



FAIR WORK
AUSTRALIA

12 January 2012

Mr Wayne Wood
Secretary

Australian Municipal, Administrative, Clerical and Services Union, Western Australian Branch

email: branch.secretary@asuwa.org

Dear Mr Wood

Re: Financial Report for the Australian Municipal, Administrative, Clerical and Services Union, Western Australian Branch for year ended 30 June 2011 – FR2011/2738

I acknowledge receipt of the revised designated officer's certificate lodged in response to correspondence of Fair Work Australia (FWA) dated 5 January 2012. The certificate was lodged with FWA on 10 January 2012.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

If you wish to discuss any matter regarding the above report I can be contacted on (03) 8661 7764.

Yours sincerely

Kevin Donnellan

Organisations, Research and Advice

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER
Section 268 *Fair Work (Registered Organisations) Act 2009*

I, **Wayne Wood** being the *Branch Secretary* of the *Western Australian Branch of the Australian Services Union* certify:

- that the documents lodged herewith are copies of the full report, referred to in section 268 of the *Fair Work (Registered Organisation) Act 2009*;
- that the full report in respect of the financial year ended 30th June 2011, was provided to members on 11th November 2011; and
- that the full report was presented to a general meeting of members of the Australian Municipal, Administrative, Clerical and Services Union, Western Australian Branch on 13th December 2011, in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature: _____

Wayne Wood

Dated this

9

day of

JANUARY

201*2*



FAIR WORK
AUSTRALIA

5 January 2012

Mr W. Wood
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union
Western Australian Branch

Email: branch.secretary@asuwa.org

Dear Mr Wood

Financial report for the Australian Municipal, Administrative, Clerical and Services Union - Western Australian Branch for the year ended 30 June 2011 (FR2011/2738)

I acknowledge receipt of the financial report of the Australian Municipal, Administrative, Clerical and Services Union -Western Australian Branch for the year ended 30 June 2011. The documents were lodged with Fair Work Australia on 19 December 2011.

I direct your attention to the following comments concerning the above report and the financial reporting obligations under the Fair Work (Registered Organisations) Act 2009 'the RO Act'. Please note that these matters are generally advised for assistance in the preparation of future financial reports. With the exception to item 1 no further action is required in respect of the subject documents.

1. Designated Officer's Certificate

I note that no Designated Officer's Certificate has been lodged.

Section 268 of the RO Act requires a certificate by a prescribed designated officer [see definition – regulation 162 of the Fair Work (Registered Organisations) Regulations 2009 'the RO Regulations'] that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266. The dates that the financial reports were supplied to members and presented to a meeting should be provided.

A Designated Officer's Certificate providing the above information should be lodged.

2. Committee of Management Statement

The reference to the 'Industrial Registrar' in paragraph (b) and to 'Registrar' in paragraph (e)(v) should read 'General Manager of Fair Work Australia'

The reference to 'Commission' in paragraph (e)(vi) should read 'Fair Work Australia'.

Paragraph (e)(iii) should also refer to the Fair Work (Registered Organisations) Regulations 2009.

3. Note 21

The reference to 'Registrar' in the heading and also in the second paragraph should read 'General Manager of Fair Work Australia'.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at larry.powell@fwa.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. Powell'.

Larry Powell
Organisations, Research and Advice

Australian Services Union
Western Australian Branch

102 East Parade,
East Perth 6004.
P.O. Box 8208,
Perth Business Centre,
Perth WA 6849.

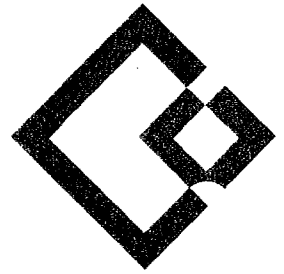
Tel: (08) 9427 7777
Fax: (08) 9427 7700
Country
Callers: 1800 064 657

branch.secretary@asuwa.org
www.asuwa.org

Branch Secretary
Wayne Wood

Assistant Branch Secretary
Pat Branson

14th December 2011



A•S•U

The Registrar
Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001



Dear Registrar

Please find attached the General Purpose Financial Report for the Australian Municipal, Administrative, Clerical and Services Union, Western Australian Branch, for the financial year ended 30th June 2011.

If I can be of any further assistance, please do not hesitate to contact me on either (08) 9427 7733 or 0412 947 052.

Yours sincerely

Wayne Wood
BRANCH SECRETARY

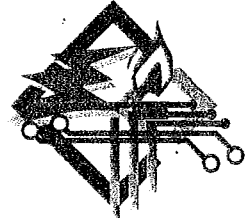
cc. Paul Slape, ASU National Secretary



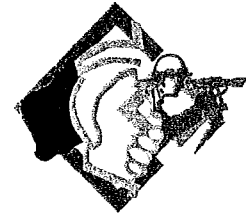
ACCS



ASU / ME



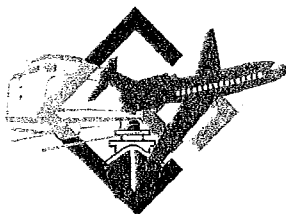
ENERGY / IT



LOCAL GOVT



SACS



TRANSPORT

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

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011**

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE AUSTRALIAN SERVICES UNION
WESTERN AUSTRALIAN BRANCH**

Suite 4, 1st Floor
63 Shepperton Road
Victoria Park
Western Australia 6100
Telephone: (08) 9362 5855
Facsimile: (08) 9362 5186
Email: htg@htgbdc.com
Website: www.htgbdc.com
ABN: 78 607 011 001
PO Box 199
Victoria Park
Western Australia 6979

Report on the Financial Report

We have audited the accompanying financial report of the Australian Services Union, Western Australian Branch, which comprises the Statement of Financial Position as at 30 June 2011 and the Statement of Comprehensive Income, Statement of Changes in Members' Funds and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Committee of Management Statement, for the year ended 30 June 2011.

Committee's Responsibility for the Financial Report

The Committee of Management of the Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

Independence

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

**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,
FTIA
Registered Company Auditor*

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

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

Hewitt Turner & Gelevitis
is a CPA Practice



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Standards Legislation

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE AUSTRALIAN SERVICES UNION
WESTERN AUSTRALIAN BRANCH (continued)**

Audit Opinion

In our opinion, the general purpose financial report of the Australian Services Union, Western Australian Branch, is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by the Fair Work (Registered Organisations) Act 2009.

Signed at Perth this 12th day of September, 2011.

**HEWITT TURNER & GELEVITIS
AUDIT ASSURANCE DIVISION**

**TIMOTHY TURNER
REGISTERED COMPANY AUDITOR**

**HEWITT
TURNER &
GELEVITIS**



AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

STATEMENT OF RECOVERY OF WAGES

Based on representations made to us by our client and our audit work undertaken for the year ended 30 June 2011, it appears that there was no recovery of wages activity for the Australian Services Union, Western Australian Branch, for the year then ended.

Signed at *Perth* this *12th* day of *September*, 2011.

HEWITT

TURNER &

GELEVITIS





TIMOTHY TURNER
REGISTERED COMPANY AUDITOR

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2011

Your committee members submit the financial report of the Australian Services Union, Western Australian Branch, for the financial year ended 30 June 2011.

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 Union's principal activities during the financial year.

Results of Principal Activities

The Australian Services Union, Western Australian Branch Unions principal activities resulted in a loss for the financial year of \$40,263 (2010: \$79,550 profit).

The principal activity of the Australian Services Union Western Australia Branch during the financial year was the provision of industrial services to members. These industrial services included but were not limited to:

- Advice and assistance to members relating to the terms and conditions of their employment and in relation to occupational health and safety.
- Assistance with the resolution of membership grievances within the workplace and, where necessary, through industrial tribunals at both the State and Federal level.
- Establishment and maintenance of industrial awards setting minimum terms and conditions of employment for members.
- Representing members in bargaining at the workplace level and the negotiation of enterprise agreements covering members and other employees lodged for approval in state and federal industrial tribunals.
- Representing members unfairly dismissed or otherwise adversely affected in their employment.
- Providing advice to members about trends and developments in industrial legislation affecting their employment rights.

In particular, over the reporting period, the Branch was involved in:

- The establishment of modern federal awards covering members.
- On going discussions and activities relating to the future of the WA industrial relations system.
- Enterprise bargaining, for example at Western Power.

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2011 (continued)

Results of Principal Activities (continued)

Other than the normal evolution of industrial activities in response to changing industrial relations environments, including changing legislation, there have been no significant changes to the activities of the Branch during the reporting period.

The results of the Branch's activities over the reporting period have been positive for members. The Branch has been involved in resolving workplace issues for many members, including in formal dispute resolution processes. The Branch has engaged with members in numerous enterprise bargaining campaigns resulting in the making of new enterprise agreements delivering protection of existing terms and conditions and improving those terms and conditions where possible, including through increased wages and salaries. The Branch has been involved in the federal award modernisation process and has worked to ensure that the terms and conditions of members to be employed under modern awards were no less favourable than under the pre-existing awards.

Significant Changes in the Union's 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.

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2011 (continued)

The Rights of Members to Resign (continued)

- 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 during the year:

Jeffrey Williams, Branch President, is a Director of the Trustee Company of Westscheme Superannuation;

Kevin Sim, Branch Councillor is a Director of the trustee Company of WA Local Government Superannuation Plan.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2011
(Continued)

Prescribed Information Required under the Fair Work (Registered Organisations) Act 2009.

- a) the number of persons that were recorded in the register of members on 30 June 2011 was 5,427 (2010: 5,351);
- b) the number of persons who were employees of the reporting unit on 30 June 2011 was 19 (2010: 17), 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
Paul O'Neill	Branch President
Patricia Richardson	Deputy Branch President
Wayne Wood	Branch Secretary
Pat Branson	Assistant Branch Secretary
Nigel Rainford	Branch Treasurer
Kate Davis	Branch Vice President (Women)
Rob Bates	Branch Executive Councillor
Stephen Arnold	Branch Executive Councillor
Michael Dentrinos	Branch Executive Councillor
Nerida Edgar	Branch Executive Councillor
Greg Godfrey	Branch Executive Councillor
Keith Armstrong	Branch Executive Councillor
Darcy Buckle	Branch Executive Councillor
Luba Kambourakis	Branch Executive Councillor
Sanna Andrew	Branch Executive Councillor
Dianna Coyne	Branch Executive Councillor

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2011

(Continued)

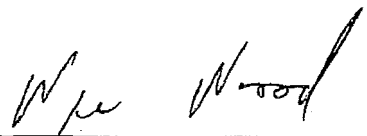
Prescribed Information Required under the Fair Work (Registered Organisations) Act 2009 (continued)

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

Paul O'Neill	Branch Executive Councillor (Resigned) 31/08/2010
Paul O'Neill	Branch President (Appointed) 31/08/2010
Jeffrey Williams	Branch President (Resigned) 31/08/2010
Jeffrey Williams	Branch Executive Councillor (Appointed) 31/08/2010
Jeffrey Williams	Branch Executive Councillor (Resigned) 06/04/2011
Carolyn Wall	Branch Executive Councillor (Resigned) 06/04/2011
Angela Hartwig	Branch Executive Councillor (Resigned) 06/04/2011
Carlo Genovese	Branch Executive Councillor (Resigned) 06/04/2011
Mudji Neilsen	Branch Executive Councillor (Resigned) 06/04/2011
Mark Attwood	Branch Executive Councillor (Resigned) 06/04/2011
Rob Bates	Branch Executive Councillor (Appointed) 06/04/2011
Michael Dentrinos	Branch Executive Councillor (Appointed) 06/04/2011
Nerida Edgar	Branch Executive Councillor (Appointed) 06/04/2011
Greg Godfrey	Branch Executive Councillor (Appointed) 06/04/2011
Luba Kambourakis	Branch Executive Councillor (Appointed) 06/04/2011
Dianna Coyne	Branch Executive Councillor (Appointed) 06/04/2011

Wayne Wood
Name

Branch Secretary
Title


Signature

1/9/11
Date

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

COMMITTEE OF MANAGEMENT STATEMENT

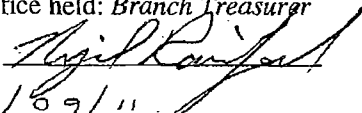
On 23rd August 2011 the Branch Executive Council of The Western Australian Branch of *Australian Services Union* passed the following resolution in relation to the *General Purpose Financial Report (GPFR)* of the reporting unit for the financial year ended 30 June 2011:

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 *Fair Work (Registered Organisations) Act 2009*; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, 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 *Fair Work (Registered Organisations) Act 2009* during the period; and
 - (vi) no orders have been made by the Commission for inspection of financial records under section 273 of the *Fair Work (Registered Organisations) Act 2009* during the period.

For Committee of Management: *Nigel Rainford*

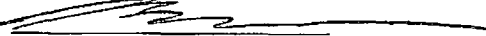
Title of Office held: *Branch Treasurer*

Signature: 

Date: 01/09/11

For Committee of Management: *Paul O'Neill*

Title of Office held: *Branch President*

Signature: 

Date: 01/09/11

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	NOTE	2011 \$	2010 \$
REVENUE	2	2,486,569	2,204,631
Administration Expenditure	3	(256,795)	(179,338)
Staffing Costs	4	(1,832,859)	(1,547,831)
Organising Expenses		(138,742)	(114,575)
Other Expenses	5	(298,436)	(283,337)
TOTAL EXPENDITURE		<u>2,526,832</u>	<u>2,125,081</u>
PROFIT/(LOSS) FOR THE YEAR		(40,263)	79,550
OTHER COMPREHENSIVE INCOME			
Net gain on revaluation of land and buildings		<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTED TO MEMBERS OF THE UNION		<u>(40,263)</u>	<u>79,550</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	NOTE	2011 \$	2010 \$
MEMBERS' FUNDS			
Retained Earnings		905,318	945,581
Asset Revaluation Reserve		1,178,636	1,178,636
TOTAL MEMBERS' FUNDS		<u>2,083,954</u>	<u>2,124,217</u>
CURRENT ASSETS			
Cash & Cash Equivalents	6	951,312	962,157
Trade & Other Receivables	7	48,153	6,438
TOTAL CURRENT ASSETS		<u>999,465</u>	<u>968,595</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	8	1,497,382	1,527,331
TOTAL NON-CURRENT ASSETS		<u>1,497,382</u>	<u>1,527,331</u>
TOTAL ASSETS		<u>2,496,847</u>	<u>2,495,926</u>
CURRENT LIABILITIES			
Trade & Other Payables	9	193,392	184,762
Provisions	10	219,501	186,947
TOTAL CURRENT LIABILITIES		<u>412,893</u>	<u>371,709</u>
TOTAL LIABILITIES		<u>412,893</u>	<u>371,709</u>
NET ASSETS		<u>2,083,954</u>	<u>2,124,217</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SERVICES UNION**(WESTERN AUSTRALIAN BRANCH)****STATEMENT OF CHANGES IN MEMBERS' FUNDS
FOR THE YEAR ENDED 30 JUNE 2011**

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
BALANCE AS AT 1 JULY 2009	866,031	1,178,636	2,044,667
Profit attributable to members	79,550	-	79,550
Other comprehensive income	-	-	-
- Net gain on revaluation of land and buildings	-	-	-
Total comprehensive income for the year	79,550	-	79,550
BALANCE AS AT 30 JUNE 2010	945,581	1,178,636	2,124,217
Loss attributable to members	(40,263)	-	(40,263)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
BALANCE AS AT 30 JUNE 2011	905,318	1,178,636	2,083,954

The accompanying notes form part of these financial statements.

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	NOTE	2011 \$	2010 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and others		2,413,584	2,185,641
Interest received		57,287	58,972
Payments to suppliers & employees		<u>(2,440,462)</u>	<u>(2,047,411)</u>
NET CASH INFLOWS FROM OPERATING ACTIVITIES	11	<u>30,409</u>	<u>197,202</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant & Equipment		17,832	30,408
Payments for Property, Plant & Equipment		<u>(59,086)</u>	<u>(103,179)</u>
NET CASH OUTFLOWS FROM INVESTING ACTIVITIES		<u>(41,254)</u>	<u>(72,771)</u>
NET INCREASE / (DECREASE) IN CASH HELD		(10,845)	124,431
CASH AT BEGINNING OF THE FINANCIAL YEAR		<u>962,157</u>	<u>837,726</u>
CASH AT THE END OF THE FINANCIAL YEAR	6	<u>951,312</u>	<u>962,157</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is for the Australian Services Union, Western Australia Branch, an organisation registered under the Fair Work (Registered Organisations) Act 2009. In accordance with this Act, the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the State Branch are not subject to the Corporations Act 2001.

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

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (AASBs), (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Fair Work (Registered Organisations) Act 2009*.

The financial report of the Union complies with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial report is presented in Australian dollars, which is the Union's functional currency.

Accounting Policies

a) Property, plant and equipment

Each class of property, plant & equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Freehold land and buildings are shown at their fair value (being an amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction) based on periodic, but at least triennial valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Property, plant and equipment (continued)

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 22.52%pa.

Office Equipment and Furniture are measured at cost less depreciation and impairment losses 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 18.75% and 25% pa.

The carrying amount of property, plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount. The recoverable amount is determined as the depreciable replacement cost of the asset.

Increases in the carrying amount arising on revaluation of land & buildings are credited to a revaluation reserve in members' equity. Decreases that effect previous increases of the same class of asset are charged against fair value reserves in equity, all other decreases are charged to the income statement.

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 accumulation account.

b) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the Union, to employees' superannuation funds and are charged as expenses when incurred.

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).

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(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Cash

For the purposes of the Cash Flow Statement, cash includes cash on hand and deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

e) Revenue

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

Members' contribution revenue is recognised upon the delivery of the service to the members.

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

f) Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 balance sheet are shown inclusive of GST.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Trade date accounting is adopted for financial assets that are delivered within timeframes established by market place convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the profit or loss.

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

(ii) 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 using the effective interest rate method.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed determinable payments.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial Instruments (continued)

(iv) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(v) Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Union assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

h) Impairment of Assets

At each reporting date, the Union reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash inflows and then the Union would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the Union estimates the recoverable amount of the cash generating unit to which the class of assets belong.

i) Comparative Figures

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011 (Continued)

j) Critical Accounting Estimates and Judgements Policy

The Union evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtain both externally and within the Union.

Key Estimates - Impairment

The Union assesses impairment at each reporting date by evaluating conditions specific to the Union that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgements – Provision for Impairment

A provision of \$433 has been made based on a review of outstanding Union Dues as at 30 June 2011 (2010: \$407).

k) New Accounting Standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Union has decided not to early adopt. A discussion of those future requirements and their impact on the Union is as follows:-

- AASB 9: Financial Instruments (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Union has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and

AUSTRALIAN SERVICES UNION

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011 (Continued)

k) New Accounting Standards for application in future periods (continued)

- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.
- AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard removes the requirement for government related entities to disclose details of all transactions with the government and other government related entities, and clarifies the definition of a 'related party' to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the Union.

- AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129, & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the Union is not-for-profit private sector entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the Union will take advantage of Tier 2 reporting at a later date.

- AASB 2009-12: Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgement in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the Union.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011 (Continued)

k) New Accounting Standards for application in future periods (continued)

- AASB 2009-14: Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan. This Standard is not expected to impact the Union.

- AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard details numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;
- amending AASB 7 to add an explicit statement that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;
- amending AASB 101 clarify that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and
- adding sundry editorial amendments to various Standards and Interpretations.

This standard is not expected to impact the Union.

- AASB 2010-5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011 (continued)

k) New Accounting Standards for application in future periods (continued)

- AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfer of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the Union.

- AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19, & 127] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9.

As noted above, the Union has not yet determined any potential impact on the financial statements from adopting AASB 9.

- AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to period beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes.

The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. The presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments brought in by this Standard also incorporate Interpretation 121 into AASB 112.

The amendments are not expected to impact the Union.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011 (continued)

k) New Accounting Standards for application in future periods (continued)

- AASB 2010-9: Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1] (applies to periods beginning on or after 1 July 2011.)

This Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards.

The amendments brought in by this Standard provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.

Furthermore, the amendments brought in by this Standard also provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.

This Standard is not expected to impact the Union.

- AASB 2010-10: Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9; and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

The amendments brought in by this Standard ultimately affect AASB 1: First-time Adoption of Australian Accounting Standards and provide relief for first-time adopters from having to reconstruct transactions that occurred before their transition date.

[The amendments to AASB 2009-11 will only affect early adopters of AASB 2009-11 (and AASB 9: Financial Instruments that was issued in December 2009) as it has been superseded by AASB 2010-7].

This Standard is not expected to impact the Union.

AUSTRALIAN SERVICES UNION

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (continued)**

NOTE 2: REVENUE

	2011	2010
	\$	\$
Interest Received	57,287	58,972
Members Subscriptions	2,318,236	2,122,363
Sundry Income	105,089	14,488
Staff Contributions to Motor Vehicles	3,552	3,404
Profit on sale of Fixed Assets	2,405	5,404
TOTAL REVENUE	<u>2,486,569</u>	<u>2,204,631</u>

NOTE 3: ADMINISTRATION EXPENDITURE

	2011	2010
	\$	\$
Capitation to National Office	149,472	128,210
Affiliation Fees – Unions WA	21,901	19,222
BCOM Honoraria	4,821	4,805
Legal Fees & Retainer	68,366	24,215
Airline Levy to National Office	2,880	2,886
Contribution Levy to National Office	3,259	-
IR Campaign	6,096	-
TOTAL	<u>256,795</u>	<u>179,338</u>

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (Continued)**

NOTE 4: STAFFING COSTS

	2011	2010
	\$	\$
Recruitment	20,163	8,315
Fringe Benefits Tax	2,103	1,734
Payroll Tax	47,978	34,346
Superannuation	181,336	164,098
Annual Leave and RDO Provision	409	31,519
Long Service Leave Provision	32,147	24,333
Salaries and Allowances – Staff	1,221,161	1,014,974
Salaries and Allowances – Officials	212,468	202,350
Recoup of Employee Costs	(649)	(5,059)
Insurance - Workers Compensation	9,014	11,080
Staff Training & Amenities	8,820	7,434
Staff Allowances, Travel & Accommodation	67,651	51,447
Temporary Work	30,132	1,260
Uniforms	126	-
TOTAL	<u>1,832,859</u>	<u>1,547,831</u>

NOTE 5: OTHER EXPENSES

	2011	2010
	\$	\$
Remuneration of the auditor		
- Auditing or reviewing the financial report	7,045	6,500
Depreciation		
- Buildings & Improvements	19,969	19,573
- Office Furniture & Equipment	18,085	21,826
- Motor Vehicle	35,553	22,814
Doubtful Debts Expense	27	(1,465)
Loss on Sale of Asset	-	3,651
Provision for Contingency	-	-
IT Expenses	29,707	47,711

AUSTRALIAN SERVICES UNION

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (Continued)**

NOTE 6 - CASH & CASH EQUIVALENTS	2011	2010
	\$	\$
CBA Cheque Account	21,688	11,239
Petty Cash Float	400	400
Bendigo – Term Deposit	717,737	680,493
Adelaide Bank – Money Market	744	743
Members Equity – 24 hr Call	210,743	269,282
TOTAL CASH & CASH EQUIVALENTS	<u>951,312</u>	<u>962,157</u>

NOTE 7 - TRADE & OTHER RECEIVABLES	Note	2011	2010
		\$	\$
Subscriptions in Arrears		38,022	3,622
Less Provision for Impairment of Receivables	7 (i)	(434)	(407)
Other Debtors		10,565	3,223
TOTAL TRADE & OTHER RECEIVABLES		<u>48,153</u>	<u>6,438</u>

- (i) Provision for Impairment of Receivables
Current receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual receivable is impaired. These amounts have been included in Other Expenses.

Movement in the Provision of Impairment of Receivables is as follows:

2011	Opening Balance	Net Movement	Closing Balance
Current Trade Receivables	407	27	434
2010	Opening Balance	Net Movement	Closing Balance
Current Trade Receivables	2,019	(1,612)	407

There are no balances within trade receivables that contain assets that are not impaired and are past due. It is expected that these balances will be received when due.

AUSTRALIAN SERVICES UNION

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011 (Continued)

NOTE 8 - PROPERTY, PLANT, EQUIPMENT & MOTOR VEHICLES

	2011	2010
	\$	\$
LAND AND BUILDINGS		
Land – 102 East Pde, East Perth – at independent valuation	690,000	690,000
Buildings and Improvements – at independent valuation	699,593	699,593
Buildings and Improvements – at cost	22,543	18,343
Less: Accumulated depreciation	<u>(62,683)</u>	<u>(42,714)</u>
	<u>659,453</u>	<u>675,222</u>
TOTAL LAND AND BUILDINGS	1,349,453	1,365,222
Motor Vehicles – at cost	156,483	148,292
Less: Accumulated depreciation	<u>(45,428)</u>	<u>(36,198)</u>
	<u>111,055</u>	<u>112,094</u>
Office Furniture – at cost	19,785	18,890
Less: Accumulated depreciation	<u>(16,855)</u>	<u>(15,887)</u>
	<u>2,930</u>	<u>3,003</u>
Office Equipment – at cost	208,304	204,255
Less: Accumulated depreciation	<u>(174,360)</u>	<u>(157,243)</u>
	<u>33,944</u>	<u>47,012</u>
TOTAL PLANT & EQUIPMENT	147,929	162,109
TOTAL PROPERTY, PLANT & EQUIPMENT	<u>1,497,382</u>	<u>1,527,331</u>

The land and buildings were re-valued at 30 June 2009 by independent valuation conducted by Valuers Valuations WA on 11 August 2009. The valuation has been prepared in accordance with the Australian Property Institute's Standard Report content. The revaluation surplus was credited to an asset revaluation reserve in members' equity.

AUSTRALIAN SERVICES UNION

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (Continued)**

NOTE 8 - PROPERTY, PLANT, EQUIPMENT & MOTOR VEHICLES (Continued)

MOVEMENTS IN CARRYING AMOUNTS

Movement in the carrying amount of each class of property, plant & equipment between the beginning and the end of the current financial year:

Year ended 30 June 2011

	Freehold Land	Buildings	Office Furniture	Office Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$
Balance at the beginning of the year	690,000	675,222	3,003	47,012	112,094	1,527,331
Additions	-	4,200	895	4,049	49,941	59,085
Disposals	-	-	-	-	(15,427)	(15,427)
Revaluation increments/ (decrements)	-	-	-	-	-	-
Depreciation expense	-	(19,969)	(968)	(17,117)	(35,553)	(73,607)
Carrying amount at the end of the year	690,000	659,453	2,930	33,944	111,055	1,497,382

Year ended 30 June 2010

	Freehold Land	Buildings	Office Furniture	Office Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$
Balance at the beginning of the year	440,000	686,860	4,291	40,960	94,910	1,517,021
Additions	-	7,935	-	30,241	65,003	103,179
Disposals	-	-	-	(3,653)	(25,005)	(28,658)
Revaluation increments/ (decrements)	250,000	-	-	-	-	-
Depreciation expense	-	(19,573)	(1,288)	(20,536)	(22,814)	(64,211)
Carrying amount at the end of the year	690,000	675,222	3,003	47,012	112,094	1,527,331

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (Continued)**

NOTE 9 - TRADE & OTHER PAYABLES	2011	2010
	\$	\$
Income received in advance	26,148	26,404
Group Taxes	26,854	20,856
Trade Creditors	78,031	61,032
Accruals	18,032	34,148
Staff Assistance Fund	10,000	10,000
Net GST Payable	25,633	23,628
Workers Compensation Assistance Fund	8,694	8,694
TOTAL TRADE & OTHER PAYABLES	<u>193,392</u>	<u>184,762</u>

NOTE 10 – PROVISIONS	Note	2011	2010
		\$	\$
<u>CURRENT</u>			
Provision for Long Service Leave		101,331	69,185
Provision for Annual Leave & Rostered Days Off		108,170	107,762
Provision for Sick Leave		10,000	10,000
TOTAL		<u>219,501</u>	<u>186,947</u>

Movements in Provisions – Office Holders

	LSL	AL / RDO	Sick Leave	Total
Opening Balance at 1 July 2010	18,263	19,096	800	38,159
Provision for the year	4,870	2,715	-	7,585
Closing Balance at 30 June 2011	<u>23,133</u>	<u>21,811</u>	<u>800</u>	<u>45,744</u>

Movements in Provisions – Other Employees

	LSL	AL / RDO	Sick Leave	Total
Opening Balance at 1 July 2010	50,922	88,666	9,200	148,788
Provision for the year	27,276	(2,307)	-	24,969
Closing Balance at 30 June 2011	<u>78,198</u>	<u>86,359</u>	<u>9,200</u>	<u>173,757</u>

TOTAL CLOSING BALANCE OF PROVISION AT 30 JUNE 2011	<u>101,331</u>	<u>108,170</u>	<u>10,000</u>	<u>219,501</u>
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AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (continued)**

**NOTE 11 - RECONCILIATION OF NET CASH PROVIDED BY OPERATING
ACTIVITIES TO OPERATING SURPLUS**

	2011	2010
	\$	\$
Operating Surplus (Deficit) for the year	(40,263)	79,550
<u>Non cash flows in Operating surplus</u>		
Depreciation	73,608	64,213
(Profit) from sale of fixed assets	(2,405)	(5,404)
Loss from sale of fixed assets	-	3,651
<u>Changes in Assets and Liabilities</u>		
Increase/(decrease) in provision for annual leave & RDOs	406	31,521
Increase/(decrease) in provision for contingencies	-	-
Increase/(decrease) in provision for long service leave	32,147	24,332
Increase/(decrease) in provision for Impairment of Receivables	27	(1,612)
Increase/(decrease) in sundry creditors and accruals	6,883	(43,026)
(Increase)/decrease in other debtors	(7,342)	4,485
(Increase)/decrease in Subscriptions in Arrears	(34,400)	9,093
(Increase)/decrease in GST credit	3,977	(3,647)
Increase/(decrease) in GST payable	(1,973)	7,642
(Increase)/decrease in Prepayments	-	-
Increase/(decrease) in income received in advance	(256)	26,404
NET CASH PROVIDED BY OPERATING ACTIVITIES	30,409	197,202

CASH FLOWS BETWEEN OTHER BRANCHES/OFFICES OF THE UNION

	2011	2011
	Payments Made	Payments Received
	\$	\$
ASU National Office	162,885	25,552
ASU – National Office – Airline Division	2,880	1,656
ASU Queensland Branch	-	20,000
NSW United Services	-	20,000
Victorian Authorities Branch	-	20,000
TOTAL	165,765	87,208

AUSTRALIAN SERVICES UNION

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011 (continued)

NOTE 12 - RESERVES

The asset revaluation reserve records revaluations of property, plant and equipment.

NOTE 13 - FINANCIAL INSTRUMENTS

a) Financial Risk Management

The Union's financial instruments consist mainly of cash held with the bank, deposits with banks, short-term investments and accounts receivable and payable.

The main purpose of non-derivative financial instruments is to raise finance for the Union.

The Union does not have any derivative instruments as at 30 June 2011.

Financial Risks

The main risks the union is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

i. Foreign Currency Risk

The Union is not exposed to fluctuations in foreign currencies.

ii. Liquidity Risk

The Union manages liquidity risk by monitoring forecast cash flows.

iii. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provision for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

iv. Price Risk

The Union is not exposed to any material commodity price risk.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (continued)**

NOTE 13 - FINANCIAL INSTRUMENTS (continued)

b) 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:

	Floating Interest Rate	Fixed Interest	Non- Interest Bearing	Total
30 June 2011				
Financial Assets	-	-	-	-
Cash & Cash Equivalents	950,912	-	400	951,312
Trade & Other Receivables	-	-	10,565	10,565
	<hr/>	<hr/>	<hr/>	<hr/>
	950,912	-	10,965	961,877
 Weighted average interest rate	 6.02%			
 Financial Liabilities				
Trade & Sundry Payables	-	-	96,063	96,063
NET FINANCIAL ASSETS / (LIABILITIES)	<hr/> 950,912	<hr/> -	<hr/> (85,098)	<hr/> 865,814
 30 June 2010				
Financial Assets				
Cash & Cash Equivalents	961,757	-	400	962,157
Trade & Other Receivables	-	-	3,223	3,223
	<hr/>	<hr/>	<hr/>	<hr/>
	961,757	-	3,623	965,380
 Weighted average interest rate	 5.04%	 -		
 Financial Liabilities				
Trade & Sundry Payables	-	-	95,180	95,180
NET FINANCIAL ASSETS / (LIABILITIES)	<hr/> 961,757	<hr/> -	<hr/> (91,557)	<hr/> 870,200

Trade Payables are expected to be settled within six months.

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.

AUSTRALIAN SERVICES UNION

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (continued)**

NOTE 13 - FINANCIAL INSTRUMENTS (continued)

d) Financing Arrangements

Unrestricted access was available at balance date to the following:

Bank Overdraft Facility	30 June 2011	30 June 2010
	\$	\$
Lines of Credit		
Bank Overdraft - facility	<u>- NIL -</u>	<u>- NIL -</u>

e) Trade and Other Receivables

The credit risk for counterparties included in trade and other receivables at 30 June 2010 is detailed below:

Trade and other receivables

	2011	2010
	\$	\$
Credit risk (continued)		
AA rated counterparties	-	-
B rated counterparties	10,565	3,223
Counterparties not rated	37,588	3,215
Total	<u>48,153</u>	<u>6,438</u>

Credit risk for derivative financial instruments arises from the potential failure by counter-parties to the contract to meet their obligations.

The union does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the union.

f) Interest Rate Sensitivity Analysis

As 30 June 2011, the effect on loss and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Higher / (Lower)	Higher / (Lower)
	2011	2010
	\$	\$
Change in profit / (loss)		
- Increase in interest rate by 2%	19,018	19,235
- Decrease in interest rate by 2%	(19,018)	(19,235)
Change in Members' Funds		
- Increase in interest rate by 2%	19,018	19,235
- Decrease in interest rate by 2%	(19,018)	(19,235)

The movements in profit are due to higher / lower interest revenue from cash balances.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (continued)**

NOTE 14 - RELATED PARTY TRANSACTIONS

a) Names of officers

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

Name	Title of Officer
Jeffrey Williams	Branch President (Resigned)
Paul O'Neill	Branch President (Appointed)
Patricia Richardson	Deputy Branch President
Wayne Wood	Branch Secretary
Pat Branson	Assistant Branch Secretary
Nigel Rainford	Branch Treasurer
Kate Davis	Branch Vice President (Women)
Carolyn Wall	Branch Executive Councillor (Resigned)
Angela Hartwig	Branch Executive Councillor (Resigned)
Carlo Genovese	Branch Executive Councillor (Resigned)
Mudji Nielsen	Branch Executive Councillor (Resigned)
Darcy Buckle	Branch Executive Councillor
Paul O'Neill	Branch Executive Councillor
Stephen Arnold	Branch Executive Councillor
Mark Attwood	Branch Executive Councillor (Resigned)
Sanna Andrew	Branch Executive Councillor
Keith Armstrong	Branch Executive Councillor
Jeffrey Williams	Branch Executive Councillor (Appointed)
Rob Bates	Branch Executive Councillor (Appointed)
Michael Dentrinos	Branch Executive Councillor (Appointed)
Nerida Edgar	Branch Executive Councillor (Appointed)
Greg Godfrey	Branch Executive Councillor (Appointed)
Luba Kambourakis	Branch Executive Councillor (Appointed)
Dianna Coyne	Branch Executive Councillor (Appointed)

b) Key Management Personnel Remuneration

	Short Term Benefits	Post Employment	Other Term Benefits	Long Term Benefits	Termination Benefits	Total
2011						
Total						
Compensation	212,468	29,744	23,133	-	-	265,345
2010						
Total						
Compensation	216,790	28,329	18,263	-	-	263,382

AUSTRALIAN SERVICES UNION

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (continued)**

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 15 – CAPITAL COMMITMENTS

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

NOTE 16 - CONTINGENT LIABILITIES

The Union does not have any contingent liabilities.

NOTE 17 – GEOGRAPHICAL LOCATIONS

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

NOTE 18 – EMPLOYEE NUMBERS

	30/06/11 Number	30/06/10 Number
Number of employees at the end of financial year	<u>19</u>	<u>17</u>

NOTE 19 - POST BALANCE DATE EVENTS

No matter has arisen since the end of the financial year which warrants disclosure in these financial statements.

AUSTRALIAN SERVICES UNION

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (continued)**

NOTE 20 - CAPITAL MANAGEMENT

Management control the capital of the Union to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The Committee of Management ensures that the overall risk management strategy is in line with this objective.

Risk Management Policies are approved and reviewed by the Committee of Management on a regular basis. There include credit risk policies and future cash flow requirements.

The Union's capital consists of financial liabilities, supported by financial assets.

The Committee of Management effectively manage the Union's capital by assessing the Union's financial risk and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by the Committee of Management to control the capital of the Union since prior year. The strategy of the Union is to ensure that sufficient cash is on hand to meet trade and sundry payables.

NOTE 21 - INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272, 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).*

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

