



Australian Government

Australian Industrial Registry

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Mr Paul Burlinson
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union
Western Australian Branch
102 East Parade
East Perth WA 6004

Dear Mr Burlinson

RE: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule) Financial Reports for year ended 30 June 2005 – FR2005/320

I have received the financial documents for the Australian Municipal, Administrative, Clerical and Services Union – Western Australian Branch. The documents were lodged in the Industrial Registry on 25 January 2006.

The documents have been filed.

Electronic Lodgement

I encourage you to take advantage of the electronic lodgement service provided by the Registry for future lodgements. You may register as a user and then lodge your documents via the Electronic Lodgement page of the AIRC website at www.airc.gov.au. Alternatively, you may send an email with the documents attached to riateam3@air.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Dimitra Doukas'.

Dimitra Doukas
Statutory Services Branch

3 October 2006

**AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2005**

**AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)**

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INDEPENDENT AUDIT REPORT TO THE MEMBERS

Scope

The Financial Report and the Responsibility of the Committee of Management and Branch Secretary

The financial report comprises the statement of financial position (Balance Sheet), statement of financial performance (Profit & Loss Account), Statement of Cash Flows, accompanying notes to the financial statements, and the Committee of Management's statement for the Australian Services Union, Western Australian Branch, for the year ended 30 June 2005.

The Committee of Management is responsible for the preparation and true and fair presentation of the financial report in accordance with the *Workplace Relations Act 1996*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

As with similar organisations due to the nature of certain income such as membership contributions, donations, subsidies, and similar, we are only able to audit that income when it is first recorded in the books and records of the Union.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Workplace Relations Act 1996*, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view, which is consistent with our understanding of the Union's financial position and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Committee of Management and the Secretary of the Branch.

HEWITT

TURNER &

GELEVITIS



**BUSINESS
DEVELOPMENT
CONSULTANTS**

Capital Raising
Wealth Creation
Asset Protection
Audit Assurance
Taxation Advisors
Strategic Planning
Accounting Services
Management Consultancy

PRINCIPALS

Timothy Turner
B.BUS (ACC), FCPA,
FAIM, FTIA
Registered Company Auditor

Vick Gelevitis
B.BUS (ACC), FCPA,
NTAA, FTIA

ASSOCIATE

Darryl Rodrigues
B.Sc, B.BUS (ACC), CPA

INDEPENDENT AUDIT REPORT TO THE MEMBERS
(Continued)

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Workplace Relations Act 1996*.

HEWITT
TURNER &
GELEVITIS

Audit Opinion

In our opinion, the financial report of the Australian Services Union, Western Australian Branch is in accordance with:



- (a) the *Workplace Relations Act 1996* including:
- (i) giving a true and fair view of the branch's financial position as at 30 June 2005 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards; and
 - (iii) complying with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule 1B of the Act; and
- (b) other mandatory professional reporting requirements in Australia.

Signed at Perth this 6th day of October 2005.


HEWITT TURNER & GELEVITIS
AUDIT ASSURANCE DIVISION


TIMOTHY TURNER
REGISTERED COMPANY AUDITOR

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2005

Review of the Union's Principal Activities

The principal activities of the Australian Services Union, Western Australian Branch, during the financial year were the provision of industrial, professional and managerial services to the members consistent with the object and rules of the Union and in particular, protecting and improving the interests of members.

Significant Changes in Nature of Principal Activities

There were no significant changes in the nature of the Unions principal activities during the financial year.

Results of Principal Activities

The Australian Services Union, Western Australian Branch Unions principal activities resulted in a surplus for the financial year, of \$87,447 (2004: \$16,067).

Significant Changes in the Unions Financial Affairs

No matters or circumstances arose during the reporting year, which significantly affected the financial affairs of the Union.

The Rights of Members to Resign

Rule 32 of the Australian Services Union Rules states as follows:

- a) A member may resign membership of the Union by written notice addressed and delivered to the Branch Secretary.
- b) A notice of resignation takes effect :
 - (i) where the member ceases to be eligible for membership of the Union:
 - 1. on the day on which the notice is received; or
 - 2. the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;whichever is the later; or
 - (ii) in any other case:
 - 1. at the end of 2 weeks after the notice is received; or
 - 2. on the day specified in the notice;whichever is the later.

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2005
(Continued)

The Rights of Members to Resign (cont'd)

- c) Notice of resignation shall be addressed to the Branch Secretary and delivered to that officer.
- d) Any member resigning shall be liable for the payment of all subscriptions, fines and levies owing to the Union under these Rules at the date of leaving, and such monies may be sued for and recovered in the name of the Union.
- e) Any subscription paid by a member in respect of a period beyond the end of the quarter in which the member's notice of resignation expires shall be remitted to the member if so requested and a member who pays annual subscription by instalments shall not be liable to pay any instalment for any period after the end of the quarter in which the member's notice of resignation expires and a member who resigns where the member ceased to be eligible to become a member of the Union as hereinbefore mentioned shall be entitled to the same remission.
- f) A notice delivered to the Branch Secretary shall be taken to have been received by the Union when it was delivered.
- g) A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered to the Branch Secretary.
- h) A resignation from membership of the Union is valid, even if not affected in accordance with sub-clauses a. to g. of this Rule, if the member is informed in writing by or on behalf of the Union, that the resignation has been accepted.
- i) A member on leaving the Union after compliance with this Rule shall be entitled, on written application to the Secretary of the member's Branch, to a clearance certificate in the prescribed form.

Trustee or Director of Trustee Company of Superannuation Entity or Exempt Public Sector Superannuation Scheme

The following officers of the Union held reserved positions in the following entities:

Name	Official Position	Director of	Name of Superannuation Fund
Kevin Sim	Branch Councillor	Director of the Trustee company	WA Local Government Superannuation Plan

**OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2005
(Continued)**

**Prescribed Information Required under the Workplace Relations (RAO) Regulations
2003**

- a) the number of persons that were recorded in the register of members on 30 June 2005 was 5,863;
- b) the number of persons who were employees of the reporting unit on 30 June 2005 was 19, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis;
- c) the names of each person who has been a member of the committee of management of the Union at any time during the reporting period, and the period for which he or she held such a position is as follows:

Name	Title of Officer
David Taylor	Branch President
Barbara Inglis	Deputy Branch President
Angela Hartwig	Deputy Branch President
Paul Burlinson	Branch Secretary
Meredith Hammat	Assistant Branch Secretary
Ralph Bailey	Branch Treasurer
Carolyn Wall	Branch Vice President (Women)
Carlo Genovese	Branch Executive Councillor
Stan Barclay	Branch Executive Councillor
Bob Fallon	Branch Executive Councillor
Mudji Nielsen	Branch Executive Councillor
Michael Whitbread	Branch Executive Councillor
Gerald Upham	Branch Executive Councillor
Margaret Wyeth	Branch Executive Councillor
Wayne Wood	Branch Executive Councillor
Rosalind Murray	Branch Executive Councillor
Judith Durnin	Branch Executive Councillor
Geoff Angwin	Branch Executive Councillor
Patricia Richardson	Branch Executive Councillor
Donald Dowling	Branch Executive Councillor

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OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2005
(Continued)

**Prescribed Information Required under the Workplace Relations (RAO) Regulations
2003 (Cont'd)**

Changes to the Composition of the Committee of Management during the financial year

Angela Hartwig	Deputy Branch President (Appointed)
Barbara Inglis	Deputy Branch President (Resigned)
Bob Fallon	Branch Executive Councillor (Resigned)
Michael Whitbread	Branch Executive Councillor (Resigned)
Margaret Wyeth	Branch Executive Councillor (Resigned)
Donald Dowling	Branch Executive Councillor (Appointed)

Paul Burlinson

Name

Branch Secretary

Title

P Burlinson

Signature

3 October 2005

Date

COMMITTEE OF MANAGEMENT STATEMENT

On 23rd August 2005 the Branch Executive Council of The Western Australian Branch of *Australian Services Union* passed the following resolution in relation to the *general purpose financial report (GPFR)* of the reporting unit for the financial year ended 30 June 2005:

The Committee of Management declares in relation to the GPFR 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 Industrial Registrar;
- (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;
- (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 RAO Schedule and the RAO Regulations; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable and to the best of our knowledge and belief, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) no information has been sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule during the period; and
 - (vi) no orders have been made by the Commission for inspection of financial records under section 273 of the RAO Schedule during the period.

For Committee of Management: *Ralph Bailey*

Title of Office held: *Branch Treasurer*

Signature: 

Date: *30-9-05*

For Committee of Management: *David Taylor*

Title of Office held: *Branch President*

Signature: 

Date: *3. 10. 05*

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER
Section 268 of Schedule 1B *Workplace Relations Act 1996*

I **Paul Burlinson** being the *Branch Secretary* of the *Australian Services Union* certify:

- that the documents lodged herewith are copies of the full report, referred to in section 268 of Schedule 1B of the *Workplace Relations Act 1996*; and
- that the *full report* will be provided to all financial members on or around 15th *December 2005* via distribution of the union's *Unity Journal* publication; and
- that the full report was presented to a *general meeting of members / a meeting of the committee of management* of the reporting unit on 23rd *August 2005*; in accordance with section 266 of Schedule 1B of the *Workplace Relations Act 1996*.

Signature: *P Burlinson*

Date: *3 October 2005*

**AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)**

**PROFIT & LOSS ACCOUNT STATEMENT
(STATEMENT OF FINANCIAL PERFORMANCE)
FOR THE YEAR ENDED 30 JUNE 2005**

INCOME	NOTE	2005	2004
		\$	\$
Interest Received		47,159	31,476
Members Contribution		1,954,379	1,922,319
Sundry Income		427	4,626
Staff Contributions to Motor Vehicles		3,167	3,948
Fringe Benefits Tax Credit		-	6,544
Profit on sale of Fixed Assets		6,904	-
Significant items of revenue (Prior year adj.)		-	43,574
TOTAL INCOME		<u>2,012,036</u>	<u>2,012,487</u>
 ADMINISTRATION EXPENDITURE			
Capitation to National Office		117,141	119,313
Affiliation Fees – Unions WA		20,397	19,957
BCOM Honoraria		8,642	10,649
Legal Fees		21,476	19,712
Airline Levy to National Office		2,408	2,880
Contribution Levy to National Office		10,975	-
		<u>181,039</u>	<u>172,511</u>
 STAFFING COSTS			
Recruitment		27,960	11,333
Fringe Benefits Tax		1,667	2,396
Payroll Tax		21,299	21,225
Superannuation Retirement Benefits		126,048	128,451
Temporary Work		-	680
Annual Leave and RDO Provision		(24,151)	8,111
Long Service Leave Provision		(8,677)	119
Salaries and Allowances – Staff		866,365	863,256
Salaries and Allowances – Officials		166,360	160,184
ASU Payroll - Secondments		1,463	(636)
Insurance - Workers Compensation		10,868	12,045
Staff Training & Amenities		6,137	8,915
Staff Travel & Accomodation		47,025	31,555
		<u>1,242,364</u>	<u>1,247,634</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

**PROFIT & LOSS ACCOUNT STATEMENT
(STATEMENT OF FINANCIAL PERFORMANCE)
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

	NOTE	2005 \$	2004 \$
ORGANISING EXPENSES			
Campaign Donations & Expenses		14,805	13,558
Communications - Unity Journal		49,891	41,516
Function Costs		1,455	4,134
Education and Training (Incl. Travel)		27,827	10,795
Meeting Expenses BCOM and Sub-branches		8,830	16,195
Members travel & accomodation expenses		5,718	5,521
Journey Cover Insurance		34,359	62,839
Westclub Benefits Package		35,321	39,071
Shop Rite Package		4,873	5,842
		183,079	199,471
 OPERATING EXPENSES			
Accounting Fees & Audit		7,184	7,685
Bank Charges		15,234	24,152
IT Expenses		24,221	53,807
Insurance – Business Pak/Elect Equipment		6,471	20,950
Gifts & Donations		7,279	-
Scholarships – Godfrey Wignall		500	-
Depreciation – Building Improvements		13,386	11,564
Land & Buildings		5,084	4,520
Office Furniture & Equipment		16,415	31,623
Doubtful Debts Expense		(1,448)	(14,512)
Electricity		9,128	9,414
Merchandise		2,818	-
Loss on sale of asset		6,469	3,054
Motor Vehicle Expenses		30,612	33,318
Motor Vehicle Depreciation		32,348	31,382
Office Expenses – Equip. repairs & amenities		8,555	5,950
Property Costs – Rates and Maintenance		28,787	28,317
Stationery and Paper		15,871	13,083
Postage and Courier		21,630	14,510
Publication and Library		6,873	3,968
Photocopying		9,908	7,867
Records Management		3,108	1,141
Telephone		37,178	46,890
Significant items of expenditure (Contingency Provision)	6	6,229	35,011
		313,840	373,694

The accompanying notes form part of these financial statements.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

**PROFIT & LOSS ACCOUNT STATEMENT
(STATEMENT OF FINANCIAL PERFORMANCE)
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

RAIL DIVISION	NOTE	2005	2004
		\$	\$
Audit Fees		300	-
ASU Scholarships		1,000	200
Affiliation Fees – Unions WA		858	840
ALP Affiliation Fees		1,809	2,070
Sundries		300	-
		<u>4,267</u>	<u>3,110</u>
TOTAL EXPENDITURE		<u>1,924,589</u>	<u>1,996,420</u>
SURPLUS/(DEFICIT) FOR THE YEAR		<u>\$87,447</u>	<u>\$16,067</u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)**

**BALANCE SHEET
(STATEMENT OF FINANCIAL POSITION)
AS AT 30 JUNE 2005**

	NOTE	2005 \$	2004 \$
MEMBERS' FUNDS			
Accumulation Account	8	660,050	572,602
Capital Profit Reserve		61,293	61,293
Asset Revaluation Reserve		300,313	300,313
TOTAL MEMBERS' FUNDS		<u>1,021,656</u>	<u>934,208</u>
 CURRENT ASSETS			
Cash at Bank	3	10,402	(18,136)
Cash on Deposit	4	673,930	656,587
Subscriptions in arrears		55,027	67,455
Provision for Doubtful Debts		(3,704)	(5,152)
GST Credits		29,132	31,320
GST Control Account (2004 & Prior Years)		7,125	-
Other Debtors		1,717	7,075
TOTAL CURRENT ASSETS		<u>773,629</u>	<u>739,149</u>
 NON-CURRENT ASSETS			
Property, Plant and Equipment	5	709,515	673,567
TOTAL NON-CURRENT ASSETS		<u>709,515</u>	<u>673,567</u>
 TOTAL ASSETS		<u>1,483,144</u>	<u>1,412,716</u>

The accompanying notes form part of these financial statements.

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AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

BALANCE SHEET
(STATEMENT OF FINANCIAL POSITION)
AS AT 30 JUNE 2005 (Continued)

	NOTE	2005 \$	2004 \$
CURRENT LIABILITIES			
Sundry Creditors and Accruals		133,454	117,373
Provision for Long Service Leave		53,615	62,292
Provision for Annual Leave & Rostered Days Off		63,299	87,450
Provision for Sick Leave		10,000	10,000
GST Payable		39,968	45,855
Workers Compensation Assistance Fund		8,694	9,310
TOTAL CURRENT LIABILITIES		<u>309,030</u>	<u>332,280</u>
NON-CURRENT LIABILITIES			
Provision for Contingency	6	152,458	146,228
TOTAL NON-CURRENT LIABILITIES		<u>152,458</u>	<u>146,228</u>
TOTAL LIABILITIES		<u>461,488</u>	<u>478,508</u>
NET ASSETS		<u>1,021,656</u>	<u>934,208</u>

The accompanying notes form part of these financial statements.

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**AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2005**

	NOTE	2005 \$	2004 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Subscription and Other Income		1,982,232	1,879,738
Interest received		47,159	31,476
Payments to suppliers & employees		<u>(1,866,897)</u>	<u>(1,863,978)</u>
NET CASH INFLOWS FROM OPERATING ACTIVITIES	7(b)	<u>162,494</u>	<u>47,236</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant & Equipment		27,650	22,727
Payments for Property, Plant & Equipment		<u>(144,263)</u>	<u>(53,478)</u>
NET CASH OUTFLOWS FROM INVESTING ACTIVITIES		<u>(116,613)</u>	<u>(30,751)</u>
NET INCREASE/DECREASE IN CASH HELD		45,881	16,485
CASH AT BEGINNING OF THE FINANCIAL YEAR		<u>638,451</u>	<u>621,966</u>
CASH AT THE END OF THE FINANCIAL YEAR	7(a)	<u>684,332</u>	<u>638,451</u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the *Workplace Relations Act 1996*. The financial report is prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the Union in the preparation of the financial report:

a) Fixed Assets

Freehold land and buildings are brought to account at cost or at independent valuation.

The depreciable amount of buildings and building improvements are calculated on a straight line basis over the useful lives of the assets to the Union. The depreciation rates vary between 2.5% and 11.25%pa.

Office Equipment and Furniture are depreciated on a diminishing value method at a rate of 20%pa. Motor vehicles are depreciated on a diminishing value method at a rate of 15%pa.

The gain or loss on disposal of all fixed assets, including revalued assets, is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal and is included in operating profit before income tax of the company in the year of disposal. Any realised revaluation increment relating to the disposed asset which is included in the asset revaluation reserve is transferred to the asset realisation reserve.

b) Employee Entitlements

Annual Leave

The liability for annual leave is recognised and is measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Long Service Leave

In the case of Long Service Leave, the accrual has been measured by reference to periods of service and current salary rates as it is considered that this results in an amount not materially different to that achieved by discounting estimated future cash flows.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES cont....

b) Employee Entitlements cont...

Sick Leave

Sick leave entitlements are accumulated in a similar manner to annual leave entitlements but do not vest and are paid only upon a valid claim for sick leave by an employee. The liability for non-vesting accumulated sick leave is the component of the entitlements accumulated as at the reporting date that is expected to result in payments to the employees.

c) Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-15 of the Income Tax Assessment Act (1997).

d) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

e) Revenue

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

f) Receivables

All sundry debtors are recognised at the amounts receivables as they are due for settlement no more than 30 days. Collectibility of debtors is reviewed on an ongoing basis and a provision is made for debts where recoverability is doubtful.

g) Creditors and Accruals

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES cont....

h) Impact of Adoption of Australian Equivalents to International Financial Reporting Standards

The Union is preparing and managing the transition to Australian Equivalents to International Financial Reporting Standards (AIFRS) effective for the financial years commencing from 1 January 2005. The adoption of AIFRS will be reflected in the financial statements for the year ending 30 June 2006. On first time adoption to AIFRS, comparatives for the financial year ended 30 June 2005 are required to be re-stated. The majority of the AIFRS transitional adjustments will be made retrospectively against retained earnings at 1 July 2004.

The Union's management, with the assistance of external consultants, has assessed the significance of the expected changes and is preparing for their implementation. The impact of the alternative treatments and elections under AASB 1: First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been considered where applicable.

The Committee of Management is of the opinion that the key material difference in the entity's accounting policies on conversion to AIFRS and the financial effect of this difference is as follows. Users of the financial statements should note, however, that the amounts disclosed could change if there are any amendments by standard-setters to the current AIFRS or interpretation of the AIFRS requirements changes from the continuing work of the Union.

(i) Impairment of Assets

Under AASB 136: Impairment of Assets, the recoverable amount of an asset is determined as the higher of fair value less costs to sell and depreciated replacement value.

The Union has tested its assets for impairment and determined there is **no** impairment of any property, plant and equipment.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

NOTE 2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272, which read as follows:

- 272(1) *A member of a reporting unit, or a Registrar 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;*
- 272(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 be not less than 14 days after the application is given to the reporting unit;*
- 272(3) *A reporting unit must comply with an application made under subsection (1).*

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AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

NOTE 3. CASH AT BANK	2005	2004
	\$	\$
CBA Cheque Account	10,002	(18,436)
Petty Cash Float	400	400
TOTAL CASH AT BANK	<u>10,402</u>	<u>(18,136)</u>

NOTE 4. CASH ON DEPOSIT

Australian National Credit Union – Term Deposit	372,098	350,000
Australian National Credit Union – E Saver	2,117	56,579
Australian National Credit Union – Prime Access	-	8
Adelaide Bank – Money Market	268,119	250,000
Members Equity – 24 hr Call	31,596	-
TOTAL CASH ON DEPOSIT	<u>673,930</u>	<u>656,587</u>

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AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

NOTE 5. PROPERTY, PLANT, EQUIPMENT & MOTOR VEHICLES	2005	2004
	\$	\$
LAND AND BUILDINGS:		
Land – 102 East Pde, East Perth – at independent valuation	228,163	228,163
Buildings at cost	203,346	203,346
Less: Accumulated depreciation	(25,418)	(20,335)
	<u>177,928</u>	<u>183,011</u>
Building Improvements – 102 East Pde, East Perth – at cost	185,360	132,813
Less: Accumulated depreciation	(57,372)	(43,986)
	<u>127,988</u>	<u>88,827</u>
TOTAL LAND AND BUILDINGS	<u>534,079</u>	<u>500,001</u>
Motor Vehicles – at cost	154,134	178,483
Less: Accumulated depreciation	(45,414)	(51,631)
	<u>108,720</u>	<u>126,852</u>
Office Furniture – at cost	17,142	56,017
Less: Accumulated depreciation	(1,958)	(54,310)
	<u>15,184</u>	<u>1,707</u>
Office Equipment – at cost	204,864	197,540
Less: Accumulated depreciation	(153,332)	(152,533)
	<u>51,532</u>	<u>45,007</u>
TOTAL PROPERTY, PLANT, EQUIPMENT, MOTOR VEHICLES, LAND & BUILDINGS	<u>709,515</u>	<u>673,567</u>

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AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

**NOTE 5. PROPERTY, PLANT, EQUIPMENT & MOTOR VEHICLES
(Continued)**

RECONCILIATIONS

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

	Carrying Amount at 1/07/04	Additions	Disposals	Depreciation	Carrying Amount at 30/06/05
Land & Buildings	500,001	52,547	-	18,469	534,079
Furniture & Fittings	1,707	14,366	-	889	15,184
Office Equipment	45,007	22,548	498	15,525	51,532
Motor Vehicles	126,852	54,801	40,585	32,348	108,720
TOTAL	673,567	144,262	41,083	67,231	709,515

NOTE 6. PROVISION FOR CONTINGENCY	2005	2004
	\$	\$

The employment contracts of certain officers of the organization provide for the payment of compensation upon the loss of office in certain circumstances.

Opening Balance	146,228	111,218
Provision for Year	6,230	35,010
CLOSING BALANCE	152,458	146,228

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AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

NOTE 7. CASH FLOW INFORMATION	2005	2004
	\$	\$
(a) RECONCILIATION OF CASH		
Cash at Bank	10,002	(18,536)
Cash on Deposit	673,930	656,587
Cash on Hand		
Petty Cash Float	400	400
	684,332	638,451
(b) RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING SURPLUS		
Operating Surplus/(Deficit) for the year	87,447	16,224
<u>Non cash flows in Operating surplus</u>		
Depreciation	67,233	79,089
(Profit)/Loss from sale of fixed assets	13,433	6,103
Prior Year Adjustments	-	(43,574)
<u>Changes in Assets and Liabilities</u>		
Increase/(decrease) in provision for annual leave & RDOs	(24,151)	8,110
Increase/(decrease) in provision for contingencies	6,230	35,011
Increase/(decrease) in provision for long service leave	(8,677)	119
Increase/(decrease) in provision for Doubtful debts	(1,448)	(14,512)
Increase/(decrease) in Workers Comp. Assistance Fund	(616)	4,310
Increase/(decrease) in sundry creditors and accruals	16,081	(47,352)
(Increase)/decrease in other debtors	5,358	(5,550)
(Increase)/decrease in Subscriptions in Arrears	12,428	(1,909)
(Increase)/decrease in GST credit	2,188	2,474
(Increase)/decrease in GST Control Account	(7,125)	-
Increase/(decrease) in GST payable	(5,887)	(10,542)
(Increase)/decrease in Prepayments	-	847
(Increase)/decrease in Airline Funds Refundable	-	18,388
NET CASH PROVIDED BY OPERATING ACTIVITIES	162,494	47,236

NOTE 8. MEMBERS' FUNDS - ACCUMULATION ACCOUNT

Accumulation Account – 1 July 2004	572,603	556,535
Add Surplus/(Deficit) for the year	87,447	16,067
TOTAL OF ACCUMULATION ACCOUNT AS AT 30 JUNE 2005	660,050	572,602

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

NOTE 9. FINANCIAL INSTRUMENTS

a) Interest Rate Risk

The union's exposure to interest rate risk, which is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates, and the effective interest rates on those financial assets and financial liabilities is as follows:

30 June 2005	Floating Interest Rate	Fixed Interest	Non-Interest Bearing	Total
Financial Assets				
Cash and deposits	683,932	-	400	684,332
Debtors	-	-	1,717	1,717
	683,932	-	2,117	686,049
Weighted average interest rate	5.82%	-		
Financial Liabilities				
Trade and other creditors	-	-	129,898	129,898
NET FINANCIAL ASSETS / (LIABILITIES)	683,932	-	(127,781)	556,151
30 June 2004	Floating Interest Rate	Fixed Interest	Non-Interest Bearing	Total
Financial Assets				
Cash and deposits	656,587	-	(18,136)	638,451
Debtors	-	-	7,075	7,075
	656,587	-	(10,661)	645,526
Weighted average interest rate	5.40%	-		
Financial Liabilities				
Trade and other creditors	-	-	117,373	117,373
NET FINANCIAL ASSETS / (LIABILITIES)	656,587	-	(128,034)	528,153

b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, is the carrying amount of the financial assets as disclosed in the balance sheet and notes to the financial statements. The Union does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the union.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

NOTE 9. FINANCIAL INSTRUMENTS Continued

c) Net Fair Values

The assets and liabilities as disclosed in the balance sheet and notes to the financial statements approximate their carrying values.

No financial assets and liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of the financial assets and liabilities are disclosed in the balance sheet and in the notes to and forming part of the accounts.

d) Financing Arrangements

Unrestricted access was available at balance date to the following:

Bank Overdraft Facility	30 June 2005	30 June 2004
	\$	\$
Lines of Credit		
Bank Overdraft - facility	<u>- NIL -</u>	<u>- NIL -</u>

NOTE 10. RELATED PARTY TRANSACTIONS

a) Names of officers

The following persons have held office in the Union during the year:

Name	Office Held
David Taylor	Branch President
Barbara Inglis	Deputy Branch President (Resigned)
Angela Hartwig	Deputy Branch President (Appointed)
Paul Burlinson	Branch Secretary
Meredith Hammat	Assistant Branch Secretary
Ralph Bailey	Branch Treasurer
Carolyn Wall	Branch Vice President (Women)
Carlo Genovese	Branch Executive Councillor
Stan Barclay	Branch Executive Councillor
Bob Fallon	Branch Executive Councillor (Resigned)
Mudji Nielsen	Branch Executive Councillor
Michael Whitbread	Branch Executive Councillor (Resigned)
Gerald Upham	Branch Executive Councillor
Margaret Wyeth	Branch Executive Councillor (Resigned)
Wayne Wood	Branch Executive Councillor
Rosalind Murray	Branch Executive Councillor

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

NOTE 10. RELATED PARTY TRANSACTIONS Continued

Name	Office Held
Judith Durnin	Branch Executive Councillor
Geoff Angwin	Branch Executive Councillor
Patricia Richardson	Branch Executive Councillor
Donald Dowling	Branch Executive Councillor (Appointed)

b) Remuneration of officers

The aggregate amount of remuneration paid to officers during the year is disclosed in the Income and Expenditure Statement under Salaries of the Office Holders.

The numbers of officers whose total income was within the specified bands are as follows:

\$	30 June 2005 Numbers	30 June 2004 Numbers
70,000 – 79,999	1	1
80,000 – 89,999	0	1
90,000 – 99,999	1	0

c) Other transactions

There were no other transactions between the officers and the Union other than those relating to their membership in the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those, which it is reasonable to expect, would have been adopted by parties at arm's length.

NOTE 11. CAPITAL COMMITMENTS

At the date of signing this report there are no known outstanding capital commitments.

NOTE 12. CONTINGENT LIABILITIES

At the date of signing this report there are no known contingent liabilities.

NOTE 13. GEOGRAPHICAL LOCATIONS

The Union operates from 102 East Parade, East Perth in the State of Western Australia.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

NOTE 14. EMPLOYEE NUMBERS

\$	30/06/05 Number	30/06/04 Number
Number of employees at the end of financial year	<u>19</u>	<u>19</u>

NOTE 15. POST BALANCE DATE EVENTS

At the date of signing this report there are no known post balance date events.

***** END OF NOTES TO FINANCIAL STATEMENTS *****