



5 November 2015

Ms Ingrid Stitt
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union Victorian Private Sector Branch
Level 2, 116 Queensberry Street
CARLTON SOUTH VIC 3053

via email: istitt@asupsvic.org

Dear Ms Stitt

Australian Municipal, Administrative, Clerical and Services Union, Victorian Private Sector Branch Financial Report for the year ended 30 June 2015 - [FR2015/270]

I acknowledge receipt of the financial report of the Australian Municipal, Administrative, Clerical and Services Union, Victorian Private Sector Branch. The documents were lodged with the Fair Work Commission (FWC) on 30 October 2015.

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 2016 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.

Yours sincerely

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
FOR YEAR ENDED 30TH JUNE 2015**

I, **Ingrid Stitt** being the Secretary of the Australian Services Union – Victorian Private Sector Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Services Union – Victorian Private Sector Branch for the year ended 30th June 2015 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 17th day of September 2015; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 23rd day of October 2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer: 

Name of prescribed designated officer: INGRID STITT

Title of prescribed designated officer: BRANCH SECRETARY

Dated: 30th October 2015

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2015**

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**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

The Committee of Management presents its report on the operation of the Branch for the financial year ended 30 June 2015.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activities of the Branch during the financial year ended 30 June 2015 were:

- to uphold the rights of organized labour, to improve, protect and foster the best interests of members and to subscribe to and/or co-operate with a policy of improving the cultural and living standards of members;
- to watch over, improve, foster and protect the interests of members; and to obtain and maintain for members reasonable hours of work and fair wages and industrial conditions.

Operating Result

The operating result of the Branch for the year ended 30th June 2015 was a deficit of (\$5,131) [2014: Surplus \$98,615]. No provision for tax was necessary as the Branch is considered exempt.

Significant changes in financial affairs

There was no significant change in the financial affairs of the Branch during the year.

Right of members to resign

All members have the right to resign from the Union in accordance with National Rule 32 – Resignation of the Union Rules (and Section 174 of the Act); namely, by providing written notice addressed and delivered to the Secretary of the Branch of which they are a member.

Officers & employees who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

The following officers and/or employees of the Branch are directors of companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation –

<u>Officer/Employee:</u>	<u>Trustee Company:</u>	<u>Name of Entity / Scheme:</u>	<u>Position:</u>	<u>Remuneration:</u>
Vicki Rogers	L.I.S. Pty Limited	Legal Industry Superannuation Scheme	Director	\$ 38,719

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

Officers & employees who are directors of a company or members of a board

The following officers and/or employees of the Branch are directors of companies or members of boards -

<u>Officer/Employee:</u>	<u>Company/Board:</u>	<u>Principal Activity:</u>	<u>Criteria:</u>
Ingrid Stitt	Business Skills Victoria	Advice provider for training demand	Nominated by Branch
Lindsay Hesketh	Island Hotels Ltd	Hotel operation	Private company

Number of members

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

The number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the Branch under sec. 244 of the Fair Work (Registered Organisations) Act 2009 was 5,537.

Number of employees

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 11.23;

Names of Committee of Management members and period positions held during the financial year

The names of those who have been members of the Committee of Management of the Branch at any time during the financial year and the periods for which he or she held office were:

Name:	Position:	Period:
Vicki Rogers	Branch President	1/7/2014 to 30/6/2015
Enza Peers	Branch Vice President	1/7/2014 to 12/4/2015
Amanda Dando	Branch Vice President	13/4/2015 to 30/6/2015
Ingrid Stitt	Branch Secretary	1/7/2014 to 30/6/2015
David Leydon	Assistant Branch Secretary	1/7/2014 to 30/6/2015
Alan Hall	Committee Member	1/7/2014 to 12/4/2015
Lindsay Hesketh	Committee Member	1/7/2014 to 12/4/2015
Steve McInerney	Committee Member	1/7/2014 to 30/6/2015
Amanda Dando	Committee Member	1/7/2014 to 12/4/2015
Robyn Bull	Committee Member	1/7/2014 to 12/4/2015
Carita Kazakoff	Committee Member	1/7/2014 to 30/6/2015
Denis Leetham	Committee Member	13/4/2015 to 30/6/2015
Jackie Gadsby	Committee Member	13/4/2015 to 30/6/2015

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

Names of Committee of Management members and period positions held during the financial year

Name:	Position:	Period:
Rozanne Martinez	Committee Member	13/4/2015 to 30/6/2015
Linda Ruben	Committee Member	13/4/2015 to 30/6/2015

Disclosure statements – Remuneration and non-cash benefits of highest paid officers

The two highest paid officers of the Branch for the disclosure period ended 30th June 2015 and the amounts of relevant remuneration paid to them and the value or form of non-cash benefits received by them is as set out in the table below:

Name of officer	Actual amount of relevant remuneration	Value of or form of non-cash benefits
Ingrid Stitt	\$ 129,806	\$ 1,100
David Leydon	\$ 118,567	\$ 3,060

Disclosure statements – Officers’ material personal interests

No officer of the Branch has disclosed any material personal interests that they or a relative of theirs has in a matter that relates to the affairs of the Branch in the year ended 30th June 2015.

Disclosure by Branch of payments to related parties or declared persons

The Branch has made total payments to the following related parties of the Branch in the year ended 30th June 2015:

Related Party	Officer	Total of payments made
Matt Norrey	No	\$ 111,026
Sophie Hall	No	\$ 67,900

Signature of designated officer: 

Name and title of designated officer:..... INGRID STITT BRANCH SECRETARY

Dated:..... 15/9/15

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

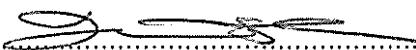
**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

On the 15th September 2015 the Committee of Management of the Australian Services Union – Victorian Private Sector Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30th June 2015:

The Committee of Management 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 the reporting guidelines of the General Manager;
- (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 General Manager duly made under section 272 of the RO Act, it has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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

Signature of designated officer: 

Name and title of designated officer: INGRID SMITH BRANCH SECRETARY

Dated: 15/9/15

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
Revenue			
Membership subscriptions		1,903,844	1,864,449
Interest		49,956	50,875
Net gains from sale of assets		953	-
Other revenue	3	139,393	101,718
Total revenue		2,094,146	2,017,042
Expenses			
Employee expenses	4	1,212,840	1,074,187
Capitation fees	4	139,774	141,253
Affiliation fees	4	55,337	54,267
Administration expenses	4	562,286	596,817
Grants or donations	4	10,380	1,865
Depreciation and amortisation	4	37,157	26,589
Legal costs	4	60,943	1,339
Audit fees		16,870	16,220
Net losses from sale of assets		3,690	5,890
Total expenses		2,099,277	1,918,427
Profit (loss) for the year		(5,131)	98,615
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		-	-
Total comprehensive income for the year		(5,131)	98,615

The accompanying notes form part of the financial statements.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Notes	2015 \$	2014 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	520,423	557,914
Trade and other receivables	6	64,621	14,963
Financial assets	7	1,037,105	998,454
Other current assets	8	13,531	12,226
Total current assets		1,635,680	1,583,557
Non-Current Assets			
Plant and equipment	9	113,740	133,290
Total non-financial assets		113,740	133,290
Total assets		1,749,420	1,716,847
LIABILITIES			
Current Liabilities			
Trade and other payables	10	105,831	136,960
Borrowings	11	18,225	18,225
Provisions	12	312,361	237,041
Total current liabilities		436,417	392,226
Non-Current Liabilities			
Borrowings	11	45,562	63,787
Provisions	12	30,804	19,066
Total non-current liabilities		76,366	82,853
Total liabilities		512,783	475,079
Net assets		1,236,637	1,241,768
EQUITY			
Accumulated Funds		1,236,637	1,241,768
Total equity		1,236,637	1,241,768

The accompanying notes form part of the financial statements.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

	Retained earnings	Total equity
	\$	\$
Balance as at 1 July 2013	1,143,153	1,143,153
Profit/(loss) for the year	98,615	98,615
Balance as at 30 June 2014	<u>1,241,768</u>	<u>1,241,768</u>
Balance as at 1 July 2014	1,241,768	1,241,768
Profit/(loss) for the year	(5,131)	(5,131)
Balance as at 30 June 2015	<u>1,236,637</u>	<u>1,236,637</u>

The accompanying notes form part of the financial statements.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	14B	1,929	2,255
Receipts from members		1,900,727	1,864,200
Interest		51,290	50,699
Other		97,993	130,590
Cash used			
Payments to Employees & Suppliers		(1,667,658)	(1,528,269)
Payment to other reporting units/controlled entity(s)	14B	(344,553)	(271,547)
Net cash from (used by) operating activities	14A	39,728	247,928
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		9,545	-
Cash used			
Purchase of plant and equipment		(29,888)	(33,734)
Purchase of bank bills		(38,651)	(40,245)
Net cash from (used by) investing activities		(58,994)	(73,979)
FINANCING ACTIVITIES			
Cash received			
Other		-	-
Cash used			
Repayment of borrowings	14B	(18,225)	(9,112)
Net cash from (used by) financing activities		(18,225)	(9,112)
Net increase (decrease) in cash held		(37,491)	164,837
Cash & cash equivalents at the beginning of the reporting period		557,914	393,077
Cash & cash equivalents at the end of the reporting period	5	520,423	557,914

The accompanying notes form part of the financial statements.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1. Summary of significant accounting policies

1a Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Services Union – Victorian Private Sector Branch is a not-for-profit entity.

The financial statements have been prepared on an 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 values 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.

1b Comparative amounts

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

1c Significant accounting judgements and estimates

The preparation of financial statements requires the Branch to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

1d 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.

Future Australian Accounting Standards Requirements

There were no 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 Australian Services Union – Victorian Private Sector Branch

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1e Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Interest revenue is recognised on an accrual basis using the effective interest method.

All revenue is stated net of the amount of goods and services tax (GST).

1f Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1g Capitation fees and levies

Capitation fees and levies are to be recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1h Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits which are expected to be settled within twelve months of the end of the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability including related on costs.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Contributions made by the Union to employee superannuation funds are charged as expenses when incurred.

1i Leases

Lease payments for operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged as expenses in the period in which they are incurred.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1j Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1k Financial instruments

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1l Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Union's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1l Financial assets (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

Derecognition of financial assets

The Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1m Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Derecognition of financial liabilities

The Union derecognises financial liabilities when, and only when, the Union's obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1n Plant and equipment

Plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation or amortisation.

Depreciation

The depreciable amount of plant and equipment is depreciated on either a straight line or diminishing value basis over their useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of asset are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Computer Equipment	15 – 66.67%
Motor Vehicles	18.75% - 25%
Office Furniture and Equipment	7.5% - 45%
Leasehold Improvements	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss in the statement of comprehensive income.

1o Taxation

The Union is exempt from income tax under Section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable from the Australian Taxation 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, in the statement of financial position are shown inclusive of GST.

2. Events after the reporting period

There were no events that occurred after 30 June 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Services Union – Victorian Private Sector Branch.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

	<i>2015</i>	<i>2014</i>
	\$	\$
3. Other Revenue		
Directors Fees Received	38,565	42,336
Sundry Income	48,571	59,382
Grants Received	11,345	-
Proceeds from ASU Education and Training Trust Inc	40,912	-
Capitation Fees	-	-
Levies	-	-
Donations Received	-	-
Financial support from another reporting unit	-	-
	139,393	101,718
	<hr/>	<hr/>
4. Expenses		
	<i>2015</i>	<i>2014</i>
	\$	\$
Employee expenses		
Holders of office:		
Wages and salaries	217,441	200,482
Superannuation	32,604	29,781
Leave and other entitlements	31,753	11,174
Separation and redundancies	-	-
Other employee expenses	16,712	15,380
Subtotal employee expenses holders of office	298,510	256,817
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Employees other than office holders:		
Wages and salaries	692,962	627,226
Superannuation	105,217	93,042
Leave and other entitlements	55,305	28,587
Separation and redundancies	800	16,684
Other employee expenses	60,046	51,831
Subtotal employee expenses employees other than office holders	914,330	817,370
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Total employee expenses	1,212,840	1,074,187
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Capitation fees		
ASU National Office	139,774	141,253
Total capitation fees	139,774	141,253
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**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

4. Expenses (continued)

	2015	2014
	\$	\$
Affiliation fees		
Australian Labor Party	27,237	27,337
Victorian Trades Hall Council	25,311	24,595
Bendigo Trades & Labour Council	200	150
Geelong Trades & Labour Council	1,426	1,376
Gippsland Trades & Labour Council	218	204
South West Trades & Labour Council	273	205
North East Trades & Labour Council	90	-
Australia Asia Worker Links	182	400
Australia Palestine Advocacy Network	400	-
Total affiliation fees	55,337	54,267
Administration expenses		
Consideration to employers for payroll deductions	2,432	2,751
Industry Division Levy – ASU National Office	19,064	19,064
Campaign Levy – ACTU	4,505	9,418
Campaign Levy – VTHC	-	10,000
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	9,342	29,801
Rent and outgoings expenses	93,736	75,458
Communications expenses	119,836	104,547
Motor vehicle expenses	84,703	86,329
Printing, Stationery & Postage	40,655	34,043
Other	188,013	225,406
Penalties - via RO Act or RO Regulations	-	-
Total administration expenses	562,286	596,817
Donations		
Total paid that were \$1,000 or less	380	1,865
Total paid that exceeded \$1,000	10,000	-
Total donations	10,380	1,865
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants	-	-

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

4. Expenses (continued)

	2015 \$	2014 \$
Depreciation and amortisation		
Depreciation		
Computer Equipment	12,723	10,363
Motor Vehicles	3,958	4,137
Office Furniture and Equipment	2,251	2,977
Total depreciation	<u>18,932</u>	<u>17,477</u>
Amortisation		
Leasehold Improvements	18,225	9,112
Total amortisation	<u>18,225</u>	<u>9,112</u>
Total depreciation and amortisation	<u>37,157</u>	<u>26,589</u>
Legal costs		
Litigation	58,502	-
Other legal matters	2,441	1,339
Total legal costs	<u>60,943</u>	<u>1,339</u>
Remuneration of auditors		
Financial statement audit services	16,000	15,750
Other services	2,020	1,620
Total remuneration of auditors	<u>18,020</u>	<u>17,370</u>

Other services include the audit of the political membership return and completion of fringe benefits tax return.

5. Cash and cash equivalents

Cash on hand	200	177
Cash at bank	520,223	557,737
Total cash and cash equivalents	<u>520,423</u>	<u>557,914</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

6. Trade and other receivables

	2015 \$	2014 \$
Receivables from other reporting units		
ASU National Office	-	-
Total receivables from other reporting units	<u>-</u>	<u>-</u>
Other receivables:		
Other trade receivables	64,621	14,963
Total other receivables	<u>64,621</u>	<u>14,963</u>
Total trade and other receivables	<u>64,621</u>	<u>14,963</u>

The carrying amounts of all current trade and other receivables are equal to their fair values as they are short term receivables (less than 30 days) and non-interest bearing.

7. Financial assets

Held to Maturity investments		
- Term Deposits	1,037,105	998,454
Total current financial assets	<u>1,037,105</u>	<u>998,454</u>

Term Deposit is held with Members Equity Bank with an interest rate of 2.80% (2014: 3.85%)

8. Other current assets

Movie tickets on hand	10,314	8,429
Prepayments	2,581	1,827
Interest receivable	636	1,970
Total other current assets	<u>13,531</u>	<u>12,226</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

9. Plant and Equipment

	2015	2014
	\$	\$
Computer Equipment		
At Cost	89,229	89,164
Less Accumulated Depreciation	(74,399)	(68,172)
Net Computer Equipment	<u>14,830</u>	<u>20,992</u>
Motor Vehicles		
At Cost	23,242	49,195
Less Accumulated Depreciation	(1,654)	(34,694)
Net Motor Vehicles	<u>21,588</u>	<u>14,501</u>
Office Furniture & Equipment		
At Cost	27,669	27,669
Less Accumulated Depreciation	(14,134)	(11,884)
Net Office Furniture & Equipment	<u>13,535</u>	<u>15,785</u>
Leasehold Improvements		
At Cost	91,124	91,124
Less Accumulated Amortisation	(27,337)	(9,112)
Net Leasehold Improvements	<u>63,787</u>	<u>82,012</u>
Total plant and equipment	<u>113,740</u>	<u>133,290</u>

Movements in Carrying Amounts

	Computer Equipment	Motor Vehicles	Office F&E	Leasehold Improve	Total
	\$	\$	\$	\$	\$
Balance at beginning of year	20,992	14,501	15,785	82,012	133,290
Additions	6,647	23,241	-	-	29,888
Depreciation expense	(12,723)	(3,958)	(2,250)	(18,225)	(37,156)
Disposals	(86)	(12,196)	-	-	(12,282)
Carrying amount at end of year	<u>14,830</u>	<u>21,588</u>	<u>13,535</u>	<u>63,787</u>	<u>113,740</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

10. Trade and other payables

	2015	2014
	\$	\$
Trade creditors and accruals	92,154	118,717
GST Payable	6,295	971
Consideration to employers for payroll deductions	-	-
Legal Fees Payable – Litigation	-	-
Legal Fees Payable – Other Legal Matters	-	-
Subtotal trade and other payables	98,449	119,688
Payables to other reporting units		
ASU–Victorian & Tasmanian Authorities & Services Branch	4,027	5,428
ASU National Office	3,355	11,844
Subtotal payables to other reporting unit[s]	7,382	17,272
Total trade and other payables	105,831	136,960

11. Borrowings

	2015	2014
	\$	\$
<u>Current</u>		
ASU–Victorian & Tasmanian Authorities & Services Branch	18,225	18,225
Total current borrowings	18,225	18,225
<u>Non-Current</u>		
ASU–Victorian & Tasmanian Authorities & Services Branch	45,562	63,787
Total non-current borrowings	45,562	63,787

As part of its tenancy agreement the ASU-Victorian & Tasmanian Authorities & Services Branch agreed to an interest free loan to the Branch for the cost of fit out for its new premises. This loan is to be repaid over a 60 month term.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

12. Provisions

	2015	2014
	\$	\$
Employee provisions - Current		
Office Holders:		
Annual leave	43,322	37,180
Long service leave	86,826	61,215
Separations and redundancies	-	-
Other	-	-
	<u>130,148</u>	<u>98,395</u>
Employees other than office holders:		
Annual leave	70,275	55,106
Long service leave	111,938	83,540
Separations and redundancies	-	-
Other	-	-
	<u>182,213</u>	<u>138,646</u>
Total employee provisions - current	<u>312,361</u>	<u>237,041</u>
Employee provisions – Non-Current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
	<u>-</u>	<u>-</u>
Employees other than office holders:		
Annual leave	-	-
Long service leave	30,804	19,066
Separations and redundancies	-	-
Other	-	-
	<u>30,804</u>	<u>19,066</u>
Total employee provisions – non-current	<u>30,804</u>	<u>19,066</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

13. Contingent liabilities

The members of the Committee of Management are unaware of any contingent liability, the effect of which may be material in relation to the financial statements.

14. Cash flow information

14A: Cash flow reconciliation

	2015	2014
	\$	\$
Reconciliation of surplus(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	(5,131)	98,615
Adjustments for non-cash items		
Depreciation/amortisation	37,157	26,589
Loss on disposal of assets	3,690	5,890
Gain on disposal of assets	(953)	-
Changes in assets/liabilities		
(Increase)/decrease in trade and receivables	(49,658)	30,356
(Increase)/decrease in other assets	(1,305)	8,475
Increase/(decrease) in trade and other payables	(31,130)	38,244
Increase/(decrease) in employee provisions	87,058	39,759
Net cash from (used by) operating activities	39,728	247,928

14B: Cash flow information

Cash inflows		
ASU – National Office	1,929	2,255
Total cash inflows	1,929	2,255
Cash outflows		
ASU – National Office	231,095	218,797
ASU – Victorian & Tasmanian Authorities & Services Branch	131,683	61,862
Total cash outflows	362,778	280,659

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

15. Related party disclosures

15A: Related party transactions for the reporting period

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	2015	2014
	\$	\$
<u>Revenue received includes the following:</u>		
ASU National Office		
Other revenue	-	500
Administration expenses recovered	1,983	1,501
	<u>1,983</u>	<u>2,001</u>
ASU Education and Training Trust Inc		
Other revenue	<u>40,912</u>	-
Monies received are from the winding up of the Trust.		
<u>Expenses paid includes the following:</u>		
ASU National Office		
Industry Division Levy	19,064	19,064
Payroll Tax	52,282	47,928
Capitation Fees	139,774	141,253
Administration Expenses	12,295	21,307
	<u>223,415</u>	<u>229,552</u>
ASU Victorian & Tasmanian Authorities & Services Branch		
Rent & Outgoings	88,488	48,654
Administration Expenses	5,493	-
	<u>93,981</u>	<u>48,654</u>
<u>Amounts owed by -</u>		
ASU National Office	-	-
<u>Amounts owed to -</u>		
ASU Victorian & Tasmanian Authorities & Services Branch	4,027	5,428
ASU National Office	3,355	11,844
	<u>7,382</u>	<u>17,272</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

15. Related party disclosures (continued)

15A: Related party transactions for the reporting period

	2015	2014
	\$	\$
Loans from -		
ASU Victorian & Tasmanian Authorities & Services Branch	-	91,124

As part of its tenancy agreement the ASU-Victorian & Tasmanian Authorities & Services Branch agreed to an interest free loan to the Branch for the cost of fitout for its new premises. This loan is to be repaid over a 60 month term.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2015, the ASU Victorian Private Sector Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2014: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

15B: Key management personnel remuneration for the reporting period

	2015	2014
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	219,992	203,585
Annual leave accrued	6,142	4,025
Total short-term employee benefits	<u>226,134</u>	<u>207,610</u>
Post-employment benefits:		
Superannuation	32,541	29,781
Total post-employment benefits	<u>32,541</u>	<u>29,781</u>
Other long-term benefits:		
Long-service leave	25,611	7,149
Total other long-term benefits	<u>25,611</u>	<u>7,149</u>
Termination benefits	-	-
Total	<u>284,286</u>	<u>244,540</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

15. Related party disclosures (continued)

15C: Transactions with key management personnel and their close family members

Matt Norrey

Spouse of Ingrid Stitt

Employed as a Lead Organiser by Branch

Total payments made \$111,026

Sophie Hall

Daughter of Alan Hall

Employed as Admin Officer by Branch

Total payments made \$67,900

16. Financial risk management

The Union's activities expose it to the primary financial risks of liquidity, credit and interest rate risk. The Union's overall risk management approach is to identify the risks and implement safeguards which seek to minimise potential adverse effects on the financial performance of the Union.

Liquidity Risk

Liquidity risk is the risk that the Union may not be able to meet its financial obligations as they fall due. The Union has both short term and long term investments which enable sufficient cash to be available to settle obligations as they fall due.

Credit Risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. Cash transactions are limited to high credit quality financial institutions. Currently the investments are held in Australian banks. The Union has no significant concentrations of credit risk.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. The credit quality of financial assets can be assessed by reference to external credit ratings as follows :

	2015	2014
	\$	\$
Cash at bank		
AA- Rating	136,061	197,845
A-2 Rating	384,162	359,892
Term Deposits		
A-2 Rating	1,037,105	998,454

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

16. Financial risk management (continued)

Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The Union's interest rate risk arises from cash at bank and term deposits.

Sensitivity analysis

As at 30 June the effect on the surplus/(deficit) as a result of changes in interest rates, with all other variables remaining constant would be as follows:

	2015	2014
	\$	\$
Effect on results:		
Increase of interest rates by 1%	14,084	13,583
Decrease of interest rates by 1%	(14,084)	13,583

Fair Value Measurement

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Union approximates their carrying amounts.

The aggregate net fair values and carrying amounts of financial instruments held by the Union at year end are those values disclosed in the Statement of Financial Position and in the Notes to the Financial Statements.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

16. Financial risk management (continued)

Maturity profile of financial instruments

The maturity profile of financial assets and liabilities held are detailed below:

2015	Weighted Average Interest Rate	Floating Interest Rate	1 year or less	1 to 5 years	Non Interest Bearing	Total
	%	\$	\$	\$	\$	\$
Financial Assets						
Cash on hand		-	-	-	200	200
Cash at bank	2.88	520,223	-	-	-	520,223
Deposits at bank	3.33	-	1,037,105	-	-	1,037,105
Other Receivables		-	-	-	64,621	64,621
		520,223	1,037,105	-	64,821	1,622,149
Financial Liabilities						
Trade & other payables		-	-	-	105,831	105,831
Loans from branches		-	-	-	63,787	63,787
Net Financial Assets		520,223	1,037,105	-	(104,797)	1,452,531

2014	Weighted Average Interest Rate	Floating Interest Rate	1 year or less	1 to 5 years	Non Interest Bearing	Total
	%	\$	\$	\$	\$	\$
Financial Assets						
Cash on hand		-	-	-	177	177
Cash at bank	3.23	557,737	-	-	-	557,737
Deposits at bank	4.03	-	998,454	-	-	998,454
Other Receivables		-	-	-	14,963	14,963
		557,737	998,454	-	15,140	1,571,331
Financial Liabilities						
Trade & other payables		-	-	-	136,960	136,960
Loans from branches		-	-	-	82,012	82,012
Net Financial Assets		557,737	998,454	-	(203,832)	1,352,359

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

17. Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

- (1) A member of a reporting unit, or the General Manager, 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).

18. Other Information

(i) Going Concern

The branch's ability to continue as a going concern is not reliant on financial support from another reporting unit.

(ii) Financial Support

No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

(iii) Acquisition of assets and liability under specific sections:

The branch did not acquire any asset or a liability during the financial year as a result of:

- An amalgamation under part 2 of Chapter 3, of the RO Act;
- A restructure of the Branches of the organization;
- A determination by the General Manager under s245(1) of the RO Act;
- A revocation by the General Manager under s249(1) of the RO Act;

(iv) Acquisition of assets and liability as part of a business combination:

If assets and liabilities were acquired during the financial year as part of a business combination, the requirement of the Australian Accounting Standards will be complied with. No such acquisition has occurred during the financial year.



Eddy Partners Accountants

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION VICTORIAN PRIVATE SECTOR BRANCH

We have audited the accompanying general purpose financial report of the Australian Services Union – Victorian Private Sector Branch for the year ended 30th June 2015 comprising Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, Notes to and Forming Part of the Financial Statements and Committee of Management Statement.

Committee of Management’s Responsibility for the Financial Report

The Union’s Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the Committee determine is necessary to enable the preparation of the financial report that 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.

Partners:

David J. Eddy CPA
Stephen J. Eedy CPA
Suzanne J. Eddy CPA



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under Professional Standards Legislation.



EddyPartners
Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Audit Opinion

In our opinion we have concluded that management's use of the going concern basis of accounting in the preparation of the Union's financial report is appropriate.

In our opinion the financial report presents fairly, in all material respects, the financial position as at 30 June 2015 and of its financial performance and cash flows for the year then ended and is in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

Signed at Melbourne, this 15th day of September 2015.

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EDDY PARTNERS,
Certified Practising Accountants.

David James Eddy, CPA
Registered Company Auditor.
Holder of a Current Public Practice Certificate

