



21 February 2019

Ms Natalie Lang
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union
New South Wales and ACT (Services) Branch
PO BOX 1865
STRAWBERRY HILLS NSW 2012

By email: natalie@asu.org.au

CC: timv@esvgroup.com.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 2018 - [FR2018/103]**

I acknowledge receipt of the financial report for the year ended 30 June 2018 for the Australian Municipal, Administrative, Clerical and Services Union – New South Wales and ACT (Services) Branch (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 13 December 2018.

The financial report has now been filed.

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 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged, however I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these matters have been addressed prior to filing next year's report.

Difference in figure reporting in LGD statement and financial report

A loans, grants and donations statement for the reporting unit was lodged with the ROC under subsection 237(1) of the RO Act on 3 September 2018. A figure for donations that exceeded \$1,000 was also disclosed in the financial report, however this figure for donations was different to the total of the figures disclosed in the loans, grants and donations statement.

Note 5(b) identifies the categories of donations as:

- Total paid that were \$1,000 or less (Non Political); and

- Total paid that exceeded \$1,000 (Political).

Item 14(e) of the reporting guidelines does not require the separation of donations between political and non-political but does require donations to be disclosed as:

- the total amount of donations that were \$1,000 or less; and
- the total amount of donations that exceeded \$1,000.

I confirm that following discussions and further correspondence from the reporting unit on 31 January and 19 February 2019 respectively, the financial report should have stated that the figures for donations paid that were \$1,000 or less was \$5,001 (not \$1,436) and that the figures for donations paid that exceeded \$1,000 was \$2,000 (not \$5,565).

Please ensure that the figures for donations are disclosed as above in next year's financial report.

Auditor's report

I note that under the heading 'Auditor's responsibilities for the audit of the Financial Report', a link is provided to the Auditing and Assurance Standards Board website in relation to a description of the auditor's responsibilities for the audit of the financial report. The sample auditor's report in the model financial statements includes those responsibilities in the report. The ROC considers it best practice for this information to be included in the auditor's report and that members of all registered organisations are provided with this information in the first instance and are not required to 'search' for this information themselves.

Nil activities disclosure

Item 21 of the reporting guidelines states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The financial statements and the notes contained nil activity information for all prescribed reporting guideline categories except the following:

- agree to provide financial support to another reporting unit to ensure they continue as a going concern (reporting guideline 11);
- have a liability for other employment provisions for holders of offices (reporting guideline 16(c)(iv));
- have a liability for other employment provisions for employees (other than holders of offices) (reporting guideline 16(d)(iv));
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity (reporting guideline 17(b)).

Please ensure in future years that the above mentioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the reporting guidelines.

I also note that the following nil activity disclosure in the body of the notes was duplicated in the statement of comprehensive income:

- receive revenue from undertaking recovery of wages activity – is disclosed in both Note 1 and in the statement of comprehensive income.

Please note that nil activities only need to be disclosed once.

References to the ROC

Following the enactment of the *Fair Work (Registered Organisations) Amendment Act 2016*, the ROC is the new regulator for registered organisations, with effect from 1 May 2017. All references to the Fair Work Commission and General Manager must be changed to the Registered Organisations Commission and Commissioner except in relation to declaration (e)(vi) in the committee of management statement.

I note that item (e)(vi) in the committee of management statement refers to the 'Registered Organisations Commission' instead of the 'Fair Work Commission', whilst Note 3 *Information to be*

provided to members or the General Manager of Fair Work Commission, refers to the 'General Manager of Fair Work Commission' instead of the 'Commissioner'.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (02) 8293 4654 or via email at david.vale@roc.gov.au.

Yours faithfully

A handwritten signature in blue ink that reads "David Vale". The signature is written in a cursive style with a long horizontal stroke extending to the right.

David Vale
Registered Organisations Commission



Australian Services Union of NSW & ACT (Services) Branch

s.268 Fair Work (Registered Organisations) Act 2009

Certificate By Prescribed Designated Officer¹

Certificate for the year ended *30 June 2018*

I, *Natalie Lang* being the *Branch Secretary* of the *Australian Services Union of NSW & ACT (Services) Branch* certify:

- that the documents lodged herewith are copies of the full report for the *Australian Services Union of NSW & ACT (Services) Branch* for the period ended 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 *22 November 2018*; and
- that the full report was presented to a meeting of the *Committee of Management (the Branch Executive)* of the reporting unit on *13 December 2018* in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

Name of prescribed designated officer:

Natalie Lang

Title of prescribed designated officer:

Branch Secretary

Dated:

13/12/2018

¹ Regulation 162 of the *Fair Work (Registered Organisations) Regulations 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:
(a) the secretary; or
(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH

ABN 60 715 604 720

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH
ABN 60 715 604 720

REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 30 JUNE 2018

The Branch Committee of Management presents the expenditure report as required under subsection 255(2A) on Australian Services Union NSW and ACT for the year ended 30 June 2018.

Categories of expenditures	2018 \$	2017 \$
Remuneration and other employment-related costs and expenses - employees	3,980,206	3,827,131
Advertising	-	-
Operating costs	1,904,634	1,789,901
Donations to political parties	5,565	5,227
Legal costs	-	-

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



Natalie Lang
Branch Secretary

Date 20/11/2018

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018

In accordance with the Fair Work (Registered Organisations) Act 2009 ("the Act"), the Branch Committee of Management presents the following report.

Principal Activities

The principal activity of the Branch during the year was that of a branch of a registered trade union. Those activities included but were not limited to representing members 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 \$ 275,685 (2017: \$463,178).

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.

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018 (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 12,658.
- (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 40.
- (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 2017 – 30 June 2018
Deputy Branch President 1	Robert McLean	1 July 2017 – 30 June 2018
Deputy Branch President 2	Benjamin Kensington	1 July 2017 – 30 June 2018
Vice President (SACS)	Lyn Bevington	1 July 2017 – 30 June 2018
Vice President (Water & Ports)	Paul Muller	1 July 2017 – 30 June 2018
Vice President (Transport)	Robert Hucker	1 July 2017 – 30 June 2018
Vice President (Hunter Water)	Peter Hull	1 July 2017 – 30 June 2018
Vice President (Private Sector Industries Group)	Antony Steel	1 July 2017 – 6 Sept 2017
Vice President (Private Sector Industries Group)	Christian Turnbull	6 Sept 2017 – 30 June 2018
Branch Secretary	Natalie Lang	1 July 2017 – 30 June 2018
Treasurer	Michael Talone	1 July 2017 – 30 June 2018
Deputy Secretary	Judith Wright	1 July 2017 – 30 June 2018
Executive Member (SACS)	Danna Nelse	1 July 2017 – 30 June 2018
Executive Member (SACS)	Jorge Segovia	1 July 2017 – 30 June 2018
Executive Member (SACS)	Nadia Saleh	1 July 2017 – 30 June 2018
Executive Member (SACS)	Ned Lambley	1 July 2017 – 30 June 2018
Executive Member (SACS)	Lisa Smajlov	1 July 2017 – 30 June 2018
Executive Member (SACS)	Maralyn Schofield	1 July 2017 – 30 June 2018
Executive Member (SACS)	Kerry Fairlie	1 July 2017 – 30 June 2018
Executive Member (SACS)	Suzanne Van Opdorp	1 July 2017 – 30 June 2018
Executive Member (Water & Port)	Jennifer Hill	1 July 2017 – 30 June 2018
Executive Member (Water & Port)	Jeremy Evans	1 July 2017 – 6 June 2018
Executive Member (Water & Port)	Wayne Grant	6 June 2018 – 30 June 2018
Executive Member (Private Sector Industries Group)	Christian Turnbull	1 July 2017 – 6 September 2017
Executive Member (Private Sector Industries Group)	Antony Steel	6 September 2017 – 30 June 2018
Executive Member (Private Sector Industries Group)	Paul Rowe	1 July 2017 – 30 June 2018
Executive Member (Water)	Neil Gordon	1 July 2017 – 30 June 2018
Executive Member (Transport)	Mark Coleman	1 July 2017 – 30 June 2018
Executive Member (Transport)	Natalie Noyeaux	1 July 2017 – 30 June 2018

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH
ABN 60 715 604 720

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018 (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 Branch Committee of Management.



Natalie Lang
Branch Secretary

Date *20/11/2018*

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT FOR THE YEAR ENDED 30 JUNE
2018

On 20 November 2018, 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 2018.

Branch Committee of Management of the Australian Services Union of NSW & ACT (Services) Branch declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of 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 to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the Branch Committee of Management.

Signature of designated officer: 

Name and title of designated officer: Natalie Lang – Branch Secretary

Dated: 20/11/2018

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH
ABN 60 715 604 720

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
INCOME			
Membership Fees		6,151,231	5,976,220
Interest Income	4(c)	392	178
Other Income		25,737	45,593
Net gain on disposal of asset	4(e)	4,500	-
Administration Fee – ASU of NSW		30,000	50,000
Administration Fee – WEF		20,000	20,000
Revenue from Recovery of Wages Activity		-	-
		<u>6,231,860</u>	<u>6,091,991</u>
EXPENDITURE			
Depreciation			
Furniture and Fittings		2,455	1,466
Computer Equipment		21,131	20,990
Motor Vehicles		<u>28,758</u>	<u>35,771</u>
		<u>52,344</u>	<u>58,227</u>
Employee Benefits Expense			
Salaries and Allowances	13		
- Officials		271,857	254,151
- Employees		2,936,488	2,811,790
Annual Leave		264,117	354,516
Long Service Leave		101,976	22,658
Fringe Benefits Tax		26,388	24,293
Superannuation		363,904	334,195
Relief Staff		38,362	21,578
Other employee expenses		808	500
Workers Compensation		<u>20,509</u>	<u>13,478</u>
		<u>4,024,409</u>	<u>3,837,159</u>
Other Expenses			
Bank Charges		52,910	52,015
Affiliation Fees to political parties	21	108,915	99,501
Capitation Fees to ASU National Office	5(a)	347,511	356,520
Campaigns expense to ASU National Office		37,754	-
Campaigns – others		44,819	65,586
Contributions to ASU of NSW Welfare and Emergency Fund		20,800	20,800
Delegates		8,335	3,380
Donations - campaigns	5(b)	0	7,059
Donations - others	5(b)	7,001	3,409
Equipment Expense		100,109	59,549
Insurance - PI and Journey		161,232	135,088
Meetings	5(g)	77,043	49,424
Membership fees written off		174,270	200,414
Motor Vehicle Expense		93,632	108,609
Office Supplies		<u>36,242</u>	<u>35,071</u>
Balance carried forward		<u>1,270,573</u>	<u>1,196,425</u>

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2018 (cont'd)

	Note	2018 \$	2017 \$
Balance brought forward		1,270,573	1,196,425
Payroll Tax		175,521	159,103
Postage		7,272	20,165
Printing		47,763	62,863
Professional Fees	12	38,509	40,672
Property Expenses		21,248	21,648
Provision for Membership fees in arrears		29,920	(26,145)
Stationery		9,199	9,856
Telephone		125,672	112,628
Travel Expense		<u>153,745</u>	<u>136,212</u>
		<u>1,879,422</u>	<u>1,733,427</u>
TOTAL EXPENDITURE		<u>5,956,175</u>	<u>5,628,813</u>
NET SURPLUS FOR THE YEAR		<u>275,685</u>	<u>463,178</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>275,685</u>	<u>463,178</u>

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

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH
ABN 60 715 604 720

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6	259,123	229,101
Trade and Other Receivables	7	1,212,388	892,121
Investments	8	<u>8,198</u>	<u>8,097</u>
Total Current Assets		<u>1,479,709</u>	<u>1,129,319</u>
Non-Current Assets			
Plant and equipment	9	<u>120,837</u>	<u>107,184</u>
Total Non-Current Assets		<u>120,837</u>	<u>107,184</u>
TOTAL ASSETS		<u>1,600,546</u>	<u>1,236,503</u>
LIABILITIES			
Current Liabilities			
Payables	10	228,897	224,697
Provision for Employee Entitlements	11	<u>742,837</u>	<u>647,374</u>
Total Current Liabilities		<u>971,734</u>	<u>872,071</u>
Non-Current Liabilities			
Payables	10	<u>26,004</u>	<u>37,309</u>
Total Non-Current Liabilities		<u>26,004</u>	<u>37,696</u>
TOTAL LIABILITIES		<u>997,738</u>	<u>909,380</u>
NET ASSETS		<u>602,808</u>	<u>327,123</u>
ACCUMULATED PROFITS		<u>602,808</u>	<u>327,123</u>

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

AUSTRALIAN SERVICES UNION NSW AND ACT (SERVICES) BRANCH
ABN 60 715 604 720

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Accumulated (Deficit)/ Profit	Total
	\$	\$
Balance at 30 June 2016	(136,055)	(136,055)
Comprehensive income		
Net surplus for the year	463,178	463,178
Other comprehensive income	<u>-</u>	<u>-</u>
Total Comprehensive Income	<u>463,178</u>	<u>463,178</u>
Balance at 30 June 2017	<u>327,123</u>	<u>327,123</u>
Comprehensive income		
Net surplus for the year	275,685	275,685
Other comprehensive income	<u>-</u>	<u>-</u>
Total Comprehensive Income	<u>275,685</u>	<u>275,685</u>
Balance at 30 June 2018	<u>602,808</u>	<u>602,808</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
ABN 60 715 604 720

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members		6,788,301	6,571,402
Payments to Suppliers and Employees		(6,309,235)	(6,164,927)
Receipts/(payments) from/to other reporting units	18(c)	(423,792)	(380,502)
Other Receipts		26,222	55,056
Interest Paid		(4,514)	(6,828)
Interest Received		<u>291</u>	<u>90</u>
NET CASH FROM OPERATING ACTIVITIES	18(b)	<u>77,274</u>	<u>74,291</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Purchase of Property, Plant & Equipment	9	(65,997)	(50,305)
Proceeds from Sale of Property, Plant & Equipment		<u>4,500</u>	<u> </u>
NET CASH (USED IN) INVESTING ACTIVITIES		<u>(61,497)</u>	<u>(50,305)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease finance repayments		(24,805)	(23,173)
Net Receipts from Australian Services Union of NSW		<u>39,050</u>	<u>42,331</u>
NET CASH (USED IN)/ FROM FINANCING ACTIVITIES		<u>(14,245)</u>	<u>19,158</u>
NET INCREASE IN CASH HELD		30,022	43,144
CASH AT BEGINNING OF FINANCIAL YEAR		<u>229,101</u>	<u>185,957</u>
CASH AT END OF FINANCIAL YEAR	18(a)	<u>259,123</u>	<u>229,101</u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 2018 was authorized for issue in accordance with a resolution of the Branch Committee of Management on the November 2018.

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.

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.

(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).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (Cont'd)

1. 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	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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (Cont'd)

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

(d) Impairment

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the 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

(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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (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.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been adopted.

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.

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 \$204,189 (2017: \$174,270). This has been fully provided as at 30 June 2018.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (Cont'd)

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).

	2018	2017
	\$	\$
4. INCOME		
(a) Capitation fees	-	-
(b) Levies	-	-
(c) Interest		
Deposit	392	178
Loans	-	-
(d) Grants or donations		
Grants	-	-
Donations	-	-
(e) Net gains from sale of assets		
Plant and equipment	4,500	-
(f) Other revenue from another reporting unit	-	-
5. EXPENSES		
(a) Capitation fees		
ASU National Office	347,511	356,520
(b) Grants or donations		
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)	1,436	5,241
Total paid that exceeded \$1,000 (Political)	<u>5,565</u>	<u>5,227</u>
	<u>7,001</u>	<u>10,468</u>
(c) Compulsory levy	-	-
(d) Fees		
Employer payroll deduction	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (Cont'd)

	2018 \$	2017 \$
5. EXPENSES (CONT'D)		
(e) Allowances		
Allowances for conferences/meeting	-	-
(f) Penalties		
Penalties under RO Act	-	-
(g) Meetings		
Conferences	37,885	10,174
Functions	39,158	39,250
	<u>77,043</u>	<u>49,424</u>
(h) Other expense to another reporting unit	-	-
6. Cash on Hand		
Petty Cash	1,100	1,100
Cash at bank	<u>258,023</u>	<u>228,001</u>
	<u>259,123</u>	<u>229,101</u>
7. TRADE AND RECEIVABLES		
Current		
Receivables from reporting units:		
- ASU of NSW	1,047,096	732,810
Membership in Arrears	204,189	174,270
Provision for Membership in Arrears	(204,189)	(174,270)
Trade Debtors	142,191	141,768
Sundry Debtors	1,092	2,000
Prepayments	<u>22,009</u>	<u>15,543</u>
	<u>1,212,388</u>	<u>892,121</u>
8. INVESTMENTS		
(Non Public Investments)		
Cash and Cash Equivalents		
At Call Deposits – Credit Unions	<u>8,198</u>	<u>8,097</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (Cont'd)

	2018 \$	2017 \$
9. PLANT AND EQUIPMENT		
Furniture and Fixtures – at cost	24,796	24,260
Less: Accumulated Depreciation	<u>(17,974)</u>	<u>(15,519)</u>
	<u>6,822</u>	<u>8,741</u>
Computer Equipment – at cost	764,045	730,149
Less: Accumulated Depreciation	<u>(727,186)</u>	<u>(706,055)</u>
	<u>36,859</u>	<u>24,094</u>
Motor Vehicles – at cost	144,182	150,344
Less: Accumulated Depreciation	<u>(99,161)</u>	<u>(126,442)</u>
	<u>45,021</u>	<u>23,902</u>
Leased Motor Vehicles – at cost	91,558	91,558
Less: Accumulated Amortisation	<u>(59,423)</u>	<u>(41,111)</u>
	<u>32,135</u>	<u>50,447</u>
Total Plant and Equipment	<u>120,837</u>	<u>107,184</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 Vehicles \$	Leased Motor Vehicles \$	Total \$
Balance at 1 July 2016	3,730	25,028	9,333	53,977	92,068
Additions	69,477	20,058	23,772	24,007	74,312
Disposals	-	-	-	(969)	(969)
Transfers	-	-	8,967	(8,967)	-
Depreciation	<u>(1,466)</u>	<u>(20,990)</u>	<u>(18,170)</u>	<u>(17,601)</u>	<u>(58,227)</u>
Balance at 30 June 2017	8,741	24,094	23,902	50,447	107,184
Additions	536	33,896	31,565	-	65,997
Depreciation	<u>(2,455)</u>	<u>(21,131)</u>	<u>(10,446)</u>	<u>(18,312)</u>	<u>(52,344)</u>
Balance at 30 June 2018	<u>6,822</u>	<u>36,859</u>	<u>45,021</u>	<u>32,135</u>	<u>120,837</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (Cont'd)

		2018 \$	2017 \$
10. PAYABLES			
Current			
Trade creditors and accruals		51,614	62,325
ASU National Office		150	-
GST Payable		110,860	104,546
Membership Fees in Advance		53,436	31,489
Lease Liability	20	12,837	26,337
Legal fees - litigation		-	-
Legal fees - other matters		-	-
Consideration to employer for payroll deductions		-	-
		<u>228,897</u>	<u>224,697</u>
Non-Current			
Lease Liability	20	<u>26,004</u>	<u>37,309</u>
11. PROVISION FOR EMPLOYEE ENTITLEMENTS			
Office holders			
Annual Leave		74,498	65,941
Long Service Leave		81,472	63,574
Separations and redundancies		-	-
		<u>155,970</u>	<u>129,515</u>
Employees other than office holders			
Annual Leave		271,255	258,041
Long Service Leave		315,642	259,818
Separations and redundancies		-	-
		<u>586,867</u>	<u>517,859</u>
		<u>742,837</u>	<u>647,374</u>
12. PROFESSIONAL SERVICES			
Remuneration of Auditor for:			
Audit of the financial report		23,300	23,300
Preparation of the financial report		4,500	4,500
		<u>27,800</u>	<u>27,800</u>
Legal Fees			
Litigation		-	-
Other legal matters		2,509	4,992
Total		<u>30,309</u>	<u>32,792</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (Cont'd)

	2018	2017
	\$	\$
13. REMUNERATION DISCLOSURES		
Employee expenses related to holders of office		
- wages and salaries;	271,857	254,151
- superannuation;	25,480	23,828
- leave and other entitlements expense	44,976	23,088
- separation and redundancies; and	-	-
- other employee expenses	1,206	1,867
Total	<u>343,519</u>	<u>302,934</u>
Employee expenses related to employees (other than holders of offices)		
- wages and salaries;	2,936,488	2,811,790
- superannuation;	338,424	310,367
- leave and other entitlements expense;	321,117	354,086
- separation and redundancies; and	-	-
- Other employee expense	24,164	22,426
Total	<u>3,620,193</u>	<u>3,498,669</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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (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

	2018 \$	2017 \$
Short-term employee benefits		
Salary (including annual leave taken)	271,857	254,151
Annual leave accrued	24,215	23,088
Performance bonus	-	-
	<u>296,072</u>	<u>277,239</u>
Post-employment benefits:		
Superannuation	25,480	23,828
Other long-term benefits:		
Long-service leave	20,761	13,459
Non-cash benefits	4,826	7,469
	<u>25,587</u>	<u>20,928</u>
Termination benefits:	-	-
Total	<u>347,139</u>	<u>321,995</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (Cont'd)

18. CASH FLOW INFORMATION	2018	2017
	\$	\$
(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>258,023</u>	<u>228,001</u>
	<u>259,123</u>	<u>229,101</u>
(b) Reconciliation of cash flow from operations with operating result		
Net surplus for the year	275,685	463,178
Non-Cash flows in surplus		
Depreciation	52,344	58,227
Gain on disposal of plant and equipment	(4,500)	-
Expenses paid by Finance lease	-	3,259
Interest Income	(101)	(88)
Others	-	969
Change in Assets & Liabilities		
(Increase) in Trade and Other Receivable	(359,317)	(170,927)
Increase/(Decrease) in Payables	17,700	(342,652)
Increase in Provision for Employee Entitlements	<u>95,463</u>	<u>62,325</u>
Cash flow from operations	<u>77,274</u>	<u>74,291</u>
(c) Cash inflow information		
- Payments to ASU National Office	(423,792)	(392,172)
- Receipts from ASU of SA & NT Branch	<u>-</u>	<u>11,670</u>
	<u>(423,792)</u>	<u>(380,502)</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.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (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	2018 \$	2017 \$
Cash and cash equivalents			
- Cash at Bank	6	258,023	228,001
- At Call Deposits	8	8,198	8,097
		266,221	236,098

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

Sundry Debtors - Current	7	1,092	2,000
Membership Receivable	7	142,191	141,768
ASU of NSW	7	1,057,708	732,810
Total loans and receivables		1,200,991	876,578

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 2018, it had \$ 267,321 (2017: \$237,198) of cash and cash equivalents to meet these obligations as they fall due. Total liabilities at 30 June 2018 totalled \$ 997,738 (2017: \$909,380). The branch relies on the ongoing financial support of the Australian Service Union of NSW as disclosed at Note 15 to the accounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (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 \$		
30 June 2018						
Financial Assets						
Cash assets	100%	258,023	-	-	1,100	259,123
Receivables	N/A	-	-	-	1,223,000	1,223,000
At call deposit	1.25%	<u>8,198</u>	-	-	-	<u>8,198</u>
Total Financial Assets		<u>266,221</u>	-	-	<u>1,224,100</u>	<u>1,490,321</u>
Financial Liabilities						
Payables	9.99%	-	12,837	26,004	216,060	254,901
Net Financial Assets (Liabilities)		<u>266,221</u>	<u>(12,837)</u>	<u>(26,004)</u>	<u>1,008,040</u>	<u>1,235,420</u>
30 June 2017						
Financial Assets						
Cash assets	1.00%	228,001	-	-	1,100	229,101
Receivables	N/A	-	-	-	892,121	892,121
At call deposit	1.25%	<u>8,097</u>	-	-	-	<u>8,097</u>
Total Financial Assets		<u>236,098</u>	-	-	<u>893,221</u>	<u>1,129,319</u>
Financial Liabilities						
Payables	9.99%	-	26,337	37,309	198,360	262,006
Net Financial Assets (Liabilities)		<u>236,098</u>	<u>(26,337)</u>	<u>(37,309)</u>	<u>694,861</u>	<u>867,313</u>

Sensitivity Analysis

	Carrying Amount \$	+1.50% (150 basis points) Profit \$	-1.50% (150 basis points) Loss \$
2018			
Cash and Cash Equivalents	258,023	3,870	(3,870)
At Call deposits	8,198	123	(123)
2017			
Cash and Cash Equivalents	228,001	3,420	(3,420)
At Call deposits	8,097	121	(121)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (Cont'd)

	Notes	2018 \$	2017 \$
20. COMMITMENTS			
Lease Commitments			
Payable			
- Not later than 12 months		15,588	31,044
- Between 12 Months and 5 Years		<u>28,305</u>	<u>42,361</u>
		<u>43,893</u>	<u>73,405</u>
Less future finance charges		<u>(5,052)</u>	<u>(9,759)</u>
Present Value of Minimum lease payments		<u>38,841</u>	<u>63,646</u>
Current Liability	10	12,837	26,337
Non Current Liability	10	<u>26,004</u>	<u>37,309</u>
		<u>38,841</u>	<u>63,646</u>

At 30 June 2018, the Branch had 3 motor vehicle finance lease commitments (2016: 4) which all expire at different points of time with the latest being September 2021. The implicit interest rates on the leases vary between 6.81% and 14.96%.

21. AFFILIATION FEES

	2018 \$	2017 \$
Union NSW	44,806	40,069
Labour Councils	6,107	7,634
Australian Labor Party	53,390	49,805
Others	4,612	99,501
	<u>108,915</u>	<u>99,501</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

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

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 2018, the statement of profit and loss or other 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 and the subsection 255(2A) report.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Branch as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

As part of the audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the financial report of the Branch is appropriate.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Branch in accordance with the auditor independence requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Audit Report Thereon

The Branch Committee of Management and Branch Secretary of the Branch is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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

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 and fair presentation in accordance with the Australian Accounting Standards (including Australian Accounting Interpretation) and the RO Act, and for such internal control as the Branch Committee of Management and Branch Secretary determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error.

In preparing the financial report, the Branch Committee of Management and Branch Secretary are responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Branch Committee of Management and Branch Secretary either intend to liquidate the Branch or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

We declare that the below signed is an auditor registered under the RO Act.

Dated at Sydney on the 21st day of November 2018

ESV Accounting and Business Advisors

Tim Valtwies
Partner

Registration number: AA2018/92