ms Bebbington

Re: Section 237 Fair Work (Registered Organisations) Act 2009 – Statement of Loans, grants and donations exceeding \$1000 during the financial year ended 30 June 2013  
Please find attached the above mentioned return.

The return is being filed late and I formally request an extension of time. The reason for the late filing is that the officer who has maintained the returns for the Branch for the last 20 years [REDACTED] took unexpected leave in August last year as a result of [REDACTED] [REDACTED] In December Ms [REDACTED] advised the ASU that she would not be returning to work. Regrettably some items that required attention during this time were not attended to in a timely manner.

It would be appreciated if the extension could be granted and the document lodged.

Yours Sincerely

Sally McManus  
Branch Secretary

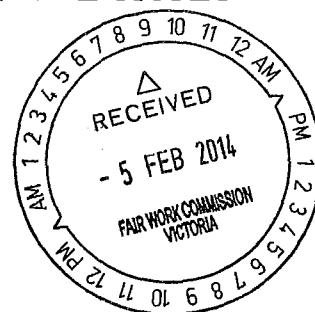
**ACTIVE STRONG UNITED**



AUSTRALIAN SERVICES UNION

**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 21 December 2013; and
- that the full report was presented to the Committee of Management of the reporting unit (S.266(3)) on 29 January 2014 in accordance with the *Fair Work (Registered Organisations) Act 2009*.

Sally McManus  
**Branch Secretary**

3 February 2014

**ACTIVE STRONG UNITED**

**AUSTRALIAN SERVICES UNION NSW  
AND ACT (SERVICES) BRANCH  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2013**

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

### OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2013

In accordance with *the Fair Work (Registered Organisations) Act 2009* ("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 before Fair Work Australia, 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 publications, protection of members' health and safety at work, promoting the interests of the members and 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

The branch's principal activities resulted in a net surplus for the financial year of \$138,533 (2012: \$7,876).

#### 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 Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair work (Registered Organisations) Act 2009, a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

#### 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 2013 (Continued)

#### Other Prescribed Information

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009:-

- (a) the number of persons who, at the end of the financial year, were recorded in the register of members and who are taken to be members of the Branch was 11,629.
- (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 34.
- (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>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Narelle Clay	1 July 2012 - 30 June 2013
Deputy Branch President 1	John Maher	1 July 2012 - 30 June 2013
Deputy Branch President 2	Robert Mclean	1 July 2012 - 30 June 2013
Vice President (SACS)	Maree McDermott	1 July 2012 - 30 June 2013
Vice President (Water and Ports)	Paul Muller	1 July 2012 - 11 April 2013
Vice President (Hunter Water)	Peter Hull	1 July 2012 - 20 June 2013
Vice President (Transport)	Robert Hucker	1 July 2012 - 20 June 2013
Vice President (Airlines, Shipping and Travel and IT)	Di Horafios	1 July 2012 - 5 June 2013
Branch Secretary	Sally McManus	1 July 2012 - 30 June 2013
Deputy Branch Secretary	Michael Flinn	1 July 2012 - 19 Sept 2012
Deputy Branch Secretary	Natalie Lang	19 Sept 2012 - 30 June 2013
Treasurer	Geoff Fuller	1 July 2012 - 30 June 2013
Executive Councillor (SACS)	Danna Nelse	1 July 2012 - 30 June 2013
Executive Councillor (SACS)	Jorge Segovia	1 July 2012 - 30 June 2013
Executive Councillor (SACS)	Lyn Bevington	1 July 2012 - 30 June 2013
Executive Councillor (SACS)	Pauline Gallagher	1 July 2012 - 30 June 2013
Executive Councillor (SACS)	Mary Waterford	1 July 2012 - 30 June 2013
Executive Councillor (SACS)	Maralyn Schofield	1 July 2012 - 30 June 2013
Executive Councillor (Water)	Paul Muller	1 July 2012 - 30 June 2013
Executive Councillor (Water)	Michael Talone	1 July 2012 - 30 June 2013
Executive Councillor (Water)	Jeremy Evans	1 July 2012 - 30 June 2013
Executive Councillor (Transport)	Dragan Bircevic	1 July 2012 - 30 June 2013
Executive Councillor (Transport)	Mark Coleman	1 July 2012 - 30 June 2013
Executive Councillor (Airlines, Shipping, Travel and IT)	Craig Carr	1 July 2012 - 30 June 2013
Executive Councillor (Airlines, Shipping, Travel & IT)	Anthony Steele	1 July 2012 - 30 June 2013
Executive Councillor (Hunter Water)	Vacant	1 July 2012 - 30 June 2013

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

Officers and Employees Who are Directors of a Company or a Member of a Board

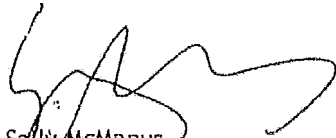
Pursuant to section 37 of Reporting Guidelines apply for the purpose of section 253 of the RO Act 2009 , the following officers and employees are directors of a company or a member of a board:

Name of officer/employee	Name of company/board	Principal activities	Nominated by the Branch
--------------------------	-----------------------	----------------------	-------------------------

Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management.



Sally McManus  
Branch Secretary

5 December 2013

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

### BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 5 December 2013, 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 2013. The Branch Committee of Management declares that in relation to the GPFR of the reporting unit for the year ended 30 June 2013:

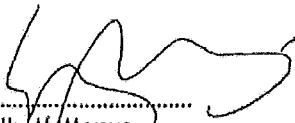
- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the branch for the financial year ended 30 June 2013;
- 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 2013 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 RO Act; and
  - (iv) the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and national office of the organisation; and
  - (v) no information has been sought in any request of a member of the Branch or the General Manager of Fair Work Australia under section 272 of the RO Act; and
  - (vi) no order for inspection of the financial records has been made by the Commission under section 273 of the RO Act.
- f) In relation to recovery of wages:
  - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
  - (ii) the National Executive instructed the auditor to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and
  - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
  - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT (CONT'D)

- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

Signed for and on behalf of the Branch Committee of Management



.....  
Sally McManus  
Branch Secretary

5 December 2013

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
<b>INCOME</b>			
Membership Fees		4,805,590	4,568,634
Interest Income		1,684	3,594
Other Income		183,305	126,079
Gain on Disposal of Non-Current Asset		3,182	17,091
Administration Fee - ASU of NSW		50,000	-
Capitation Fees		-	-
Levies		-	-
Grants and/or Donations		-	-
		<u>5,043,761</u>	<u>4,715,398</u>
<b>EXPENDITURE</b>			
<b>Depreciation</b>			
Furniture and Fittings		2,440	2,216
Computer Equipment		68,301	49,471
Motor Vehicles		7,614	10,805
Motor Vehicles - Finance Lease		31,372	32,179
		<u>109,727</u>	<u>94,671</u>
<b>Employee Benefits Expense</b>			
<b>Salaries and Allowances</b>			
- Officials		231,757	235,757
- Employees		2,345,023	2,241,840
Annual Leave		247,925	151,826
Long Service Leave		83,233	70,893
Fringe Benefits Tax		18,520	22,362
Superannuation		261,235	253,847
		<u>3,187,693</u>	<u>2,976,525</u>
<b>Other Expenses</b>			
Accounting		46,630	56,065
Affiliation Fees	18	102,093	82,807
ASU National Office Capitation Fees		400,454	368,389
Campaigns		68,919	139,371
Contributions to ASU of NSW Welfare and Emergency Fund		20,801	20,800
Delegates		11,808	11,232
Donations		2,000	10,569
Equipment Expense		75,964	77,814
Meetings		48,000	31,218
Motor Vehicle Expense		104,847	106,667
Office Supplies		24,757	26,730
Payroll Tax		133,185	124,655
Postage		17,480	17,421
Printing		152,421	105,409
Professional Fees	10	53,286	92,901
Property Expenses		60,347	24,313
Stationery		35,238	24,098
Telephone		98,472	130,748
Balance carried forward		<u>1,456,702</u>	<u>1,451,207</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2013 (cont'd)

	Note	2013 \$	2012 \$
Balance brought forward		1,456,702	1,451,207
Travel Expense		151,086	185,119
Consideration to Employers for Payroll Deductions		-	-
Compulsory Levies		-	-
Fees and Allowances - Meeting and Conferences		-	-
Conference and Meeting Expenses		-	-
Grants and Donations		-	-
Penalties - Via RO Act or RO Regulations		-	-
		<u>1,607,788</u>	<u>1,636,326</u>
<b>TOTAL EXPENDITURE</b>		<u>4,905,207</u>	<u>4,707,522</u>
<b>NET SURPLUS FOR THE YEAR</b>		<u>138,553</u>	<u>7,876</u>
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>138,553</u>	<u>7,876</u>

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2013**

	Note	2013 \$	2012 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	108,435	257,630
Receivables	5	627,606	314,581
Investments	6	<u>7,536</u>	<u>7,288</u>
Total Current Assets		<u>743,577</u>	<u>579,499</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	7	<u>276,710</u>	<u>239,682</u>
Total Non-Current Assets		<u>276,710</u>	<u>239,682</u>
<b>TOTAL ASSETS</b>		<u>1,020,287</u>	<u>819,181</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	8	542,011	524,980
Provision for Employee Entitlements	9	<u>360,645</u>	<u>293,112</u>
Total Current Liabilities		<u>902,656</u>	<u>818,092</u>
<b>Non-Current Liabilities</b>			
Payables	8	49,651	49,417
Provision for Employee Entitlements	9	<u>109,960</u>	<u>132,205</u>
Total Non-Current Liabilities		<u>159,611</u>	<u>181,622</u>
<b>TOTAL LIABILITIES</b>		<u>1,062,267</u>	<u>999,714</u>
<b>NET LIABILITIES</b>		<u>(41,980)</u>	<u>(180,533)</u>
<b>ACCUMULATED DEFICIT</b>			
Accumulated Deficit		<u>(41,980)</u>	<u>(180,533)</u>
<b>ACCUMULATED DEFICIT</b>		<u>(41,980)</u>	<u>(180,533)</u>

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

**STATEMENT OF CHANGES IN ACCUMULATED DEFICIT  
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	Accumulated Deficit	Total
		\$	\$
Balance at 30 June 2011		(188,409)	(188,409)
<b>Other Comprehensive Income</b>			
Net Surplus for the Year		<u>7,876</u>	<u>7,876</u>
<b>Total Comprehensive Income</b>		<u>7,876</u>	<u>7,876</u>
Balance at 30 June 2012		<u>(180,533)</u>	<u>(180,533)</u>
<b>Other Comprehensive Income</b>			
Net Surplus for the Year		<u>138,553</u>	<u>138,553</u>
<b>Total Comprehensive Income</b>		<u>138,553</u>	<u>138,553</u>
Balance at 30 June 2013		<u>(41,980)</u>	<u>(41,980)</u>

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



**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Members		5,173,819	5,014,232
Payments to Suppliers and Employees		(5,222,762)	(4,963,758)
Interest Received		1,684	3,594
Other Receipts		<u>183,305</u>	<u>126,079</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	15(b)	<u>136,046</u>	<u>180,147</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for Purchase of Property, Plant & Equipment		(146,755)	(130,435)
Proceeds from Sale of Property, Plant & Equipment		3,183	17,091
Payments for Purchase of Investments		<u>(248)</u>	<u>(330)</u>
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>		<u>(143,820)</u>	<u>(113,674)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net (Payments)/Proceeds from finance leases		(40,035)	3,273
(Net Payments)/Net Receipts (to)/from Australian Services Union of NSW		<u>(101,386)</u>	<u>52,602</u>
<b>NET CASH PROVIDED (USED IN) BY FINANCING ACTIVITIES</b>		<u>(141,421)</u>	<u>55,875</u>
<b>NET (DECREASE)/INCREASE IN CASH HELD</b>		(149,195)	122,348
<b>CASH AT BEGINNING OF FINANCIAL YEAR</b>		<u>257,630</u>	<u>135,282</u>
<b>CASH AT END OF FINANCIAL YEAR</b>	15(a)	<u>108,435</u>	<u>257,630</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 2013

1. SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Fair Work (Registered Organisations) Act 2009.

The reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act) require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards. As such the branch committee of management has prepared a full set of financial statements with all disclosure requirements. In the prior year the branch committee of management had early adopted Australian Accounting Standards - Reduced Disclosure Requirements but this is no longer permissible. This has had no material impact on amounts recognised in the financial statements because it merely requires a more detailed note disclosure on financial risk management than if these financial statements were prepared using Australian Accounting Standards - Reduced Disclosure Requirements.

**Basis of Preparation**

The financial report is for the Australian Services Union NSW and ACT (Services) Branch, and in accordance with the Fair Work (Registered Organisations) Act 2009 the Branch is a reporting unit. The Australian Services Union is an organisation registered under the Fair Work (Registered Organisations) Act 2009. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the branch are not subject to the Corporations Act 2001.

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

Contributions are accounted for on an accrual basis.

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

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 2013 (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 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 statement of comprehensive income 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.

(d) Impairment

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the statement of comprehensive income for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. For the purpose of assessing value in use of assets not held primarily to generate cash, this represents depreciated current replacement cost, as the Branch is a not-for-profit organisation.

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

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Cont'd)

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

##### (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 statement of comprehensive income.

##### (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 statement of financial position are shown inclusive of GST.

##### (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.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Cont'd)**

**2. ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

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

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

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

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

**3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK AUSTRALIA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272 of the Fair Work (Registered Organisations) Act 2009 which read as follows:-

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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 2013 (Cont'd)

	2013 \$	2012 \$
<b>4. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand - Petty Cash	1,100	1,100
Cash at bank	<u>107,335</u>	<u>256,530</u>
	<u>108,435</u>	<u>257,630</u>
<b>5. RECEIVABLES</b>		
Current		
ASU of NSW	301,469	170,884
Membership in Arrears	157,292	53,546
Sundry Debtors	100,405	32,206
Prepayments	<u>68,440</u>	<u>57,945</u>
	<u>627,606</u>	<u>314,581</u>
<b>6. INVESTMENTS</b> (Non Public Investments)		
Cash and Cash Equivalents		
At Call Deposits - Credit Unions	<u>7,536</u>	<u>7,288</u>
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
Furniture and Fixtures - at cost	12,543	11,907
Less: Accumulated Depreciation	<u>(7,558)</u>	<u>(5,118)</u>
	<u>4,985</u>	<u>6,789</u>
Computer Equipment - at cost	633,498	511,302
Less: Accumulated Depreciation	<u>(465,365)</u>	<u>(397,064)</u>
	<u>168,133</u>	<u>114,238</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Cont'd)

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

	2013 \$	2012 \$
Motor Vehicles - at cost	63,357	63,357
Less: Accumulated Depreciation	<u>(55,640)</u>	<u>(48,026)</u>
	<u>7,717</u>	<u>15,331</u>
Leased Motor Vehicles - at cost	198,519	174,596
Less: Accumulated Amortisation	<u>(102,644)</u>	<u>(71,272)</u>
	<u>95,875</u>	<u>103,324</u>
Total Property, Plant and Equipment	<u>276,710</u>	<u>239,682</u>

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 2012	6,789	114,238	15,331	103,324	239,682
Additions	636	122,196	-	23,923	146,755
Disposals	-	-	-	-	-
Depreciation	<u>(2,440)</u>	<u>(68,301)</u>	<u>(7,614)</u>	<u>(31,372)</u>	<u>(109,727)</u>
Balance at 30 June 2013	<u>4,985</u>	<u>168,133</u>	<u>7,717</u>	<u>95,875</u>	<u>276,710</u>

	Note	2013 \$	2012 \$
<b>8. PAYABLES</b>			
<b>Current</b>			
Trade creditors and accruals		237,805	172,889
ASU National Office		101,393	97,718
GST Payable		78,003	80,710
Membership Fees in Advance		96,853	105,437
Lease Liability	16	<u>27,957</u>	<u>68,226</u>
		<u>542,011</u>	<u>524,980</u>
<b>Non-Current</b>			
Lease Liability	16	<u>49,651</u>	<u>49,417</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Cont'd)

	2013	2012
	\$	\$
<b>9. PROVISION FOR EMPLOYEE ENTITLEMENTS</b>		
<b>Current</b>		
Annual Leave Entitlement - Officers	13,600	21,435
Annual Leave Entitlement - Employee	213,835	185,053
	<u>227,435</u>	<u>206,488</u>
Long Service Leave Entitlement - Officers	60,365	47,094
Long Service Leave Entitlement - Employee	72,845	39,530
	<u>133,210</u>	<u>86,624</u>
	<u>360,645</u>	<u>293,112</u>
<b>Non- Current</b>		
Long Service Leave - Officers	-	20,101
Long Service Leave - Employees	109,960	112,104
	<u>109,960</u>	<u>132,205</u>
<b>10. PROFESSIONAL SERVICES</b>		
Remuneration of Auditor for:		
Audit of the financial Report	24,750	25,740
Other services	8,750	8,660
	<u>33,500</u>	<u>34,400</u>
Legal Fees	<u>19,786</u>	<u>58,501</u>
	<u>53,286</u>	<u>92,901</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**

Transactions with officers of the Union

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

- (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 \$30,368 (2012: \$31,604).



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

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Cont'd)

#### 12. RELATED PARTIES (Cont'd)

- (c) 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.

##### Transactions with a Related Entity

- (a) Amounts receivable from the Australian Services Union of NSW are disclosed at Note 5 of the accounts.
- (b) Contributions paid to the Australian Services Union of NSW are disclosed as other expenses in the statement of comprehensive income.
- (c) Administration fees received from the Australian Services Union of NSW are disclosed as income in the statement of comprehensive income.
- (d) Capitation Fees paid to the ASU National office are disclosed as other expenses in the statement of comprehensive income
- (e) Amounts payable to the ASU National office are disclosed at Note 8 of the accounts.

#### 13. KEY MANAGEMENT PERSONNEL COMPENSATION

	Short Term Benefit	Post Employment Benefit	Total
	\$	\$	\$
2013			
Total compensation	269,215	30,368	299,583
2012			
Total compensation	232,774	31,604	264,378

As at 1 July 2013, the following rates of pay apply to full-time elected officials of the Union:

Branch Secretary	\$127,095
Deputy Branch Secretary	\$104,492

#### 14. GOING CONCERN

As at 30 June 2013, the Branch had net liabilities of \$41,980 (2012: \$180,533) and its current liabilities of \$902,656 exceeded its current assets of \$743,577. 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 ongoing 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 2013 (Cont'd)

	2013 \$	2012 \$
<b>15. CASH FLOW INFORMATION</b>		
(a) For the purposes of the statement of cash flows, 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	107,335	256,530
	<u>108,435</u>	<u>257,630</u>
(b) Reconciliation of cash flow from operations with operating result		
<b>Surplus</b>	138,553	7,876
<b>Non-Cash flows in surplus</b>		
Depreciation	109,727	94,671
Transfer Administration Fee - ASU of NSW	(50,000)	-
Transfer ASU of NSW Welfare and Emergency Fund	20,801	20,800
<b>Change in Assets &amp; Liabilities</b>		
(Increase) in Sundry Debtors and Advances to Officers and Employees	(183,713)	(45,142)
(Increase) /Decrease in Prepayments	(10,495)	3,123
Increase in Payables	65,885	58,502
Increase in Provision for Employee Entitlements	45,288	40,317
<b>Cash flow from operations</b>	<u>136,046</u>	<u>180,147</u>

**16. 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, sundry debtors 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.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Cont'd)

16. FINANCIAL RISK MANAGEMENT (Continued)

(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	2013 \$	2012 \$
Cash and cash equivalents			
- Cash at Bank	4	107,335	256,530
- At Call Deposits	6	7,536	7,288
		<u>114,871</u>	<u>263,818</u>

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

Sundry Debtors - Current	5	100,405	32,206
Membership in Arrears	5	157,292	53,546
ASU of NSW	5	301,469	170,884
Total loans and receivables		<u>559,166</u>	<u>256,636</u>

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 2013, it had \$115,971 (2012: \$264,918) of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 June 2013 totalled \$315,413 (2012: \$290,532). 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:

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Cont'd)

16. FINANCIAL RISK MANAGEMENT (Continued)

30 June 2013	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	2.93%	107,335	-	-	1,100	108,435
Receivables	N/A	-	-	-	559,166	559,166
Investments	2.45%	7,536	-	-	-	7,536
<b>Total Financial Assets</b>		<u>114,871</u>	<u>-</u>	<u>-</u>	<u>560,266</u>	<u>675,137</u>
<b>Financial Liabilities</b>						
Payables	13.18%	-	27,957	49,651	237,805	315,413
<b>Net Financial Assets (Liabilities)</b>		<u>114,871</u>	<u>(27,957)</u>	<u>(49,651)</u>	<u>322,461</u>	<u>359,724</u>
30 June 2012	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	0.25%	256,530	-	-	1,100	257,630
Receivables	N/A	-	-	-	256,636	256,636
Investments	1.14%	7,288	-	-	-	7,288
<b>Total Financial Assets</b>		<u>263,818</u>	<u>-</u>	<u>-</u>	<u>257,736</u>	<u>521,554</u>
<b>Financial Liabilities</b>						
Payables	14.51%	-	68,226	49,417	172,889	290,532
<b>Net Financial Assets (Liabilities)</b>		<u>263,818</u>	<u>(68,226)</u>	<u>(49,417)</u>	<u>84,847</u>	<u>231,022</u>

Sensitivity Analysis

2013	Carrying Amount	+0.50% (50 basis points) Profit	-0.50% (50 basis points) Loss
	\$	\$	\$
Cash and Cash Equivalents	114,871	574	(574)
2012			
Cash and Cash Equivalents	263,818	1,320	(1,320)

(f) *Other Price Risks*

The branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(g) *Foreign Exchange Risk*

The branch is not directly exposed to foreign exchange rate risk.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Cont'd)

	Notes	2013 \$	2012 \$
<b>17. COMMITMENTS</b>			
<b>Finance Lease Commitments</b>			
<b>Payable</b>			
- Not later than 12 months		36,678	78,827
- Between 12 Months and 5 Years		<u>58,513</u>	<u>57,265</u>
		<u>95,191</u>	<u>136,092</u>
Less future finance charges		<u>(17,583)</u>	<u>(18,449)</u>
Present Value of Minimum lease payments		<u>77,608</u>	<u>117,643</u>
Current Liability	8	27,957	68,226
Non Current Liability	8	<u>49,651</u>	<u>49,417</u>
		<u>77,608</u>	<u>117,643</u>

At 30 June 2013 the Branch had 6 motor vehicle finance lease commitments which all expire at different points of time with the latest being 15 May 2018. The implicit interest rates on the leases vary between 10.00% and 15.54%.

**18. AFFILIATION FEES**

	2013 \$	2012 \$
Unions NSW	49,641	40,515
Labour Councils	5,297	5,589
Australian Labor Party	46,346	36,176
Other	<u>809</u>	<u>527</u>
	<u>102,093</u>	<u>82,807</u>

**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



# Grant Thornton

Grant Thornton Audit Pty Ltd  
ACN 130 913 594

Level 19, 2 Market Street  
Sydney NSW 2000  
Locked Bag Q800  
QVB Post Office  
Sydney NSW 1230

T +61 2 8297 2400  
F +61 2 9299 4445  
E [info.nsw@au.gt.com](mailto:info.nsw@au.gt.com)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

## **Independent Auditor's Report To the Members of Australian Services Unions NSW & ACT (Services) Branch**

We have audited the accompanying financial report of Australian Services Unions NSW & ACT (Services) Branch (the "Entity"), which comprises the statement of financial position as at 30 June 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Branch Committee of Management.

### **Responsibility of the Branch Committee of Management and Branch Secretary for the financial report**

The Branch Committee of Management and Branch Secretary of the Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the Fair Work (Registered Organisations) Act 2009 and all requirements of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. This responsibility includes such internal controls as the Branch Committee of Management and Branch Secretary determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

### **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 which require us to 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.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

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, 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

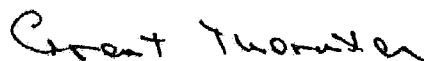
### **Independence**

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board and the Fair Work (Registered Organisations) Act 2009.

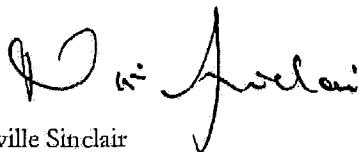
### **Auditor's Opinion**

In our opinion,

- a the financial report of Sydney Alliance for Community Building Limited
  - i presents fairly, in all material respects, the Entity's financial position as at 30 June 2013 and of its performance and cash flows for the year then ended ; and
  - ii complies with Australian Accounting Standards; and
  - iii complies with the requirements of Fair Work (Registered Organisations) Regulations 2009 and Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



Neville Sinclair  
Partner-Audit & Assurance

Sydney, 5 . 12 . 2013



18 July 2013

Ms Sally McManus  
Secretary

Australian Municipal, Administrative, Clerical and Services Union-New South Wales and ACT  
(Services) Branch

Sent by email: [sally@asu.org.au](mailto:sally@asu.org.au)

Dear Ms McManus,

**Re: Lodgement of Financial Report - [FR2013/328]**

**Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the New South Wales and ACT (Services) Branch of the Australian Municipal, Administrative, Clerical and Services Union (the reporting unit) ended on 30 June 2013.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 January 2014 (that is the period within 6 months and 14 days of the end of the financial year) under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets regarding financial reporting under the RO Act are provided on the Fair Work Commission website at: [Financial Reporting Fact Sheets](#).

The documents can be emailed to [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au) . If it is envisaged that the financial report cannot be lodged by the due date you are requested to contact this office prior to the due date to discuss the issue.

**It should be noted that s.268 is a civil penalty provision.** Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$33,000 for a body corporate and \$6,600 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at [robert.pfeiffer@fwc.gov.au](mailto:robert.pfeiffer@fwc.gov.au) .

Yours sincerely,

Robert Pfeiffer  
Senior Adviser  
Regulatory Compliance Branch



## TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /	As soon as practicable after end of financial year
(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).		
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	Within a reasonable time of having received the GPFR (NB: Auditor's report must be dated on or after date of Committee of Management Statement)
Provide full report free of charge to members – s265 The full report includes: <ul style="list-style-type: none"> <li>the General Purpose Financial Report (which includes the Committee of Management Statement);</li> <li>the Auditor's Report; and</li> <li>the Operating Report.</li> </ul>	/ /	(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,  or  (b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

\* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

# The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.