



30 December 2016

Ms Natalie Lang  
Branch Secretary  
Australian Municipal, Administrative, Clerical and Services Union – New South Wales and ACT  
(Services) Branch  
Level 1, 39-47 Renwick Street  
REDFERN NSW 2016

via email: [natalie@asu.org.au](mailto:natalie@asu.org.au)

Dear Ms Lang

**Australian Municipal, Administrative, Clerical and Services Union New South Wales and ACT (Services) Branch Financial Report for the year ended 30 June 2016 - [FR2016/157]**

I acknowledge receipt of the financial report of the Australian Municipal, Administrative, Clerical and Services Union New South Wales and ACT (Services) Branch (**the reporting unit**). The documents were lodged with the Fair Work Commission (**FWC**) on 15 December 2016.

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 that 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 that 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 2017 may be subject to an advanced compliance review.

**Reporting Requirements**

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4681 or by email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch



**Australian Services Union**  
NSW & ACT (Services) Branch

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

**s.268 *Fair Work (Registered Organisations) Act 2009***

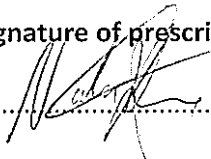
**CERTIFICATE BY BRANCH SECRETARY**

**Certificate for the period ended 30<sup>th</sup> June 2016**

I, Natalie Lang, being the Branch Secretary of the Australian Municipal, Administrative, Clerical and Services Union – New South Wales and ACT (Services Branch) certify:

- that the documents lodged herewith are copies of the full report for the Australian Municipal, Administrative, Clerical and Services Union – New South Wales and ACT (Services Branch) for the period ended 30 June 2016 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 29<sup>th</sup> November 2016; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 8th December 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

**Signature of prescribed designated officer:**

  
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**Name of prescribed designated officer:** Natalie Lang

**Title of prescribed designated officer:** Branch Secretary

**Dated:** 15/12/16.

**AUSTRALIAN SERVICES UNION NSW  
AND ACT (SERVICES) BRANCH  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2016**

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

### **OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2016**

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 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 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.

#### **Results**

The Branch's principal activities resulted in a net profit for the financial year of \$62,519 (2015: net deficit of \$54,145).

#### **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 2016 (cont'd)

#### 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 11,784.
- (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 37.
- (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 2015 – 30 June 2016
Deputy Branch President 1	Robert McLean	1 July 2015 – 30 June 2016
Deputy Branch President 2	Zlatko Djurdjevic	1 July 2015 – 30 June 2016
Vice President (SACS)	Lyn Bevington	1 July 2015 – 30 June 2016
Vice President (Water & Ports)	Paul Muller	1 July 2015 – 30 June 2016
Vice President (Transport)	Robert Hucker	1 July 2015 – 30 June 2016
Vice President (Hunter Water)	Peter Hull	1 July 2015 – 30 June 2016
Vice President (Private Sector Industries Group)	Antony Steel	1 July 2015 – 30 June 2016
Branch Secretary	Natalie Lang	1 July 2015 – 30 June 2016
Treasurer	Michael Talone	1 July 2015 – 30 June 2016
Deputy Secretary	Judith Wright	1 July 2015 – 30 June 2016
Executive Member (SACS)	Danna Nelse	1 July 2015 – 30 June 2016
Executive Member (SACS)	Jorge Segovia	1 July 2015 – 30 June 2016
Executive Member (SACS)	Nadia Saleh	1 July 2015 – 30 June 2016
Executive Member (SACS)	Ned Lambley	1 July 2015 – 30 June 2016
Executive Member (SACS)	Lisa Smajlov	1 July 2015 – 30 June 2016
Executive Member (SACS)	Maralyn Schofield	1 July 2015 – 30 June 2016
Executive Member (SACS)	Kerry Fairlie	1 July 2015 – 30 June 2016
Executive Member (SACS)	Suzanne Van Opdorp	1 July 2015 – 30 June 2016
Executive Member (Water & Port)	Anne Barlow	1 July 2015 – 30 June 2016
Executive Member (Water & Port)	Jeremy Evans	1 July 2015 – 30 June 2016
Executive Member (Private Sector Industries Group)	Chris Turnbull	1 July 2015 – 30 June 2016
Executive Member (Private Sector Industries Group)	Paul Rowe	1 July 2015 – 30 June 2016
Executive Member (Water)	Neil Gordon	1 July 2015 – 30 June 2016
Executive Member (Transport)	Mark Coleman	1 July 2015 – 30 June 2016
Executive Member (Transport)	Natalie Noyeaux	1 July 2015 – 30 June 2016

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

**OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2016 (Continued)**

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

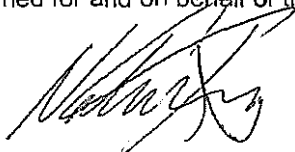
Pursuant to section 37 of Reporting Guidelines apply for the purpose of section 253 of the RO Act 2009, the following officers and employees are directors of a company or a member of a board:

There are no officers or employees that are directors of a company or members of a board.

**Other Relevant Information**

Nil

Signed for and on behalf of the Committee of Management.



Natalie Lang  
**Branch Secretary**

Date 23.11.16

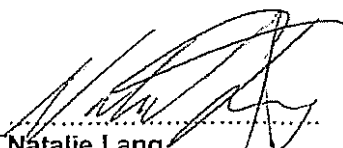
## AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

### BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 22 Nov 2016 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 2016. The Branch Committee of Management declares that in relation to the GPFR of the reporting unit for the year ended 30 June 2016:

- 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 Commission;
- 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 reporting unit for the financial year to which they relate;
- 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 2016 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 Commission 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 activity – no recovery of wages activity has been undertaken in the year. No revenue has been derived from undertaking recovery of wages activity during the reporting period.

Signed for and on behalf of the Branch Committee of Management



Natalie Lang  
Branch Secretary

Date 23.11.16

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>INCOME</b>			
Membership Fees		5,549,021	5,359,956
Interest Income	4(c)	199	270
Other Income		165,788	340,372
Net gain on disposal of asset	4(e)	30,382	-
Administration Fee – ASU of NSW		40,000	50,000
Administration Fee – WEF		20,000	20,000
Contribution from ASU NSW in connection with archiving		-	86,570
		<u>5,805,390</u>	<u>5,857,168</u>
<b>EXPENDITURE</b>			
<b>Depreciation</b>			
Furniture and Fittings		-	1,959
Computer Equipment		51,318	82,733
Motor Vehicles		29,795	35,615
		<u>81,113</u>	<u>120,307</u>
<b>Employee Benefits Expense</b>			
Salaries and Allowances	13		
- Officials		177,138	316,131
- Employees		2,818,227	2,602,648
Annual Leave		286,813	206,826
Long Service Leave		102,928	70,368
Fringe Benefits Tax		22,482	28,755
Superannuation		333,354	336,441
Relief Staff		3,568	29,842
Other employee expenses		2,094	6,823
Workers Compensation		31,898	33,799
		<u>3,778,502</u>	<u>3,631,633</u>
<b>Other Expenses</b>			
Bank Charges		45,946	48,726
Affiliation Fees to political parties	21	128,176	81,536
Capitation Fees to ASU National Office	5(a)	356,845	399,116
Campaigns		110,991	82,204
Contributions to ASU of NSW Welfare and Emergency Fund		20,800	20,800
Delegates		3,009	19,022
Donations - campaigns	5(b)	22,906	-
Donations - others	5(b)	5,783	3,559
Equipment Expense		52,440	103,595
Insurance - PI and Journey		140,023	145,285
Meetings	5(g)	35,353	49,596
Membership fees written off		260,283	88,499
Motor Vehicle Expense		92,745	97,057
Office Supplies		33,162	40,962
Balance carried forward		<u>1,308,462</u>	<u>1,179,957</u>



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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016 (cont'd)**

	Note	2016 \$	2015 \$
Balance brought forward		1,308,462	1,179,957
Payroll Tax		156,264	185,568
Postage		21,435	22,919
Printing		46,623	111,409
Professional Fees	12	47,840	38,359
Property Expenses		37,593	38,919
Provision for Membership fees in arrears		(59,869)	260,283
Stationery		13,029	14,262
Telephone		199,938	166,708
Travel Expense		<u>111,941</u>	<u>140,988</u>
		<u>1,883,256</u>	<u>2,159,372</u>
<b>TOTAL EXPENDITURE</b>		<u>5,742,871</u>	<u>5,911,312</u>
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<u>62,519</u>	<u>(54,145)</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>62,519</u>	<u>(54,145)</u>

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

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	185,957	103,176
Trade and Other Receivables	7	763,525	705,459
Investments	8	<u>8,009</u>	<u>7,879</u>
Total Current Assets		<u>957,491</u>	<u>816,514</u>
<b>Non-Current Assets</b>			
Plant and equipment	9	<u>92,068</u>	<u>138,460</u>
Total Non-Current Assets		<u>92,068</u>	<u>138,460</u>
<b>TOTAL ASSETS</b>		<u>1,049,559</u>	<u>954,974</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	10	560,661	653,689
Provision for Employee Entitlements	11	<u>585,049</u>	<u>467,807</u>
Total Current Liabilities		<u>1,145,710</u>	<u>1,121,496</u>
<b>Non-Current Liabilities</b>			
Payables	10	<u>39,904</u>	<u>32,052</u>
Total Non-Current Liabilities		<u>39,904</u>	<u>32,052</u>
<b>TOTAL LIABILITIES</b>		<u>1,185,614</u>	<u>1,153,548</u>
<b>NET LIABILITIES</b>		<u>(136,055)</u>	<u>(198,574)</u>
<b>ACCUMULATED DEFICITS</b>		<u>(136,055)</u>	<u>(198,574)</u>

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

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2016**

	<b>Accumulated Deficits</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 30 June 2014</b>	(144,429)	(144,429)
<b>Comprehensive income</b>		
Net (deficit) for the year	(54,145)	(54,145)
Other comprehensive income	-	-
<b>Total Comprehensive Income</b>	<u>(198,574)</u>	<u>(198,574)</u>
<b>Balance at 30 June 2015</b>	<u>(198,574)</u>	<u>(198,574)</u>
<b>Comprehensive income</b>		
Net surplus for the year	62,519	62,519
Other comprehensive income	-	-
<b>Total Comprehensive Income</b>	<u>62,519</u>	<u>62,519</u>
<b>Balance at 30 June 2016</b>	<u>(136,055)</u>	<u>(136,055)</u>

**OTHER FUNDS OR ACCOUNTS**

Prescribed disclosure – There are no other funds or accounts operated in respect of compulsory levies raised by the Branch, or voluntary contributions collected from members of the reporting unit.

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

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Members		6,099,295	4,949,452
Payments to Suppliers and Employees		(6,282,616)	(5,643,766)
Other Receipts		216,724	496,942
Interest Paid		(5,313)	(7,898)
Interest Received		<u>69</u>	<u>270</u>
<b>NET CASH PROVIDED BY /(USED IN) OPERATING ACTIVITIES</b>	18(b)	<u>28,159</u>	<u>(205,000)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for Purchase of Property, Plant & Equipment	9	(4,202)	(35,849)
Proceeds from Sale of Property, Plant & Equipment		22,882	-
Payments for Purchase of Investments		<u>-</u>	<u>(161)</u>
<b>NET CASH PROVIDED BY /(USED IN) INVESTING ACTIVITIES</b>		<u>18,480</u>	<u>(36,010)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease finance repayments		(19,783)	(32,796)
Net Receipts from Australian Services Union of NSW		<u>55,925</u>	<u>318,662</u>
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>		<u>36,142</u>	<u>285,866</u>
<b>NET INCREASE IN CASH HELD</b>		82,781	44,856
<b>CASH AT BEGINNING OF FINANCIAL YEAR</b>		<u>103,176</u>	<u>58,320</u>
<b>CASH AT END OF FINANCIAL YEAR</b>	18(a)	<u>185,957</u>	<u>103,176</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 2016**

**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, and the Fair Work (Registered Organisations) Act 2009.

The financial report of the Australian Services Union NSW & ACT (Services) Branch for the year ended 30 June 2016 was authorized for issue in accordance with a resolution of the Branch Committee of Management on the 22 Nov 2016.

**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 branch is not a profit entity.

The financial report has been prepared on the accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

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

**GOING CONCERN**

As at 30 June 2016, the Branch had net liabilities of \$136,055 (2015: \$198,574) and its current liabilities exceeded its current assets by \$188,219 (2015: \$304,981). 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. The committee of management having regard to the above support resolved to prepare the accounts on a going concern basis.

For financial support received refer to Note 15.

Australian Services Union NSW & ACT (Services) Branch did not provide any financial support to any other entities during the financial year.

**RECOVERY OF WAGES ACTIVITY**

The Branch has not undertaken recovery of wages activity and has not derived revenues for the financial year in respect of such activity. There is no financial information associated with this type of activity that must be disclosed as an additional financial report as required by section 253(2) (c) of the RO Act.

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (Cont'd)**

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

**(a) Revenue**

Contributions are accounted for on an accrual basis and are recorded as revenue in the year to which it relates.

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).

**(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	25% - 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 are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Where an asset is acquired by means of a finance lease, the asset is capitalized at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognized at the same time and for the same amount. The discount rate used is the interest rate implicit in the lease. Leased assets are amortized over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets. Rental revenue from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease

are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

**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 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.

**(e) Employee Benefits**

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.

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (Cont'd)**

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

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

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

**(i) Comparatives**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**(j) New Australian Accounting Standards**

**Adoption of New Australian Accounting Standard requirements**

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year:

- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments contains three main parts and makes amendments to a number of Standards and Interpretations.
- Part A of AASB 2013-9 makes consequential amendments arising from the issuance of AASB CF 2013-1.
- Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards.
- Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 Hedge Accounting into AASB 9 Financial Instruments.
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards
- AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent aligns the relief available in AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures in respect of the financial reporting requirements for Australian groups with a foreign parent.

**Future Australian Accounting Standards Requirement**

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the reporting unit.



**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (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.

Included in the trade and other receivables is the membership in arrears for the amount of \$200,414 (2015:\$260,536). This has been fully provided as at 30 June 2016.

**b) Critical judgements 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 COMMISSION**

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 Commission, 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).

	2016	2015
	\$	\$
<b>4. INCOME</b>		
(a) Capitation fees	-	-
(b) Levies	-	-
(c) <b>Interest</b>		
Deposit	199	270
Loans	-	-
(d) <b>Grants or donations</b>		
Grants	-	-
Donations	-	-
(e) <b>Net gains from sale of assets</b>		
Plant and equipment	30,382	-

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (Cont'd)**

	2016 \$	2015 \$
<b>5. EXPENSES</b>		
(a) <b>Capitation fees</b>		
ASU National Office	356,845	399,116
(b) <b>Grants or donations</b>		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less (Non Political)	3,691	759
Total paid that exceeded \$1,000 (Political)	24,998	2,800
	<u>28,689</u>	<u>3,559</u>
(c) <b>Compulsory levy</b>	-	-
(d) <b>Fees</b>		
Employer payroll deduction	-	-
(e) <b>Allowances</b>		
Allowance for conference/meeting	-	-
(f) <b>Penalties</b>		
Penalties under RO Act	-	-
(g) <b>Meetings</b>		
Conferences	10,916	6,875
Functions	24,437	42,721
	<u>35,353</u>	<u>49,596</u>
<b>6. Cash on Hand</b>		
Petty Cash	1,100	1,100
Cash at bank	184,857	102,076
	<u>185,957</u>	<u>103,176</u>
<b>7. TRADE AND RECEIVABLES</b>		
<b>Current</b>		
Receivables from reporting units:		
- ASU of NSW	581,460	474,828
- ASU of SA & NT Branch	11,670	11,670
Membership in Arrears	200,414	260,536
Provision for Membership in Arrears	(200,414)	(260,536)
Trade Debtors	150,592	172,037
Sundry Debtors	2,639	32,130
Prepayments	17,164	14,794
	<u>763,525</u>	<u>705,459</u>

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (Cont'd)

	2016 \$	2015 \$
<b>8. INVESTMENTS</b> (Non Public Investments) <b>Cash and Cash Equivalents</b> At Call Deposits – Credit Unions	<u>8,009</u>	<u>7,879</u>
<b>9. PLANT AND EQUIPMENT</b>		
Furniture and Fixtures – at cost	17,783	17,262
Less: Accumulated Depreciation	<u>(14,053)</u>	<u>(12,768)</u>
	<u>3,730</u>	<u>4,494</u>
Computer Equipment – at cost	710,093	706,211
Less: Accumulated Depreciation	<u>(685,065)</u>	<u>(635,032)</u>
	<u>25,028</u>	<u>71,179</u>
Motor Vehicles – at cost	102,649	36,127
Less: Accumulated Depreciation	<u>(93,316)</u>	<u>(36,127)</u>
	<u>9,333</u>	<u>-</u>
Leased Motor Vehicles – at cost	92,443	187,548
Less: Accumulated Amortisation	<u>(38,466)</u>	<u>(124,763)</u>
	<u>53,977</u>	<u>62,785</u>
Total Plant and Equipment	<u>92,068</u>	<u>138,460</u>

**MOVEMENTS IN CARRYING AMOUNTS**

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

	Furniture and Fittings \$	Computer Equipment \$	Motor Vehicl es \$	Leased Motor Vehicles \$	Total \$
Balance at 1 July 2015	4,494	71,179	-	62,787	138,460
Additions	521	3,882	-	-	34,721
Disposals	-	-	-	30,318	-
Transfers	-	-	18,717	(18,717)	-
Depreciation	<u>(1,285)</u>	<u>(50,033)</u>	<u>(9,384)</u>	<u>20,411</u>	<u>(81,113)</u>
Balance at 30 June 2016	<u>3,730</u>	<u>25,028</u>	<u>9,333</u>	<u>53,977</u>	<u>92,068</u>

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (Cont'd)**

		2016	2015
		\$	\$
<b>10. PAYABLES</b>			
<b>Current</b>			
Trade creditors and accruals		326,630	422,436
ASU National Office		87,244	103,393
Australian Labor Party NSW		4,862	1,500
GST Payable		88,347	71,818
Membership Fees in Advance		33,929	35,851
Lease Liability	20	19,649	18,690
Legal fees - litigation		-	-
Legal fees - other matters		-	-
Consideration to employer for payroll deductions		-	-
		<u>560,661</u>	<u>653,668</u>
<b>Non-Current</b>			
Lease Liability	20	<u>39,904</u>	<u>32,052</u>
<b>11. PROVISION FOR EMPLOYEE ENTITLEMENTS</b>			
<b>Office holders</b>			
Annual Leave		43,072	35,808
Long Service Leave		50,115	44,142
Separations and redundancies		-	-
Other		-	-
		<u>93,187</u>	<u>79,950</u>
<b>Employees other than office holders</b>			
Annual Leave		241,244	234,193
Long Service Leave		250,618	153,664
Separations and redundancies		-	-
Other		-	-
		<u>491,862</u>	<u>387,857</u>
		<u>585,049</u>	<u>467,807</u>
<b>12. PROFESSIONAL SERVICES</b>			
Remuneration of Auditor for:			
Audit of the financial report		23,300	23,100
Preparation of the financial report		4,500	3,250
		<u>27,800</u>	<u>26,350</u>
Legal Fees			
Litigation		-	-
Other legal matters		5,840	12,009
<b>Total</b>		<u>33,640</u>	<u>38,359</u>

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (Cont'd)**

	2016	2015
	\$	\$
<b>13. REMUNERATION DISCLOSURES</b>		
Employee expenses related to holders of office		
- wages and salaries;	177,138	236,119
- superannuation;	23,119	27,650
- leave and other entitlements expense	69,343	68,921
- separation and redundancies; and	-	80,012
- other employee expenses	22,482	28,755
<b>Total</b>	<u>292,082</u>	<u>441,457</u>
Employee expenses related to employees (other than holders of offices)		
- wages and salaries;	2,807,572	2,573,298
- superannuation;	310,235	308,791
- leave and other entitlements expense;	320,398	208,273
- separation and redundancies; and	10,655	29,350
- Other employee expense	-	-
<b>Total</b>	<u>3,448,860</u>	<u>3,119,712</u>

**14. 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.

**15. RELATED PARTIES**

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

**(a) Transactions with officers of the Union**

Remuneration is disclosed in Notes 13 and 17.

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.

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (Cont'd)**

**15. RELATED PARTIES (continued)**

**(b) Transactions with a Related Entity**

**Financial support received**

As stated in Note 1, The Branch has received and is reliant on the ongoing financial support from an associated union, the Australian Services Union NSW, in order for the Branch to meet its debts as and when they fall due. There are no terms and conditions that have been formalised between the branch and the Australian Services Union NSW. The details of the support provided is set out in the financial statements and notes as detailed below.

- (i) Amounts receivable from the Australian Services Union of NSW are disclosed at Note 7 of the accounts.
- (ii) Administration fees received from the Australian Services Union of NSW are disclosed as income in the statement of comprehensive income and in the cash flow statement.
- (iii) Capitation Fees paid to the ASU National office are disclosed as other expenses in the statement of comprehensive income
- (iv) Amounts payable to the ASU National office are disclosed at Note 10 of the accounts.

**Acquisition Amalgamations and restructures**

There are no acquisitions, amalgamations or restructures that took place in the current financial year or the previous financial year.

**Payments to a former related party**

No payments have been made during the reporting period to a former related party of the branch, where the liability was incurred during the period in which a related party relationship existed.

**16. ADMINISTRATION PROVIDED BY ANOTHER ENTITY**

The branch does not receive any administration support (work or services) from other entities.

**17. KEY MANAGEMENT PERSONNEL COMPENSATION**

	2016 \$	2015 \$
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	246,481	305,040
Annual leave accrued	43,072	35,808
Performance bonus	-	-
	<u>289,553</u>	<u>340,848</u>
<b>Post-employment benefits:</b>		
Superannuation	23,119	27,650
<b>Other long-term benefits:</b>		
Long-service leave	50,115	44,142
<b>Termination benefits:</b>	-	80,012
<b>Total</b>	<u>362,787</u>	<u>492,652</u>

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (Cont'd)**

18. CASH FLOW INFORMATION	2016	2015
	\$	\$
(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	<u>184,857</u>	<u>102,076</u>
	<u>185,857</u>	<u>103,176</u>
(b) Reconciliation of cash flow from operations with operating result		
<b>Net surplus / (deficit) for the year</b>	62,519	(54,145)
<b>Non-Cash flows in surplus</b>		
Depreciation	81,113	120,307
Gain on disposal of plant and equipment	(30,382)	-
Expenses paid by Finance lease	5,775	-
Interest Income	(130)	-
<b>Change in Assets &amp; Liabilities</b>		
(Increase)/ Decrease in Trade and other Receivable	(133,991)	(84,850)
(Decrease)/Increase in Payables	(93,987)	(163,435)
(Decrease)/Increase in Provision for Employee Entitlements	<u>117,242</u>	<u>(22,878)</u>
<b>Cash flow from/(used in) operations</b>	<u>28,159</u>	<u>(205,000)</u>

**19. 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, sundry debtors and payables. The main risks the branch is exposed to through its financial instruments are credit risk and liquidity 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 2016 (Cont'd)**

**19. FINANCIAL RISK MANAGEMENT (cont'd)**

(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	2016 \$	2015 \$
Cash and cash equivalents			
- Cash at Bank	6	184,857	102,076
- At Call Deposits	8	8,009	7,879
		<u>192,866</u>	<u>109,955</u>

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

Sundry Debtors - Current	7	14,309	43,801
Membership Receivable	7	150,592	172,037
ASU of NSW	7	581,460	474,828
Total loans and receivables		<u>746,361</u>	<u>690,666</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 2016, it had \$193,965 (2015: \$111,055) of cash and cash equivalents to meet these obligations as they fall due. Total liabilities at 30 June 2016 totalled \$1,185,614 (2015: \$1,153,548). The branch relies on the ongoing financial support of the Australian Service Union of NSW as disclosed at Note 15 to the accounts.



AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (Cont'd)

19. FINANCIAL RISK MANAGEMENT (cont'd)

(d) *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:

	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Fixed Interest Rate Maturing		Non Interest Bearing \$	Total \$
			Within 1 Year \$	1 to 5 Years \$		
<u>30 June 2016</u>						
<b>Financial Assets</b>						
Cash assets	1.00%	184,857	-	-	1,100	185,957
Receivables	N/A	-	-	-	763,525	763,525
Investments	1.94%	8,009	-	-	-	8,009
<b>Total Financial Assets</b>		<u>192,866</u>	<u>-</u>	<u>-</u>	<u>764,625</u>	<u>957,491</u>
<b>Financial Liabilities</b>						
Payables	10.63%	-	19,649	39,904	541,012	600,565
<b>Net Financial Assets (Liabilities)</b>		<u>192,866</u>	<u>(19,649)</u>	<u>(39,904)</u>	<u>223,613</u>	<u>356,927</u>
<u>30 June 2015</u>						
<b>Financial Assets</b>						
Cash assets	1.00%	102,076	-	-	1,100	103,176
Receivables	N/A	-	-	-	705,459	705,459
Investments	1.10%	7,879	-	-	-	7,879
<b>Total Financial Assets</b>		<u>109,955</u>	<u>-</u>	<u>-</u>	<u>706,559</u>	<u>816,514</u>
<b>Financial Liabilities</b>						
Payables	11.67%	-	18,690	32,052	634,998	685,740
<b>Net Financial Assets (Liabilities)</b>		<u>109,955</u>	<u>(18,690)</u>	<u>(32,052)</u>	<u>71,561</u>	<u>130,774</u>

**Sensitivity Analysis**

	Carrying Amount \$	+1.50% (150 basis points) Profit \$	-1.50% (150 basis points) Loss \$
<b>2016</b>			
Cash and Cash Equivalents	184,857	2,773	(2,773)
<b>2015</b>			
Cash and Cash Equivalents	102,076	1,531	(1,531)

**AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016 (Cont'd)**

	Notes	2016 \$	2015 \$
<b>20. COMMITMENTS</b>			
<b>Lease Commitments</b>			
<b>Payable</b>			
- Not later than 12 months		25,163	23,237
- Between 12 Months and 5 Years		<u>45,996</u>	<u>35,843</u>
		<u>71,159</u>	<u>59,080</u>
Less future finance charges		<u>(11,606)</u>	<u>(8,338)</u>
Present Value of Minimum lease payments		<u>59,553</u>	<u>50,742</u>
Current Liability	10	19,649	18,690
Non Current Liability	10	<u>39,904</u>	<u>32,052</u>
		<u>59,553</u>	<u>50,742</u>

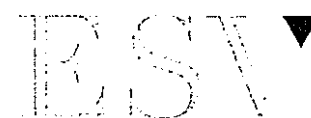
At 30 June 2016, the Branch had 4 motor vehicle finance lease commitments (2015: 4) which all expire at different points of time with the latest being March 2021. The implicit interest rates on the leases vary between 8.15% and 14.96%.

**21. AFFILIATION FEES**

	2016 \$	2015 \$
Unions NSW	65,299	20,568
Labour Councils	7,058	6,952
Australian Labor Party	49,065	54,016
Other	<u>6,754</u>	<u>-</u>
	<u>128,176</u>	<u>81,536</u>

**22. REGISTERED OFFICE**

The registered office and principal place of business of the branch is:  
Level 1  
39 to 47 Renwick Street  
Redfern NSW 2016



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

We have audited the accompanying financial report of Australian Services Union of NSW & ACT (Services) Branch ("the Branch"), which comprises the statement of financial position as at 30 June 2016, the statement comprehensive income, the statement of changes in equity and the 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.

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

The Branch Committee of Management and Branch Secretary of the Branch are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards (including Australian Accounting Interpretations)*, and the *Fair Work (Registered Organisations) Act 2009*. This responsibility includes such internal controls as the Branch Committee of Management and Branch Secretary determine is necessary to enable the preparation of the financial report that gives a true and fair view and is 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*. Those standards require that we comply with relevant ethical requirements relating to audit engagements, and plan and perform the audit to obtain reasonable assurance about 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 Branch's preparation of the financial report that gives a true and fair view 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 Branch'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 independence requirements of the *Accounting Professional and Ethical Standards Board*.



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

*Opinion*

In our opinion the financial report of Australian Services Union NSW & ACT ( Services) Branch:

- (i) presents fairly, in all material respects, the Branch's financial position as at 30 June 2016 and of its performance and cash flows for the year then ended; and
- (ii) complies with *Australian Accounting Standards*;
- (iii) complies with requirements of *Fair Work (Registered Organisations) Regulations 2009*; and
- (iv) as part of the audit of the financial statement, we 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.

*Emphasis of Matter*

Without modifying our opinion, we draw attention to the statement by the members of the management committee that the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate when the branch has negative net assets and current liabilities amounting to \$136,055 and \$ 188,219 respectively. These conditions, along with other matters as disclosed in Note 1 and Note 15(b) indicate the existence of a material uncertainty that may cast significant doubt about the Branch's ability to continue as a going concern and therefore, the Branch may not be able to realise its assets and discharge its liabilities in the normal course of the business.

*Report on the recovery of wages activity*

The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the *Fair Work Act 2009 (Registered Organisations)*. Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the committee of management 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.



*Auditors Opinion on the recovery of wages activity*

Based upon the management statements referred to above, in our opinion in relation to the recovery of wages activity, the financial report of Australian Services Union NSW & ACT (Services) Branch presents fairly all reporting guidelines in the General Manager, including:

- (i) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- (ii) any donations or other contributions deducted from recovered money

*Other Matter*

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants Australia and New Zealand.

. Dated at Sydney the 29th day of November 2016.

ESV Accounting and Business Advisors

Tim Valtwies  
Partner



8 December 2016

Ms Judith Wright  
Acting Branch Secretary  
Australian Municipal, Administrative, Clerical and Services Union-New South Wales and ACT  
(Services) Branch

Sent via email: [judith@asu.org.au](mailto:judith@asu.org.au)

Dear Ms Wright,

### **Lodgement of Financial Report - Reminder to lodge**

The Fair Work Commission's (the Commission) records disclose that the financial year of the Australian Municipal, Administrative, Clerical and Services Union-New South Wales and ACT (Services) Branch (the reporting unit) ended on the 30 June 2016.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with the RO Act, make it available to the members and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the full financial report to be presented to a general meeting of members or a committee of management meeting is six months after the expiry date of its financial year (s.253, s.254, s.265, s.266, s.268). The full report must be lodged with the Commission within 14 days of that meeting.

The Commission encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the General Manager instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the General Manager following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$54,000 per contravention on the organisation and up to \$10,800 per contravention on an officer whose conduct led to the contravention.

Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

We encourage you to lodge the full financial report directly to [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au). That is the official email address for electronic lodgements of material related to registered organisations matters.

11 Exhibition Street  
Melbourne VIC 3000  
GPO Box 1994  
Melbourne VIC 3001

Telephone : (03) 8661 7777  
Email : [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)  
Internet : [www.fwc.gov.au](http://www.fwc.gov.au)

Should you seek any clarification in relation to the above, please contact me on (03) 8656 4699 or via email at [Sam.Galichio@fwc.gov.au](mailto:Sam.Galichio@fwc.gov.au).

Yours sincerely,



Sam Galichio  
Adviser  
Regulatory Compliance Branch



15 July 2016

Ms Judith Wright

Acting Branch Secretary

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

By email: [judith@asu.org.au](mailto:judith@asu.org.au)

Dear Ms Wright,

**Re: Lodgement of Financial Report - [FR2016/157]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Australian Municipal, Administrative, Clerical and Services Union-New South Wales and ACT (Services) Branch (the reporting unit) ended on 30 June 2016.

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 under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

### **Timelines**

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, guidance notes and model statements**

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. This includes a model set of financial statements which have been developed by the FWC. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

### **Loans, grants and donations: our focus this year**

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2016. A sample statement of loans, grants or donations is available at [sample documents](#).

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

11 Exhibition Street  
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Melbourne VIC 3001

Telephone : (03) 8661 7777  
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Internet : [www.fwc.gov.au](http://www.fwc.gov.au)



It is requested that the financial report and any Statement of Loans, Grant or Donations be lodged electronically by emailing [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

### **Civil penalties may apply**

**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 \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

### **Contact**

Should you wish to seek any clarification in relation to the above, email [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

Yours sincerely,

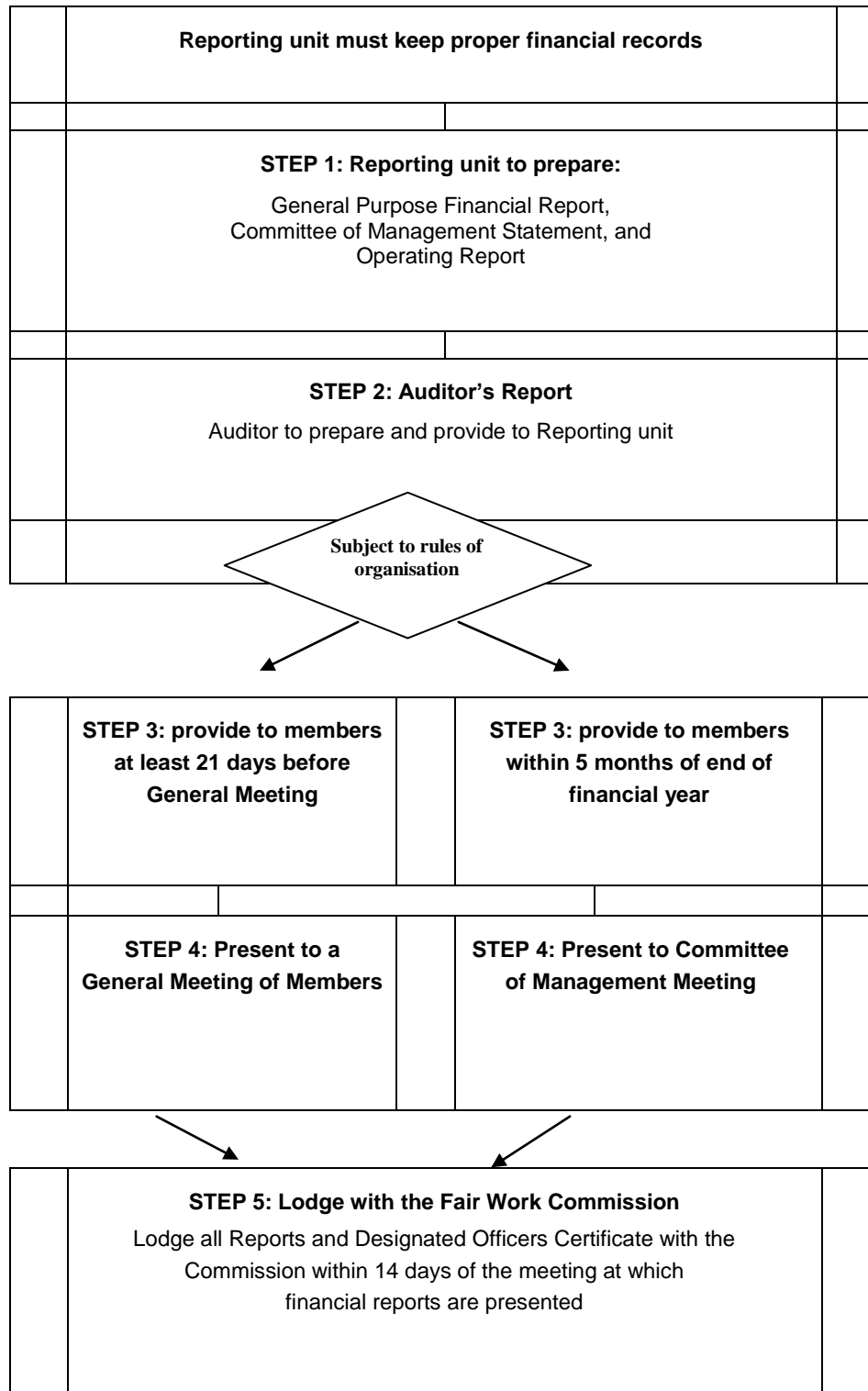


Anastasia Kyriakidis  
Adviser  
Regulatory Compliance Branch

# Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



# Fact Sheet - Loans, Grants & Donations

## The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the General Manager's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

## The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceed \$1000. The following information must be supplied to the Commission for each relevant loan, grant or donation:

the amount,

the purpose,

the security (if it is a loan),

the name and address of the person to whom it was made,\* and







the arrangements for repaying the loan.\*

\*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission encourages branches and organisations to lodge the statement even if all of the figures are NIL.

## Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

## Grants & Donations within the Financial Report

Item 16(e) of the [General Manager's Reporting Guidelines](#) requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [Commission's Model Statements](#) the note appears as follows:

### Note 4E: Grants or donations\*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<b>-</b>	<b>-</b>

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

### Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their 2015 financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the [Commission's website](#).

### Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the Regulatory Compliance Branch on [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)