



19 December 2018

Mr Matthew Norrey
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union, Victorian Private Sector Branch

By e-mail: mnorrey@asupsvic.org

CC: info@eddypartners.com.au

Dear Mr Norrey,

Financial Report for the year ended - [FR2018/133]

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 Registered Organisations Commission (**the ROC**) on 7 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. 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.

Officer-Related party remuneration and payment disclosures

In the operating report, certain information disclosed under the heading, *Officers & employees who are superannuation fund trustee(s)* and all of the information disclosed on page 5 is additional to the requirements under section 254 of the RO Act. The additional information relates to payments to particular officers.

Section 293J of Part 2A of Chapter 9 of the RO Act now requires a branch of an organisation to provide its members and lodge with the ROC a copy of an officer and related party disclosure statement in respect of certain remuneration¹ and payments² paid during the relevant financial year. This requirement applied to the financial year ending 30 June 2018. The statement is

¹ see section 293BC

² see section 293G

required to be lodged with the ROC within the period of 6 months starting at the end of the financial year, i.e. in this case, before or by no later than 31 December.

I am aware that the Branch lodged an officer and related party disclosure statement on 14 December 2018.

Please note that the officer and related party disclosure statement is separate from, and does not form part of, the general purpose financial report required under section 253 of Part 3 of Chapter 8.

As some of the information included in the operating report goes beyond the requirements of section 254 of the RO Act and due to the nature of the disclosure, the ROC has decided to redact this information from the copy of the 2018 financial report before publishing it on its website.

Further information about officer and related party statements may be found on the ROC website at the following link [Disclosure Obligations](#).

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 (03) 9603 0764 or via email at Kylie.Ngo@roc.gov.au.

Yours sincerely



Kylie Ngo
Financial Reporting Assistant
Registered Organisations Commission

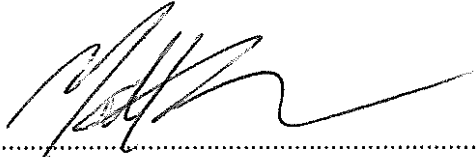
**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
FOR YEAR ENDED 30TH JUNE 2018**

I, **Matthew Norrey** 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 2018 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 18th day of September 2018; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 27th day of November 2018 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer:

MATT NORREY

Title of prescribed designated officer:

BRANCH SECRETARY

Dated:

7/17/2018

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2018**

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

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 2018.

Categories of expenditures	2018 \$	2017 \$
Remuneration and other employment-related costs and expenses - employees	1,515,939	1,286,397
Advertising	0	0
Operating costs	716,387	661,867
Donations to political parties	11,350	0
Legal costs	2,676	120,041

Signature of designated officer: 

Name and title of designated officer: INGRID FITZ BRANCH SECRETARY

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

The Committee of Management presents its report on the operation of the Branch for the financial year ended 30 June 2018.

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 2018 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 2018 was a deficit of (\$147,625) [2017: Deficit (\$7,404)]. 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	████████
Carita Kazakoff	L.I.S. Pty Limited	Legal Industry Superannuation Scheme	Director	████████

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

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
Ingrid Stitt	Equal Workplaces Advisory Council	Advice provider for workplace gender equity	Nominated by VTHC

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 5,557.

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 13.51;

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	1/7/2017 to 30/6/2018
Amanda Dando	Branch Vice President	1/7/2017 to 30/6/2018
Ingrid Stitt	Branch Secretary	1/7/2017 to 30/6/2018
David Leydon	Assistant Branch Secretary	1/7/2017 to 30/6/2018
Steve McInerney	Committee Member	1/7/2017 to 30/6/2018
Carita Kazakoff	Committee Member	1/7/2017 to 30/6/2018
Denis Leetham	Committee Member	1/7/2017 to 30/6/2018
Jackie Gadsby	Committee Member	1/7/2017 to 30/6/2018
Rozanne Martinez	Committee Member	1/7/2017 to 30/6/2018
Linda Ruben	Committee Member	1/7/2017 to 30/6/2018

AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH

OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Signature of designated officer: 

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

Dated: 18.9.2018

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

On the 18th September 2018 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 2018:

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 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, it 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 Committee of Management.

Signature of designated officer: 

Name and title of designated officer: *INGRID J. T. BRANCH SECRETARY*

Dated: *18-9-2018*

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Revenue			
Membership subscriptions		2,060,939	1,984,016
Interest		30,965	34,440
Other revenue	3	50,051	89,376
Total revenue		2,141,955	2,107,832
Expenses			
Employee expenses	4	1,515,939	1,286,397
Capitation fees	4	127,642	128,923
Affiliation fees	4	67,399	65,332
Administration expenses	4	505,821	452,546
Grants or donations	4	15,650	2,782
Depreciation and amortisation	4	36,211	33,178
Legal costs	4	2,676	120,041
Audit fees		17,470	17,270
Net losses from sale of assets		772	1,315
Impairment losses		-	7,452
Total expenses		2,289,580	2,115,236
Profit (loss) for the year		(147,625)	(7,404)
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		-	-
Total comprehensive income for the year		(147,625)	(7,404)

The accompanying notes form part of the financial statements.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Notes	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	183,434	313,935
Trade and other receivables	6	29,342	35,084
Financial assets	7	1,118,685	1,089,274
Other current assets	8	13,258	17,443
Total current assets		1,344,719	1,455,736
Non-Current Assets			
Plant and equipment	9	58,071	78,000
Other Investments	10	254,639	243,261
Total non-current assets		312,710	321,261
Total assets		1,657,429	1,776,997
LIABILITIES			
Current Liabilities			
Trade and other payables	11	157,490	164,946
Borrowings	12	9,113	18,225
Provisions	13	429,224	378,097
Total current liabilities		595,827	561,268
Non-Current Liabilities			
Borrowings	12	-	9,112
Provisions	13	22,325	19,715
Total non-current liabilities		22,325	28,827
Total liabilities		618,152	590,095
Net assets		1,039,277	1,186,902
EQUITY			
Accumulated Funds		1,039,277	1,186,902
Total equity		1,039,277	1,186,902

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 2018**

	Retained earnings	Total equity
	\$	\$
Balance as at 1 July 2016	1,194,306	1,194,306
Profit/(loss) for the year	(7,404)	(7,404)
Balance as at 30 June 2017	<u>1,186,902</u>	<u>1,186,902</u>
Balance as at 1 July 2017	1,186,902	1,186,902
Profit/(loss) for the year	(147,625)	(147,625)
Balance as at 30 June 2018	<u>1,039,277</u>	<u>1,039,277</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 2018**

	Note	2018 \$	2017 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	15B	1,166	4,288
Receipts from members		2,062,105	1,981,895
Interest		31,002	35,586
Other		57,233	85,965
Cash used			
Payments to Employees & Suppliers		(1,888,554)	(1,706,494)
Payment to other reporting units/controlled entity(s)	15B	(319,933)	(312,711)
Net cash from (used by) operating activities	15A	(56,981)	88,529
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	11,091
Cash used			
Purchase of plant and equipment		(15,538)	(34,392)
Purchase of investments		(10,346)	(80)
Purchase of bank bills		(29,411)	(32,752)
Net cash from (used by) investing activities		(55,295)	(56,133)
FINANCING ACTIVITIES			
Cash received			
Other		-	-
Cash used			
Repayment of borrowings	15B	(18,225)	(18,225)
Net cash from (used by) financing activities		(18,225)	(18,225)
Net increase (decrease) in cash held		(130,501)	14,171
Cash & cash equivalents at the beginning of the reporting period		313,935	299,764
Cash & cash equivalents at the end of the reporting period	5	183,434	313,935

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 2018**

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 2018**

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.

Investment revenue is recognised in the period in which it is earned.

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.

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.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

1h Employee benefits (continued)

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.

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.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

11 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.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

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.

Loans 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.

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.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

1l Financial assets (continued)

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.

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.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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 – 100%
Motor Vehicles	25%
Office Furniture and Equipment	7.5% - 100%
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 2018, 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 2018**

	<i>2018</i>	<i>2017</i>
	\$	\$
3. Other Revenue		
Directors Fees Received	28,072	34,633
Gain on Revaluation of Investments	1,032	-
Distributions Received	7,169	13,145
Sundry Income	13,778	41,598
	<u>50,051</u>	<u>89,376</u>
4. Expenses		
	<i>2018</i>	<i>2017</i>
	\$	\$
Employee expenses		
Holders of office:		
Wages and salaries	245,703	235,392
Superannuation	36,531	35,121
Leave and other entitlements	299	735
Separation and redundancies	-	-
Other employee expenses	23,138	23,060
Subtotal employee expenses holders of office	<u>305,671</u>	<u>294,308</u>
Employees other than office holders:		
Wages and salaries	928,172	750,552
Superannuation	143,869	111,556
Leave and other entitlements	53,438	9,805
Separation and redundancies	-	47,554
Other employee expenses	84,789	72,622
Subtotal employee expenses employees other than office holders	<u>1,210,268</u>	<u>992,089</u>
Total employee expenses	<u>1,515,939</u>	<u>1,286,397</u>
Capitation fees		
ASU National Office	127,642	128,923
Total capitation fees	<u>127,642</u>	<u>128,923</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

4. Expenses (continued)

	2018	2017
	\$	\$
Affiliation fees		
Australian Labor Party	29,005	29,218
Victorian Trades Hall Council	33,886	33,091
Ballarat Trades & Labour Council	240	-
Bendigo Trades & Labour Council	200	200
Geelong Trades & Labour Council	1,496	1,470
Gippsland Trades & Labour Council	247	247
South West Trades & Labour Council	205	205
North East Trades & Labour Council	120	101
Australia Asia Worker Links	1,600	400
Australia Palestine Advocacy Network	400	400
Total affiliation fees	67,399	65,332
Administration expenses		
Consideration to employers for payroll deductions	1,767	2,042
Industry Division Levy – ASU National Office	19,064	19,064
Campaign Levy – ACTU	14,365	-
Campaign Levy – VTHC	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	12,873	10,995
Rent and outgoings expenses	99,071	94,008
Communications expenses	37,104	26,353
Motor vehicle expenses	126,346	101,433
Printing, Stationery & Postage	10,878	26,106
Other	184,353	172,545
Total administration expenses	505,821	452,546
Donations		
Total paid that were \$1,000 or less	3,050	1,654
Total paid that exceeded \$1,000	12,600	1,128
Total donations	15,650	2,782

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

4. Expenses (continued)

	2018	2017
	\$	\$
Depreciation and amortisation		
Depreciation		
Computer Equipment	10,101	8,982
Motor Vehicles	6,140	4,114
Office Furniture and Equipment	1,745	1,857
Total depreciation	<u>17,986</u>	<u>14,953</u>
Amortisation		
Leasehold Improvements	18,225	18,225
Total amortisation	<u>18,225</u>	<u>18,225</u>
Total depreciation and amortisation	<u>36,211</u>	<u>33,178</u>
Legal costs		
Litigation	1,592	109,314
Other legal matters	1,084	10,727
Total legal costs	<u>2,676</u>	<u>120,041</u>
Remuneration of auditors		
Financial statement audit services	17,000	16,800
Other services	1,670	1,670
Total remuneration of auditors	<u>18,670</u>	<u>18,470</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	200
Cash at bank	183,234	313,735
Total cash and cash equivalents	<u>183,434</u>	<u>313,935</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

6. Trade and other receivables

	2018	2017
	\$	\$
Receivables from other reporting units		
ASU National Office	-	203
Total receivables from other reporting units	<u>-</u>	<u>203</u>
Other receivables:		
Other trade receivables	29,342	34,881
Total other receivables	<u>29,342</u>	<u>34,881</u>
Total trade and other receivables	<u>29,342</u>	<u>35,084</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	1,118,685	1,089,274
Total current financial assets	<u>1,118,685</u>	<u>1,089,274</u>

Term Deposit is held with Members Equity Bank with an interest rate of 2.62% (2017: 2.70%)

8. Other current assets

Movie tickets on hand	-	3611
Prepayments	2,417	2,954
Interest receivable	10,841	10,878
Total other current assets	<u>13,258</u>	<u>17,443</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

9. Plant and Equipment

	2018	2017
	\$	\$
Computer Equipment		
At Cost	103,833	100,283
Less Accumulated Depreciation	(84,365)	(86,674)
Net Computer Equipment	19,468	13,609
Motor Vehicles		
At Cost	24,727	24,727
Less Accumulated Depreciation	(6,309)	(169)
Net Motor Vehicles	18,418	24,558
Office Furniture & Equipment		
At Cost	29,913	29,591
Less Accumulated Depreciation	(18,840)	(17,095)
Net Office Furniture & Equipment	11,073	12,496
Leasehold Improvements		
At Cost	91,124	91,124
Less Accumulated Amortisation	(82,012)	(63,787)
Net Leasehold Improvements	9,112	27,337
Total plant and equipment	58,071	78,000

Movements in Carrying Amounts

2018	Computer Equipment \$	Motor Vehicles \$	Office F&E \$	Leasehold Improve \$	Total \$
Balance at beginning of year	13,609	24,558	12,496	27,337	78,000
Additions	16,732	-	322	-	17,054
Depreciation expense	(10,101)	(6,140)	(1,745)	(18,225)	(36,211)
Disposals	(772)	-	-	-	(772)
Carrying amount at end of year	19,468	18,418	11,073	9,112	58,071

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

9. Plant and Equipment (continued)

Movements in Carrying Amounts

2017	Computer Equipment \$	Motor Vehicles \$	Office F&E \$	Leasehold Improve \$	Total \$
Balance at beginning of year	15,774	16,191	11,665	45,562	89,192
Additions	6,817	24,727	2,849	-	34,393
Depreciation expense	(8,982)	(4,114)	(1,857)	(18,225)	(33,178)
Disposals	-	(12,246)	(161)	-	(12,407)
Carrying amount at end of year	13,609	24,558	12,496	27,337	78,000

10. Other Investments

	2018 \$	2017 \$
Industry Fund Services Portfolio – At Fair Value	254,639	243,261
Total investment	254,639	243,261
<u>Movement in Fair Value – Industry Fund Services</u>		
Opening Balance	243,261	250,633
Net (Disposals)/Additions	10,346	80
Fair value adjustment	1,032	(7,452)
Closing Balance	254,639	243,261

The equity investments are managed on behalf of the ASU – Victorian Private Sector Branch by Industry Fund Services Limited.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

11. Trade and other payables

	2018	2017
	\$	\$
Trade creditors and accruals	132,539	107,636
GST Payable	4,854	1,027
Legal Fees Payable – Litigation	-	51,794
Legal Fees Payable – Other Legal Matters	-	-
Subtotal trade and other payables	137,393	160,457
Payables to other reporting units		
ASU–Victorian & Tasmanian Authorities & Services Branch	2,227	4,269
ASU National Office	17,870	220
Subtotal payables to other reporting unit[s]	20,097	4,489
Total trade and other payables	157,490	164,946

12. Borrowings

	2018	2017
	\$	\$
<u>Current</u>		
ASU–Victorian & Tasmanian Authorities & Services Branch	9,113	18,225
Total current borrowings	9,113	18,225
<u>Non-Current</u>		
ASU–Victorian & Tasmanian Authorities & Services Branch	-	9,112
Total non-current borrowings	-	9,112

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 2018**

13. Provisions

	2018	2017
	\$	\$
Employee provisions - Current		
Office Holders:		
Annual leave	26,656	25,206
Long service leave	101,438	102,589
Separations and redundancies	-	-
Other	-	-
	<u>128,094</u>	<u>127,795</u>
Employees other than office holders:		
Annual leave	141,400	119,570
Long service leave	159,730	130,732
Separations and redundancies	-	-
Other	-	-
	<u>301,130</u>	<u>250,302</u>
Total employee provisions - current	<u>429,224</u>	<u>378,097</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	22,325	19,715
Separations and redundancies	-	-
Other	-	-
	<u>22,325</u>	<u>19,715</u>
Total employee provisions – non-current	<u>22,325</u>	<u>19,715</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

Note 14 Contingent Liabilities, Assets and Commitments

2018	2017
\$	\$

Note 14A: Commitments and Contingencies

Operating lease commitments—as lessee

5 year lease of office premises expiring 1/1/2024; motor vehicle leases with 36 month terms.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are:

Within one year	145,911	128,318
After one year but not more than five years	406,525	61,680
More than five years	45,983	-
	<u>598,419</u>	<u>189,998</u>

Capital commitments

At 30 June 2018 the Union has no significant capital commitments.

Other contingent assets or liabilities

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

15. Cash flow information

15A: Cash flow reconciliation

2018	2017
\$	\$

Reconciliation of surplus(deficit) to net cash from operating activities:

Surplus/(deficit) for the year	(147,625)	(7,404)
--------------------------------	-----------	---------

Adjustments for non-cash items

Depreciation/amortisation	36,211	33,178
Loss on disposal of assets	772	1,315
Unrealised gain in value of investments	(1,032)	-
Unrealised loss in value of investments	-	7,452

Changes in assets/liabilities

(Increase)/decrease in trade and receivables	5,742	(2,098)
(Increase)/decrease in other assets	4,185	1,537
Increase/(decrease) in trade and other payables	(8,971)	44,008
Increase/(decrease) in employee provisions	53,737	10,541
Net cash from (used by) operating activities	<u>(56,981)</u>	<u>88,529</u>

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

15. Cash flow information

15B: Cash flow information

Cash inflows		
ASU – National Office	1,166	1,149
ASU – Victorian & Tasmanian Authorities & Services Branch	-	1,736
ASU – South Australian & Northern Territory Branch	-	1,403
Total cash inflows	1,166	4,288
Cash outflows		
ASU – National Office	217,543	218,343
ASU – Victorian & Tasmanian Authorities & Services Branch	120,615	112,593
Total cash outflows	338,158	330,936

16. Related party disclosures

16A: 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.

2018	2017
\$	\$

Revenue received includes the following:

ASU National Office		
Other revenue	1,056	640

Expenses paid includes the following:

ASU National Office		
Industry Division Levy	19,064	19,064
Payroll Tax	68,835	59,425
Capitation Fees	127,642	128,923
ACTU Campaign Levy	14,365	-
Administration Expenses	5,307	4,589
	235,213	212,001

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

16. Related party disclosures

16A: Related party transactions for the reporting period

	2018	2017
	\$	\$
ASU Victorian & Tasmanian Authorities & Services Branch		
Rent & Outgoings	100,050	94,008
Administration Expenses	433	382
	100,483	94,390
<u>Amounts owed by -</u>		
ASU National Office	-	203
	-	203
<u>Amounts owed to -</u>		
ASU Victorian & Tasmanian Authorities & Services Branch	2,227	4,269
ASU National Office	17,870	220
	20,097	4,489

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 2018, 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 (2017: \$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.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

16. Related party disclosures (continued)

16B: Key management personnel remuneration for the reporting period

	2018	2017
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	252,273	245,301
Annual leave accrued	1,450	(8,490)
Total short-term employee benefits	<u>253,723</u>	<u>236,811</u>
Post-employment benefits:		
Superannuation	36,531	35,121
Total post-employment benefits	<u>36,531</u>	<u>35,121</u>
Other long-term benefits:		
Long-service leave	(1,151)	9,225
Total other long-term benefits	<u>(1,151)</u>	<u>9,225</u>
Termination benefits	-	-
Total	<u>289,103</u>	<u>281,157</u>

16C: 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 \$130,075

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

17. Financial risk management

The Union's activities expose it to the primary financial risks of market, 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.

Market Risk

The Union is exposed to equity securities price risk. This arises from investments held by the Union and classified on the statement of financial position either as available-for-sale or at fair value through profit or loss.

The table below summarises the impact of increases/(decreases) of the unit prices on the Union's equity. The analysis is based on the assumption that the unit prices had increased/(decreased) by 10% (2017 – 10%) with all other variables held constant and all the Union's equity instruments moved according to the historical correlation with the unit prices.

	2018	2017
	\$	\$
Effect on equity:		
Increase of unit prices by 10%	25,464	24,326
Decrease of unit prices by 10%	(25,464)	(24,326)

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.

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

17. Financial risk management (continued)

Credit Risk

Credit risk is the risk of financial loss to the Union if a member or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, receivables and deposits with banks and financial institutions.

There is no concentration of credit risk with respect to current receivables. The maximum exposure to credit risk for receivables at the reporting date is the carrying amount in the statement of financial position.

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 :

	2018	2017
	\$	\$
Cash at bank		
A- Rating	145,498	158,759
BBB+ Rating	-	13,552
BBB Rating	37,736	141,424
Term Deposits		
BBB Rating	1,118,685	1,089,274

Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value and future cash flows will fluctuate as a result of changes in market interest rates. The Union's exposure to 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:

	2018	2017
	\$	\$
Effect on results:		
Increase of interest rates by 1%	13,019	14,030
Decrease of interest rates by 1%	(13,019)	(14,030)

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

17. Financial risk management (continued)

Maturity profile of financial instruments

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

2018	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	1.75	183,234	-	-	-	183,234
Deposits at bank	2.66	-	1,118,685	-	-	1,118,685
Other Receivables		-	-	-	29,342	29,342
		183,234	1,118,685	-	29,542	1,331,461
Financial Liabilities						
Trade & other payables		-	-	-	157,490	157,490
Loans from branches		-	-	-	9,113	9,113
Net Financial Assets		183,234	1,118,685	-	(137,061)	1,164,858

2017	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	2.00	313,735	-	-	-	313,735
Deposits at bank	2.90	-	1,089,274	-	-	1,089,274
Other Receivables		-	-	-	35,084	35,084
		313,735	1,089,274	-	35,284	1,438,293
Financial Liabilities						
Trade & other payables		-	-	-	164,946	164,946
Loans from branches		-	-	-	27,337	27,337
Net Financial Assets		313,735	1,089,274	-	(156,999)	1,246,010

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

18. Fair value measurement

AASB 13: Fair Value Measurement requires the disclosure of fair value information according to the relevant level in the fair value hierarchy as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Unobservable inputs for the asset or liability.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial assets available-for-sale is based on quoted market prices at the end of the reporting period.

The table below shows the assigned level for each asset and liability held at fair value –

30th June 2018	Level 1	Level 2	Level 3	Total
Assets	\$	\$	\$	\$
Available-for-sale financial assets	254,639	-	-	254,639
30th June 2017	Level 1	Level 2	Level 3	Total
Assets	\$	\$	\$	\$
Available-for-sale financial assets	243,261	-	-	243,261

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

19. 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).

**AUSTRALIAN SERVICES UNION
VICTORIAN PRIVATE SECTOR BRANCH**

OFFICER DECLARATION STATEMENT

I, Ingrid Stitt, being the Branch Secretary of the Australian Services Union – Victorian Private Sector Branch, declare that the following activities did not occur during the reporting period ending 30th June 2018.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:



Dated:

18.7.2018



EddyPartners Accountants

Eddy Partners
Accountants and Auditors
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION VICTORIAN PRIVATE SECTOR BRANCH

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Services Union – Victorian Private Sector Branch, which comprises the statement of financial position as at 30th June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30th June 2018, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report:

- a) presents fairly, in all material aspects, the financial position of Australian Services Union – Victorian Private Sector Branch as at 30th June 2018, and its financial performance and its cash flows for the year ended on that date; and:
- b) complies with the Australian Accounting Standards; and
- c) 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).

We declare that the Committee of Management's use of the going concern basis in the preparation of the financial statements of the Union is appropriate.

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





Eddy Partners Accountants

Eddy Partners
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION VICTORIAN PRIVATE SECTOR BRANCH (Continued)

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

Independence

We are independent of the Union in accordance with the ethical 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.

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management 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.

Partners:
David J. Eddy CPA
Stephen J. Cedy CPA
Suzanne J. Eddy CPA





EddyPartners Accountants

Eddy Partners
Accountants and Auditors
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION VICTORIAN PRIVATE SECTOR BRANCH (Continued)

Information Other than the Financial Report and Auditor's Report Thereon

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.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Union is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is 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 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 the financial report.

Partners:
David J. Eddy CPA
Stephen J. Eddy CPA
Suzanne J. Eddy CPA





Eddy Partners Accountants

Eddy Partners
Accountants and Auditors
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Melbourne, Victoria 3000.
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION VICTORIAN PRIVATE SECTOR BRANCH (Continued)

Auditor's Responsibilities for the Audit of the Financial Report (continued)

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Partners:
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Stephen J. Eddy CPA
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION VICTORIAN PRIVATE SECTOR BRANCH (Continued)

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Union to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Union audit. We remain solely responsible for our audit opinion.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We declare that we are an approved auditor, a member of CPA Australia and hold a current Public Practising Certificate.

EDDY PARTNERS ACCOUNTANTS & AUDITORS

David James Eddy, CPA – Partner
Approved auditor (AA2017/89)

Melbourne

Date: 18th September 2018

Partners:
David J. Eddy CPA
Stephen J. Cedy CPA
Suzanne J. Eddy CPA





21 September 2018

Ms Ingrid Stitt
Branch Secretary
Victorian Private Sector Branch
Australian Municipal, Administrative, Clerical and Services Union

By Email: info@asupsvic.org

Dear Ms Stitt,

**Re: Lodgement of Financial Report - [FR2018/133]
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Australian Municipal, Administrative, Clerical and Services Union, Victorian Private Sector Branch (the reporting unit) ended on 30 June 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

Loans Grants and Donations Statement

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 28 September 2018.

The attached fact sheet *Loans Grants and Donations (FS 009)* summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty. Currently penalties are up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual and may be imposed upon your organisation and/or an officer whose conduct led to the contravention.

Financial report

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines (FS 008)* summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on its rules) no later than 30 December 2018 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported (see attached *Loans Grants and Donations* fact sheet FS 009). The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement.

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty, as set out above, being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

Auditor's report

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into operation with effect from 15 December 2016. Please find [here](#) a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (also available on our website).

REMINDER

YOUR AUDITOR MUST BE REGISTERED (s.256)

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

Contact

Should you require any clarification in relation to the above, please email regorgs@roc.gov.au.

Yours faithfully,



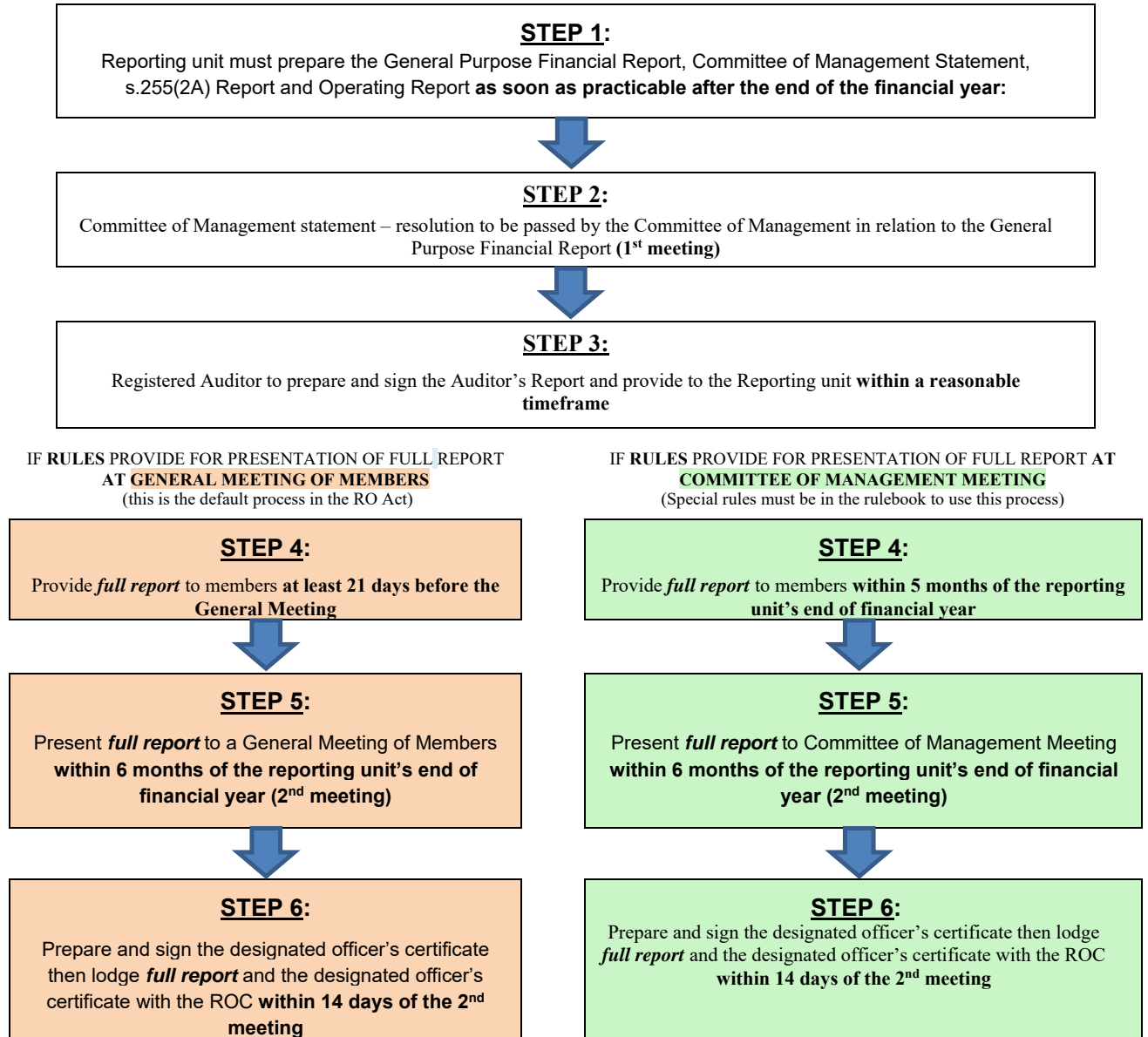
Sarah Wilkin
Registered Organisations Commission

Fact sheet

Summary of financial reporting timelines – s.253 financial reports

General Information:

- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).



Fact sheet



Australian Government
Registered Organisations Commission

FS 009
(19 June 2017)

Fact sheet

Loans, Grants & Donations

The Loans, Grants & Donations Requirements

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

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





The Loans, Grants & Donations Statement



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

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,* and
- the arrangements for repaying the loan.*

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

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL. Common misconceptions Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.

	Statements can be lodged with the financial report.		The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.
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Grants & Donations within the Financial Report

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

As such, the note in the financial report relating to grants and donations will have four lines. In the [ROC's Model Statements](#) the note appears as follows:

Note 4E: Grants OR donations*

Grants:	[Current year]	[Previous year]
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

The Commissioner's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

Implications for filing the Financial Report

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

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

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

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

Previous financial reports and filing letters are available from the website.

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on regorgs@roc.gov.au

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This fact sheet is not intended to be comprehensive. It is designed to assist in gaining an understanding of the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice