



15 November 2013

Mr Wayne Wood
Branch Secretary
Australian Municipal, Administrative, Clerical and Services Union - Western Australian Branch
102 East Parade
EAST PERTH WA 6004

Dear Mr Wood,

Australian Municipal, Administrative, Clerical and Services Union Western Australian Branch Financial Report for the year ended 30 June 2012 - [FR2012/416]

I acknowledge receipt of the financial report of the Australian Municipal, Administrative, Clerical and Services Union Western Australian Branch (the reporting unit). The documents were lodged with Fair Work Commission on 10 January 2012.

The financial report has now been filed. This financial report was filed based on a preliminary review. You are not required to take any further action in respect of the report lodged.

Please note that the reporting unit financial report for the year ending 30 June 2013 may be subject to a full compliance audit.

Changes to the legislation and reporting guidelines

I note with the change of legislation, references to Fair Work Australia will need to be updated to the Fair Work Commission.

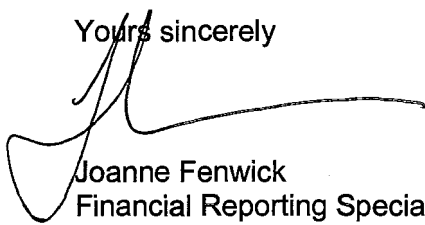
Additionally, a third edition to the General Manager's s.253 reporting guidelines was gazetted on 26 June 2013. These guidelines will apply to all financial reports that end on or after 30 June 2013. Fair Work Commission has also developed a model set of financial statement for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 reporting guidelines and the Australian Accounting Standards.

The guidelines and model financial statements are available on the website here:
<http://www.fwc.gov.au/index.cfm?pagename=regorgsfrguidelines#finance>

As stated previously, this financial report was filed based on a preliminary review. The financial report for the year ending 30 June 2013 may be subject to a full compliance audit.

If you have any queries regarding this letter, please contact me on (03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

**Australian Services Union
Western Australian Branch**

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Branch Secretary
Wayne Wood

Assistant Branch Secretary
Pat Branson

Enquiries: Wayne Wood
Our Ref: Returns 2012

7th January 2013



A•S•U

The Registrar
Fair Work Commission
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 year ended 30th June 2012.

If you require any further information, please do not hesitate to contact me on either (08) 9427 7733 or 0412 947 052.

Yours sincerely

**Wayne Wood
BRANCH SECRETARY**

c.c. David Smith, ASU National Secretary



ACCS



ASU / ME



ENERGY / IT



LOCAL GOVT



SACS



TRANSPORT

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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 2012, was provided to members on 9th November 2012; 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 18th December 2012, in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature: Wayne Wood

Dated this 10th day of January 2013.

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

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

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**

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63 Shepperton Road
Victoria Park
Western Australia 6100
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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 2012 and the Statement of Comprehensive Income, Statement of Changes in Members' Funds and Statement of Cash Flows for the year ended on that date, Notes comprising a summary of significant accounting policies and other explanatory notes and the Committee of Management Statement, for the year ended 30 June 2012.

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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approved under Professional
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 21st day of August 2012.

**HEWITT
TURNER &
GELEVITIS**





**HEWITT TURNER & GELEVITIS
AUDIT ASSURANCE DIVISION**



**TIMOTHY TURNER
REGISTERED COMPANY AUDITOR**

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 2012, 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 21st day of August, 2012.

HEWITT

TURNER &

GELEVITIS




TIMOTHY TURNER
REGISTERED COMPANY AUDITOR

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2012

Your committee members submit the financial report of the Australian Services Union, Western Australian Branch, for the financial year ended 30 June 2012.

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 \$99,464 (2011: \$40,263 loss).

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.

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.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2012 (continued)

Results of Principal Activities (continued)

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.

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.
- 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.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2012 (continued)

The Rights of Members to Resign (continued)

- 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 is no longer a Director of the trustee company of Westscheme Superannuation;

Kevin Sim is no longer a Director of the trustee company of the WA Local Government Superannuation Plan, effective from 21 March 2012.

Jeffrey Williams was appointed a Director of the trustee company of the WA Local Government Superannuation Plan.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2012 (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 2012 was 5,520 (2011: 5,427);
- b) the number of persons who were employees of the reporting unit on 30 June 2012 was 20 (2011: 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
Paul O'Neill	Branch President – full year
Patricia Richardson	Deputy Branch President – full year
Wayne Wood	Branch Secretary – full year
Pat Branson	Assistant Branch Secretary – full year
Nigel Rainford	Branch Treasurer – full year
Kate Davis	Branch Vice President (Women) – resigned 13/06/2012
Angela Hartwig	Branch Vice President (Women) – appointed 19/06/2012
Darcy Buckle	Branch Executive Councillor – resigned 13/06/2012
Stephen Arnold	Branch Executive Councillor – full year
Sanna Andrew	Branch Executive Councillor – full year
Keith Armstrong	Branch Executive Councillor - resigned 13/06/2012
Rob Bates	Branch Executive Councillor – full year
Michael Dentrinos	Branch Executive Councillor – full year
Nerida Edgar	Branch Executive Councillor – full year
Greg Godfrey	Branch Executive Councillor – full year
Luba Kambourakis	Branch Executive Councillor – full year
Dianna Coyne	Branch Executive Councillor – full year
Andy White	Branch Executive Councillor – appointed 19/06/2012
Joe Zappavigna	Branch Executive Councillor – appointed 19/06/2012

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2012 (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

Kate Davis	Branch Vice President (Women) (Resigned) 13/06/2012
Angela Hartwig	Branch Vice President (Women) (Appointed) 19/06/2012
Darcy Buckle	Branch Executive Councillor (Resigned) 13/06/2012
Keith Armstrong	Branch Executive Councillor (Resigned) 13/06/2012
Andy White	Branch Executive Councillor (Appointed) 19/06/2012
Joe Zappavigna	Branch Executive Councillor (Appointed) 19/06/2012

Wayne Wood
Name

Branch Secretary
Title

Wayne Wood
Signature

21/8/12
Date

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

COMMITTEE OF MANAGEMENT STATEMENT


On 21st August 2012 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 2012:

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: *21/8/12*

For Committee of Management: *Paul O'Neill*

Title of Office held: *Branch President*

Signature: 

Date: *21 Aug 2012*

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	NOTE	2012 \$	2011 \$
REVENUE	2	2,630,689	2,486,569
Administration Expenditure	3	(236,669)	(256,795)
Staffing Costs	4	(2,057,519)	(1,832,859)
Organising Expenses		(135,582)	(138,742)
Other Expenses	5	<u>(300,383)</u>	<u>(298,436)</u>
TOTAL EXPENDITURE		<u>2,730,153</u>	<u>2,526,832</u>
PROFIT/(LOSS) FOR THE YEAR		(99,464)	(40,263)
OTHER COMPREHENSIVE INCOME			
Net gain on revaluation of land and buildings		<u>36,427</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME		<u>36,427</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME			
ATTRIBUTED TO MEMBERS OF THE UNION		<u>(63,037)</u>	<u>(40,263)</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012**

	NOTE	2012 \$	2011 \$
MEMBERS' FUNDS			
Retained Earnings		805,854	905,318
Asset Revaluation Reserve		1,215,063	1,178,636
TOTAL MEMBERS' FUNDS		<u>2,020,917</u>	<u>2,083,954</u>
CURRENT ASSETS			
Cash & Cash Equivalents	6	860,007	951,312
Trade & Other Receivables	7	54,527	48,153
Other Current Assets	8	12,022	-
TOTAL CURRENT ASSETS		<u>926,556</u>	<u>999,465</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	9	1,572,211	1,497,382
TOTAL NON-CURRENT ASSETS		<u>1,572,211</u>	<u>1,497,382</u>
TOTAL ASSETS		<u>2,498,767</u>	<u>2,496,847</u>
CURRENT LIABILITIES			
Trade & Other Payables	10	209,711	193,392
Provisions	11	268,139	219,501
TOTAL CURRENT LIABILITIES		<u>477,850</u>	<u>412,893</u>
TOTAL LIABILITIES		<u>477,850</u>	<u>412,893</u>
NET ASSETS		<u>2,020,917</u>	<u>2,083,954</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 2012**

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
BALANCE AS AT 1 JULY 2010	945,581	1,178,636	2,124,217
Loss attributable to members	(40,263)	-	(40,263)
Other comprehensive income - Net gain on revaluation of land and buildings	-	-	-
Total comprehensive income for the year	-	-	-
BALANCE AS AT 30 JUNE 2011	905,318	1,178,636	2,083,954
Loss attributable to members	(99,464)	-	(99,464)
Other comprehensive income for the year	-	36,427	36,427
Total comprehensive income for the year	-	36,427	36,427
BALANCE AS AT 30 JUNE 2012	805,854	1,215,063	2,020,917

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 2012

	NOTE	2012 \$	2011 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and others		2,591,269	2,413,584
Interest received		55,476	57,287
Payments to suppliers & employees		<u>(2,642,499)</u>	<u>(2,440,462)</u>
NET CASH INFLOWS FROM OPERATING ACTIVITIES	12	<u>4,246</u>	<u>30,409</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant & Equipment		-	17,832
Payments for Property, Plant & Equipment		<u>(95,551)</u>	<u>(59,086)</u>
NET CASH OUTFLOWS FROM INVESTING ACTIVITIES		<u>(95,551)</u>	<u>(41,254)</u>
NET INCREASE / (DECREASE) IN CASH HELD		(91,305)	(10,845)
CASH AT BEGINNING OF THE FINANCIAL YEAR		<u>951,312</u>	<u>962,157</u>
CASH AT THE END OF THE FINANCIAL YEAR	6	<u>860,007</u>	<u>951,312</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 2012

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*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial report, except for the cash flow information, 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 2012 (continued)

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% p.a.

Office Equipment and Furniture are measured at cost less depreciation and impairment losses. These items are depreciated on a straight-line or a diminishing value basis, at an average rate of 20% p.a.

Motor vehicles are measured at cost less depreciation and impairment losses and are depreciated on a diminishing value method at a rate of 18.75% and 25% p.a.

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).

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (continued)

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 Statement of Financial Position are shown inclusive of GST.

g) Financial Instruments

Initial Recognition and 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.

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012 (continued)

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial Instruments (continued)

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 when they are 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.
- (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.

AUSTRALIAN SERVICES UNION

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012 (continued)

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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, obtained 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

No provision has been made based on a review of outstanding Union Dues as at 30 June 2012 (2011: \$433).

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) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013).

AUSTRALIAN SERVICES UNION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (continued)

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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 a 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 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 and incorporates Interpretation 121: Income Taxes – Recovery of Revalued Non-depreciable Assets into AASB 112.

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 are not expected to impact the Union.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements [August 2011] and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127 [March 2008, as amended] and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Union has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either “joint operation” (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or “joint ventures” (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AUSTRALIAN SERVICES UNION

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012 (continued)

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a “structured entity” replacing the “special purpose entity” concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Union.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Union.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- Inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- Enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are not expected to significantly impact the Union.

- AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Union.

- AASB 119: Employee Benefits [September 2011] and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Union does not have any defined benefit plans and so is not impacted by the amendment.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (continued)

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

- AASB 119 [September 2011] also includes changes to:
 - a) Require only those benefits that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as either other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
 - b) The accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
 - i. For an offer that may be withdrawn – when the employee accepts;
 - ii. For an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
 - iii. Where the termination is associated with a restructuring of activities under AASB 137 and if earlier than the first two conditions when the related restructuring costs are recognised.

The Union has not yet been able to reasonably estimate the impact of these changes to AASB 119.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (continued)

NOTE 2: REVENUE

	2012	2011
	\$	\$
Interest Received	55,476	57,287
Members Subscriptions	2,542,078	2,318,236
Sundry Income	16,842	105,089
Staff Contributions to Motor Vehicles	16,293	3,552
Profit on sale of Fixed Assets	-	2,405
TOTAL REVENUE	<u>2,630,689</u>	<u>2,486,569</u>

NOTE 3: ADMINISTRATION EXPENDITURE

	2012	2011
	\$	\$
Capitation to National Office	146,885	149,472
Affiliation Fees – Unions WA	26,087	21,901
BCOM Honoraria	3,191	4,821
Legal Fees & Retainer	57,626	68,366
Airline Levy to National Office	2,880	2,880
Contribution Levy to National Office	-	3,259
IR Campaign	-	6,096
TOTAL	<u>236,669</u>	<u>256,795</u>

AUSTRALIAN SERVICES UNION**(WESTERN AUSTRALIAN BRANCH)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (Continued)****NOTE 4: STAFFING COSTS**

	2012	2011
	\$	\$
Recruitment	600	20,163
Fringe Benefits Tax	4,481	2,103
Payroll Tax	62,476	47,978
Superannuation	202,983	181,336
Annual Leave and RDO Provision	(7,158)	409
Long Service Leave Provision	55,795	32,147
Salaries and Allowances – Staff	1,393,436	1,221,161
Salaries and Allowances – Officials	246,528	212,468
Recoup of Employee Costs	(9,788)	(649)
Insurance - Workers Compensation	7,315	9,014
Staff Training & Amenities	11,801	8,820
Staff Allowances, Travel & Accommodation	73,090	67,651
Temporary Work	15,960	30,132
Uniforms	-	126
TOTAL	<u>2,057,519</u>	<u>1,832,859</u>

NOTE 5: OTHER EXPENSES

	2012	2011
	\$	\$
Remuneration of the auditor		
- Auditing or reviewing the financial report	8,026	7,045
Depreciation		
- Buildings & Improvements	-	19,969
- Office Furniture & Equipment	11,612	18,085
- Motor Vehicle	45,537	35,553
Doubtful Debts Expense	(434)	27
Loss on Sale of Asset	-	-
Provision for Contingency	-	-
IT Expenses	31,864	29,707

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (Continued)**

NOTE 6 - CASH & CASH EQUIVALENTS	2012	2011
	\$	\$
CBA Cheque Account	14,649	21,688
Petty Cash Float	400	400
Bendigo – Term Deposit	762,018	717,737
Adelaide Bank – Money Market	746	744
Members Equity – 24 hr Call	82,194	210,743
TOTAL CASH & CASH EQUIVALENTS	<u>860,007</u>	<u>951,312</u>

NOTE 7 - TRADE & OTHER RECEIVABLES	Note	2012	2011
		\$	\$
Subscriptions in Arrears		44,062	38,022
Less Provision for Impairment of Receivables	7 (i)	-	(434)
Other Debtors		10,465	10,565
TOTAL TRADE & OTHER RECEIVABLES		<u>54,527</u>	<u>48,153</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:

2012	Opening Balance	Net Movement	Closing Balance
Current Trade Receivables	434	(434)	-

2011	Opening Balance	Net Movement	Closing Balance
Current Trade Receivables	407	27	434

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.

NOTE 8 – OTHER CURRENT ASSETS	2012	2011
	\$	\$
Prepayments	<u>12,022</u>	-

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (Continued)**

NOTE 9 - PROPERTY, PLANT, EQUIPMENT & MOTOR VEHICLES

	2012 \$	2011 \$
LAND AND BUILDINGS		
Land – 102 East Pde, East Perth – at independent valuation	690,000	690,000
Buildings and Improvements – at independent valuation	710,000	699,593
Buildings and Improvements – at cost	-	22,543
Less: Accumulated depreciation	-	(62,683)
	710,000	659,453
TOTAL LAND AND BUILDINGS	1,400,000	1,349,453
Motor Vehicles – at cost	234,037	156,483
Less: Accumulated depreciation	(90,964)	(45,428)
	143,073	111,055
Office Furniture – at cost	20,953	19,785
Less: Accumulated depreciation	(17,790)	(16,855)
	3,163	2,930
Office Equipment – at cost	211,013	208,304
Less: Accumulated depreciation	(185,038)	(174,360)
	25,975	33,944
TOTAL PLANT & EQUIPMENT	172,211	147,929
TOTAL PROPERTY, PLANT & EQUIPMENT	1,572,211	1,497,382

The land and buildings were re-valued at 29 June 2012 by independent valuation conducted by valuers Valuations WA on 29 June 2012. 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
(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (Continued)

NOTE 9 - 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 2012

	Freehold Land	Buildings	Office Furniture	Office Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$
Balance at the beginning of the year	690,000	659,453	2,930	33,944	111,055	1,497,382
Additions	-	14,120	1,168	2,708	77,555	95,551
Disposals	-	-	-	-	-	-
Revaluation increments/ (decrements)	-	36,427	-	-	-	36,427
Depreciation expense	-	-	(935)	(10,677)	(45,537)	(57,149)
Carrying amount at the end of the year	690,000	710,000	3,163	25,975	143,073	1,572,211

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

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (Continued)**

NOTE 10 - TRADE & OTHER PAYABLES	2012	2011
	\$	\$
Income received in advance	21,995	26,148
Group Taxes	44,953	26,854
Trade Creditors	65,376	78,031
Accruals	22,530	18,032
Staff Assistance Fund	10,000	10,000
Net GST Payable	36,163	25,633
Workers Compensation Assistance Fund	8,694	8,694
TOTAL TRADE & OTHER PAYABLES	<u>209,711</u>	<u>193,392</u>

NOTE 11 – PROVISIONS	2012	2011
	\$	\$
<u>CURRENT</u>		
Provision for Long Service Leave	157,126	101,331
Provision for Annual Leave & Rostered Days Off	101,013	108,170
Provision for Sick Leave	10,000	10,000
TOTAL	<u>268,139</u>	<u>219,501</u>

Movements in Provisions – Office Holders

	LSL	AL / RDO	Sick Leave	Total
Opening Balance at 1 July 2011	23,133	21,811	800	45,744
Provision for the year	26,393	(8,154)	-	18,239
Closing Balance at 30 June 2012	<u>49,526</u>	<u>13,657</u>	<u>800</u>	<u>63,983</u>

Movements in Provisions – Other Employees

	LSL	AL / RDO	Sick Leave	Total
Opening Balance at 1 July 2011	78,198	86,359	9,200	173,757
Provision for the year	29,402	997	-	30,399
Closing Balance at 30 June 2012	<u>107,600</u>	<u>87,356</u>	<u>9,200</u>	<u>204,156</u>

TOTAL CLOSING BALANCE OF PROVISION AT 30 JUNE 2012	<u>157,126</u>	<u>101,013</u>	<u>10,000</u>	<u>268,139</u>
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AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (continued)**

**NOTE 12 - RECONCILIATION OF NET CASH PROVIDED BY OPERATING
ACTIVITIES TO OPERATING SURPLUS**

	2012	2011
	\$	\$
Operating Surplus (Deficit) for the year	(99,464)	(40,263)
<u>Non cash flows in Operating surplus</u>		
Depreciation	57,149	73,608
(Profit) from sale of fixed assets	-	(2,405)
Loss from sale of fixed assets	-	-
 <u>Changes in Assets and Liabilities</u>		
Increase/(decrease) in provision for annual leave & RDOs	(7,158)	406
Increase/(decrease) in provision for contingencies	-	-
Increase/(decrease) in provision for long service leave	55,795	32,147
Increase/(decrease) in provision for Impairment of Receivables	(433)	27
Increase/(decrease) in sundry creditors and accruals	9,942	6,883
(Increase)/decrease in other debtors	100	(7,342)
(Increase)/decrease in Subscriptions in Arrears	(6,040)	(34,400)
(Increase)/decrease in GST credit	5,320	3,977
Increase/(decrease) in GST payable	5,211	(1,973)
(Increase)/decrease in Prepayments	(12,023)	-
Increase/(decrease) in income received in advance	(4,153)	(256)
 NET CASH PROVIDED BY OPERATING ACTIVITIES	4,246	30,409

CASH FLOWS BETWEEN OTHER BRANCHES/OFFICES OF THE UNION

	2012	2012
	Payments Made	Payments Received
	\$	\$
ASU National Office	146,885	-
ASU – National Office – Airline Division	2,880	-
ASU Queensland Branch	-	-
NSW United Services	-	-
Victorian Authorities Branch	-	-
TOTAL	149,765	-

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (continued)

NOTE 13 - RESERVES

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

NOTE 14 - 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 2012.

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 Statement of Financial Position and Notes to the financial statements.

iv. *Price Risk*

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

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (continued)

NOTE 14 - 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:

30 June 2012	Floating Interest Rate	Fixed Interest	Non- Interest Bearing	Total
Financial Assets	-	-	-	-
Cash & Cash Equivalents	859,607	-	400	860,007
Trade & Other Receivables	-	-	10,465	10,465
	859,607	-	10,865	870,472
Weighted average interest rate	6.45%			
Financial Liabilities				
Trade & Sundry Payables	-	-	87,906	87,906
NET FINANCIAL ASSETS / (LIABILITIES)	859,607	-	(77,041)	782,566
30 June 2011	Floating Interest Rate	Fixed Interest	Non- Interest Bearing	Total
Financial Assets	-	-	-	-
Cash & Cash Equivalents	950,912	-	400	951,312
Trade & Other Receivables	-	-	10,565	10,565
	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)	950,912	-	(85,098)	865,814

Trade Payables are expected to be settled within six months.

c) Net Fair Values

The assets and liabilities as disclosed in the Statement of Financial Position 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 Statement of Financial Position and Notes to the financial statements.

AUSTRALIAN SERVICES UNION
(WESTERN AUSTRALIAN BRANCH)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012 (continued)

NOTE 14 - FINANCIAL INSTRUMENTS (continued)

d) Financing Arrangements

Unrestricted access was available at balance date to the following:

Bank Overdraft Facility	30 June 2012	30 June 2011
	\$	\$
Lines of Credit		
Bank Overdraft - facility	- NIL -	- NIL -

e) Trade and Other Receivables

The credit risk for counterparties included in trade and other receivables at 30 June 2012 is detailed below:

Trade and other receivables	2012	2011
	\$	\$
Credit risk (continued)		
AA rated counterparties	-	-
B rated counterparties	10,465	10,565
Counterparties not rated	44,062	37,588
Total	54,527	48,153

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 at 30 June 2012, 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)
	2012	2011
	\$	\$
Change in profit / (loss)		
- Increase in interest rate by 2%	17,192	19,018
- Decrease in interest rate by 2%	(17,192)	(19,018)
Change in Members' Funds		
- Increase in interest rate by 2%	17,192	19,018
- Decrease in interest rate by 2%	(17,192)	(19,018)

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

AUSTRALIAN SERVICES UNION

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012 (continued)

NOTE 15 - RELATED PARTY TRANSACTIONS

a) Names of officers

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

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) (Resigned)
Angela Hartwig	Branch Vice President (Women) (Appointed)
Darcy Buckle	Branch Executive Councillor (Resigned)
Stephen Arnold	Branch Executive Councillor
Sanna Andrew	Branch Executive Councillor
Keith Armstrong	Branch Executive Councillor (Resigned)
Rob Bates	Branch Executive Councillor
Michael Dentrinos	Branch Executive Councillor
Nerida Edgar	Branch Executive Councillor
Greg Godfrey	Branch Executive Councillor
Luba Kambourakis	Branch Executive Councillor
Dianna Coyne	Branch Executive Councillor
Andy White	Branch Executive Councillor (Appointed)
Joe Zappavigna	Branch Executive Councillor (Appointed)

b) Key Management Personnel Remuneration

	Short Term Benefits	Post Employment	Other Long Term Benefits	Termination Benefits	Total
2012					
Total Compensation	246,527	34,266	49,526	-	330,319
2011					
Total Compensation	212,468	29,744	23,133	-	265,345

AUSTRALIAN SERVICES UNION

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012 (continued)

NOTE 21 - CAPITAL MANAGEMENT

Management controls 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. These 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 the prior year. The strategy of the Union is to ensure that sufficient cash is on hand to meet trade and sundry payables.

NOTE 22 - 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 ***