

PK 2002/142



**FSU**  
Australia  
[www.fsunion.org.au](http://www.fsunion.org.au)

November 22, 2002

Industrial Registrar,  
Australian Industrial Registry,  
Nauru House,  
80 Collins Street,  
MELBOURNE, Vic., 3000

Dear Sir/Madam,

**EXTENSION OF TIME TO CIRCULATE SUMMARY OF 2001/02 ANNUAL ACCOUNTS TO MEMBERS (SECTION 279(3))**


Our auditors are close to completing their examination of our annual accounts and summary for the 2001/02 financial year and we expect to have these completed and signed on behalf of the Committee of Management, and by the auditors, on December 17, 2002.

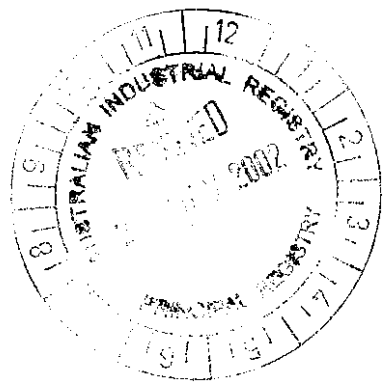
In accordance with section 279(3) I hereby request an extension of time to provide the summary of the accounts to members to March 31, 2003.

We will be circulating the summary as part of our annual report to members, however the printing and distribution requirements for the annual report mean it will not be ready for circulation until mid-March. This is later than the 56 day requirement which expires during February, 2003.

I would appreciate your advice on whether an extension of time is allowed in accordance with section 279(3).

Yours faithfully,

  
Anthony Beck,  
NATIONAL SECRETARY



**FINANCE  
SECTOR  
UNION OF  
AUSTRALIA**

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*All correspondence must  
be addressed to the  
Secretary.*



## AUSTRALIAN INDUSTRIAL REGISTRY

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994S, Melbourne, VIC 3001  
Telephone: (03) 8661 7777  
Fax: (03) 9654 6672

Mr Anthony Beck  
National Secretary  
Finance Sector Union of Australia  
GPO Box 2829AA  
MELBOURNE VIC 3001

Dear Mr Beck,

**Re: Extension of time - s279(3) Workplace Relations Act 1996 - FR2002/742**

I refer to your letter dated 22 November 2002 requesting an extension of time within which to provide to members the summary of the financial documents of the Finance Sector Union of Australia for the year ended 30 June 2002.

I hereby grant, pursuant to subsection 279(3) of the *Workplace Relations Act 1996*, an extension of time until 31 March 2003 to provide to members of the Union a copy of the summary of the auditor's report, accounts and statements prepared in accordance with section 273 of the Act for the year ended 30 June 2002.

Yours sincerely

  
Terry Nassios  
DEPUTY INDUSTRIAL REGISTRAR

27 November 2002

May 28, 2003

Industrial Registrar,  
Australian Industrial Registry,  
Nauru House,  
80 Collins Street,  
MELBOURNE, Vic., 3000



Dear Sir/Madam,

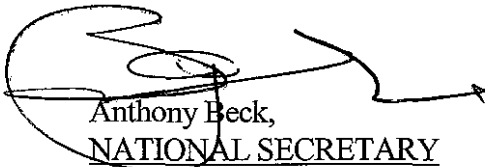
**ANNUAL ACCOUNTS**

In accordance with the requirements of the Workplace Relations Act, I submit copies of the Union's financial statement for the year ended June 30, 2002 together with copies of the Auditor's Report and certificates provided by the National Executive and Accounting Officers.

I also submit copies of the Auditor's Report and resolution of the National Executive in relation to the summary of the auditor's report, accounts and statements provided to members. A copy of the summary is also enclosed.

I certify that the attached documents are true copies of the documents presented to the Union's National Executive (Committee of Management) on December 17, 2002, and the summary circulated to members during March 2003. They have been re-presented to the National Executive on May 21, 2003.

Yours faithfully,



Anthony Beck,  
NATIONAL SECRETARY

**FINANCE SECTOR UNION OF AUSTRALIA  
& CONTROLLED ENTITY**

**FINANCIAL STATEMENTS**

**30 JUNE 2002**

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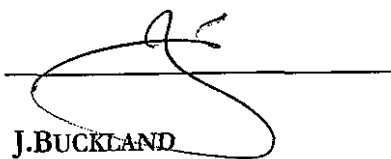
**FINANCE SECTOR UNION OF AUSTRALIA  
AND CONTROLLED ENTITY**

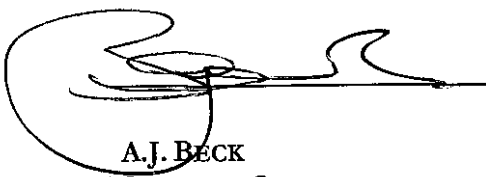
**STATEMENT OF THE NATIONAL EXECUTIVE**

In accordance with a resolution of the Committee of Management we state that in the opinion of the National Executive:

- (a) the Statement of Income and Expenditure gives a true and fair view of the results of the Union for the year ended 30th June, 2002;
- (b) the Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the Union as at the end of the financial year;
- (c) the Statement of Cash Flows gives a true and fair view of the cash flows of the Union for the financial year.
- (d) during the financial year to which the accounts relate, meetings of the National Executive were held in accordance with the rules of the Union;
- (e) to the knowledge and belief of all the members of the National Executive there have been no instances where records of the Union, or copies of the rules of the Union that should be made available have been withheld from members; and
- (f) the Union has in relation to the Auditor's Report on the accounts and statements in respect of the immediately preceding year, complied with the provisions of sec 279(1) and 279(6) of the *Workplace Relations Act 1996*.

Signed on behalf of the National Executive

  
J. BUCKLAND  
NATIONAL PRESIDENT

  
A.J. BECK  
NATIONAL SECRETARY

Signed at Melbourne this 7<sup>th</sup> day of December, 2002


**FINANCE SECTOR UNION OF AUSTRALIA  
AND CONTROLLED ENTITY**

**ACCOUNTING OFFICERS' CERTIFICATE**

I, A.J. Beck being the Officer responsible for keeping the accounting records of the Finance Sector Union of Australia, certify that as at 30th June 2002, the number of members of the Union was 62,525 (2001 – 67,593).

In my opinion:-

- i) the attached accounts show a true and fair view of the financial affairs of the Union as at 30th June, 2002.
- ii) a record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Union;
- iii) before any expenditure was incurred by the Union approval of the incurring of the expenditure was obtained in accordance with the rules of the Union;
- iv) with regards to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- v) except as disclosed in Note 10, <sup>9</sup>no loans or other financial benefits, other than remunerations in respect of their full-time employment with the Union, were made to persons holding office in the Union;
- vi) the register of members of the Union was maintained in accordance with the *Workplace Relations Act 1996*.
- vii) the attached accounts have been prepared in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements.

  
A.J. BECK

Signed at Melbourne this 17<sup>th</sup> day of December, 2002

**FINANCE SECTOR UNION OF AUSTRALIA**  
**INCOME & EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2002**

	Note	Economic Entity		Parent Entity	
		2002	2001	2002	2001
		\$	\$	\$	\$
OPERATING SURPLUS/(DEFICIT) BEFORE TAX	2	(20,901)	1,083,417	(20,901)	1,083,417
Income tax expense	1 (b)	-	-	-	-
OPERATING SURPLUS/(DEFICIT) AFTER TAX		(20,901)	1,083,417	(20,901)	1,083,417
General funds at the beginning of the financial year		30,548,438	29,465,021	30,548,438	29,465,021
GENERAL FUNDS AT THE END OF THE FINANCIAL YEAR		<u>30,527,537</u>	<u>30,548,438</u>	<u>30,527,537</u>	<u>30,548,438</u>

*The accompanying notes form part of these financial statements*

**FINANCE SECTOR UNION OF AUSTRALIA**  
**BALANCE SHEET**  
**AS AT 30 JUNE 2002**

	Note	Economic Entity		Parent Entity	
		2002	2001	2002	2001
		\$	\$	\$	\$
<b>ACCUMULATED FUNDS</b>					
General Fund		30,527,537	30,548,438	29,854,050	29,874,951
Asset Revaluation Reserve	3	-	-	673,487	673,487
<b>TOTAL ACCUMULATED FUNDS</b>		<b>30,527,537</b>	<b>30,548,438</b>	<b>30,527,537</b>	<b>30,548,438</b>
represented by:					
<b>CURRENT ASSETS</b>					
Cash	12 (a)	7,597,628	7,096,540	7,472,155	6,777,134
Receivables	4	1,872,318	2,243,340	1,930,114	2,175,484
Prepayments		116,918	114,145	114,410	111,742
<b>TOTAL CURRENT ASSETS</b>		<b>9,586,864</b>	<b>9,454,025</b>	<b>9,516,679</b>	<b>9,064,360</b>
<b>NON CURRENT ASSETS</b>					
Receivables	4	887,096	716,637	18,783,178	18,612,719
Investments	5	5,722,711	5,410,358	5,722,711	5,410,358
Property, Plant & Equipment	6	19,121,338	19,765,193	2,290,723	2,608,703
<b>TOTAL NON CURRENT ASSETS</b>		<b>25,731,145</b>	<b>25,892,188</b>	<b>26,796,612</b>	<b>26,631,780</b>
<b>TOTAL ASSETS</b>		<b>35,318,009</b>	<b>35,346,213</b>	<b>36,313,291</b>	<b>35,696,140</b>
<b>CURRENT LIABILITIES</b>					
Accounts Payable		2,074,604	2,067,890	3,069,886	2,417,817
Lease Liability	8	-	98,888	-	98,888
Provision - Employee Entitlements	1(f)	1,891,632	1,829,054	1,891,632	1,829,054
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,966,236</b>	<b>3,995,832</b>	<b>4,961,518</b>	<b>4,345,759</b>
<b>NON CURRENT LIABILITIES</b>					
Provision - Employee Entitlements	1 (f)	824,236	801,943	824,236	801,943
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>824,236</b>	<b>801,943</b>	<b>824,236</b>	<b>801,943</b>
<b>TOTAL LIABILITIES</b>		<b>4,790,472</b>	<b>4,797,775</b>	<b>5,785,754</b>	<b>5,147,702</b>
<b>NET ASSETS</b>		<b>30,527,537</b>	<b>30,548,438</b>	<b>30,527,537</b>	<b>30,548,438</b>

*The accompanying notes form part of these financial statements*



**FINANCE SECTOR UNION OF AUSTRALIA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

	Note	Economic Entity		Parent Entity	
		2002 \$	2001 \$	2002 \$	2001 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from Members		15,336,885	15,820,424	15,336,885	15,820,424
Interest Received		587,949	1,039,402	584,828	1,036,699
Rent		1,024,567	769,751	-	-
Other		129,794	1,107,720	129,794	1,104,635
Payments to Suppliers and Employees		(16,477,687)	(16,729,919)	(15,256,066)	(16,205,550)
<b>CASH FLOW PROVIDED BY OPERATING ACTIVITIES</b>	12 (b)	<b>601,508</b>	<b>2,007,378</b>	<b>795,441</b>	<b>1,756,208</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Amelioration Fund loans repaid / (advanced)		169,122	(279,445)	169,122	69,974
Net OLI bonus payments received/ (distributed)		379,971	(6,912)	379,971	(6,912)
Purchase of property, plant and equipment		(509,116)	(571,668)	(509,116)	(571,668)
Proceeds from the sale of property, plant and equipment		273,773	289,542	273,773	221,679
Purchase of shares & managed funds		(313,337)	(5,306,110)	(313,337)	(5,306,110)
<b>CASH FLOW PROVIDED BY / (USED) IN INVESTING ACTIVITIES</b>		<b>413</b>	<b>(5,874,593)</b>	<b>413</b>	<b>(5,593,037)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayment of finance leases		(100,833)	(242,117)	(100,833)	(242,117)
<b>CASH FLOW PROVIDED BY / (USED) IN FINANCING ACTIVITIES</b>		<b>(100,833)</b>	<b>(242,117)</b>	<b>(100,833)</b>	<b>(242,117)</b>
<b>NET CASH INCREASE</b>		<b>501,088</b>	<b>(4,109,332)</b>	<b>695,021</b>	<b>(4,078,946)</b>
<b>CASH AT THE BEGINNING OF THE YEAR</b>		<b>7,096,540</b>	<b>11,205,872</b>	<b>6,777,134</b>	<b>10,856,080</b>
<b>CASH AT THE END OF THE FINANCIAL YEAR</b>	12 (a)	<b>7,597,628</b>	<b>7,096,540</b>	<b>7,472,155</b>	<b>6,777,134</b>

*The accompanying notes form part of these financial statements*

**FINANCE SECTOR UNION OF AUSTRALIA**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

NOTE 1 : STATEMENT OF ACCOUNTING POLICIES

This financial report is a general-purpose report that has been prepared in accordance with the Workplace Relations Act 1996 applicable Accounting Standards and other mandatory professional reporting requirements. The financial report has been prepared on an accruals basis and on the basis of historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets. Cost is based on fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation and presentation of the financial report:

*(a) Principles of Consolidation*

The consolidated accounts comprise the accounts of the Finance Sector Union of Australia (FSUA) and of its controlled entity.

A controlled entity is any entity controlled by the FSUA. Control exists where the FSUA has the capacity to dominate the decision making in relation to the financial and operating policies of another entity so as that other entity operates with the FSUA to achieve the objectives of the FSUA. Details of the controlled entity are contained in note 7 to the financial statements.

All inter-entity balances and transactions between the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

*(b) 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.

*(c) Property, Plant and Equipment*

Property, plant and equipment are brought to account at cost or at independent or Officers' valuation, less, where applicable, any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by the National Executive to ensure that it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated over their useful lives to the economic entity commencing from the date the asset is installed ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

All items of property, plant and equipment other than freehold land are depreciated using the straight line method at the following rates:

Buildings	2.5%	Computers	27%
Motor vehicles	15%	Furniture and fittings	13%
Plant & equipment	13%		

FINANCE SECTOR UNION OF AUSTRALIA  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2002

NOTE 1 : STATEMENT OF ACCOUNTING POLICIES (CONT'D)

(d) *Leases*

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities within the economic entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are amortised over their useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

(e) *Investments*

Shares in listed financial institutions held as non current assets are valued at cost, although market value is shown in Note 5.

Dividends are brought to account in the income and expenditure statement when received.

Investments in Unlisted Unit Trusts are shown at recoverable amount. Recoverable amount is assessed as cost less any provision for diminution in value caused by a shortfall in net assets of the investment entity.

(f) *Employee Entitlements*

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable after one year, have been measured at the present value of the estimated future outflows to be made for those entitlements.

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

(g) *Cash*

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with financial institutions net of bank overdrafts plus managed investments that are at call.

**FINANCE SECTOR UNION OF AUSTRALIA**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

	Economic Entity		Parent Entity	
	2002	2001	2002	2001
	\$	\$	\$	\$
<b>NOTE 2: OPERATING SURPLUS/(DEFICIT)</b>				
Operating surplus/(deficit) before abnormal items and income tax has been determined after:				
<i>(a) Charging as an expense</i>				
Salaries and salary oncosts				
- Officers remuneration	1,166,193	1,105,799	1,166,193	1,105,799
- Employees remuneration	6,567,037	6,717,255	6,567,037	6,717,255
- Superannuation contributions	1,267,713	1,291,723	1,267,713	1,291,723
- Redundancy and termination payments	184,352	127,796	184,352	127,796
- Other payroll on-costs	986,533	838,337	986,533	838,337
Allowances	73,043	72,155	73,043	72,155
Meeting expenses	123,441	184,976	123,441	184,976
Office rent	20,925	22,600	0	148,108
Other office expenses	802,483	869,940	110,514	310,219
Auditors remuneration:-				
- Auditing the accounts	45,000	49,000	40,000	45,000
- Other services	3,544	10,396	3,544	10,396
Other professional fees	63,192	126,233	38,192	124,442
Operating lease/rental of office equipment	213,741	75,007	213,741	75,007
Finance costs	1,944	17,924	1,944	17,924
Amortisation of leased assets	19,526	46,481	19,526	46,481
Depreciation	516,897	525,132	516,897	525,132
Amortisation of freehold buildings	338,740	363,529	12,865	12,865
(Profit)/Loss on sale of property, plant & equipment	4,036	(4,576)	4,036	(11,713)
Affiliations – ACTU, TLCs, Other	412,962	398,219	412,962	398,219
Donations and grants	11,403	22,229	11,403	22,229
Amelioration fund				
- Mortuary benefits	168,163	140,923	168,163	140,923
- Grants	12,760	13,871	12,760	13,871
- Remission of debts	24,657	13,343	24,657	13,343
<i>(b) Crediting as income</i>				
Subscriptions	15,270,040	15,873,967	15,270,040	15,873,967
Interest	397,435	670,582	394,314	667,879
Dividend income	14,128	12,642	14,128	12,642
Unrealised increase in market value of managed funds	161,058	371,699	161,058	371,699
<i>(c) Significant items of revenue</i>				
Return of surplus on wind-up of FSU Superannuation	-	612,156	-	612,156
Write-back of overprovision for annual leave	-	213,982	-	213,982

**FINANCE SECTOR UNION OF AUSTRALIA**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

	Economic Entity		Parent Entity	
	2002 \$	2001 \$	2002 \$	2001 \$
<b><u>NOTE 3: ASSET REVALUATION RESERVE</u></b>				
Opening balance	-	-	673,487	673,487
Revaluation increment due to revaluing land & buildings to independent valuation	-	-	-	-
Closing balance	-	-	673,487	673,487
<b><u>NOTE 4: RECEIVABLES</u></b>				
<i>CURRENT</i>				
Subscriptions deducted not remitted	489,537	556,383	489,537	556,383
Sundry debtors	142,087	106,682	199,883	38,826
	<u>631,624</u>	<u>663,065</u>	<u>689,420</u>	<u>595,209</u>
Amelioration fund loans to members	1,285,694	1,625,275	1,285,694	1,625,275
Less provision for doubtful debts	(45,000)	(45,000)	(45,000)	(45,000)
	<u>1,240,694</u>	<u>1,580,275</u>	<u>1,240,694</u>	<u>1,580,275</u>
	<u>1,872,318</u>	<u>2,243,340</u>	<u>1,930,114</u>	<u>2,175,484</u>
<i>NON-CURRENT</i>				
Amelioration fund loans to members	887,096	716,637	887,096	716,637
FSU Property Pty Ltd	-	-	22,084,119	22,084,119
Less Provision for shortfall in net assets of FSU Property Trust	-	-	(4,188,037)	(4,188,037)
	<u>887,096</u>	<u>716,637</u>	<u>18,783,178</u>	<u>18,612,719</u>

**FINANCE SECTOR UNION OF AUSTRALIA**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

	Economic Entity		Parent Entity	
	2002 \$	2001 \$	2002 \$	2001 \$
<b><u>NOTE 5: NON CURRENT ASSETS</u></b>				
Shares - listed financial institutions at cost	50,748	51,733	50,748	51,733
Units - unlisted trusts	77,955	77,955	77,955	77,955
less provision for diminution	(26,933)	(26,933)	(26,933)	(26,933)
	<u>51,022</u>	<u>51,022</u>	<u>51,022</u>	<u>51,022</u>
Managed investments	5,620,941	5,307,603	5,620,941	5,307,603
Total Investments	<u>5,722,711</u>	<u>5,410,358</u>	<u>5,722,711</u>	<u>5,410,358</u>
Shares - listed financial institutions at market value	<u>360,591</u>	<u>346,194</u>	<u>360,591</u>	<u>346,194</u>

**NOTE 6: PROPERTY, PLANT & EQUIPMENT**

*Freehold Land & Buildings:*

Freehold land at:				
- independent valuation December 1999	5,025,000	5,025,000	555,000	555,000
- at cost	-	-	-	-
Total Freehold Land	<u>5,025,000</u>	<u>5,025,000</u>	<u>555,000</u>	<u>555,000</u>
Buildings at:				
- independent valuation December 1999	13,365,000	13,365,000	330,000	330,000
- at cost	-	-	-	-
less accumulated depreciation	(700,115)	(361,374)	(25,730)	(12,865)
Total Buildings	<u>12,664,885</u>	<u>13,003,626</u>	<u>304,270</u>	<u>317,135</u>
Total Freehold Land & Buildings	<u>17,689,885</u>	<u>18,026,626</u>	<u>859,270</u>	<u>872,135</u>

**FINANCE SECTOR UNION OF AUSTRALIA**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

	Economic Entity		Parent Entity	
	2002 \$	2001 \$	2002 \$	2001 \$
<b>NOTE 6: PROPERTY, PLANT &amp; EQUIPMENT</b>				
<b>(CONTINUED)</b>				
<i>Plant &amp; Equipment:</i>				
Furniture & Fittings - at cost	3,477,695	3,420,844	3,477,695	3,420,844
less accumulated depreciation	(2,958,866)	(2,641,521)	(2,958,866)	(2,641,521)
	<u>518,829</u>	<u>779,323</u>	<u>518,829</u>	<u>779,323</u>
Leased Computer Equipment	232,404	232,404	232,404	232,404
less accumulated amortisation	(232,404)	(212,878)	(232,404)	(212,878)
	<u>-</u>	<u>19,526</u>	<u>-</u>	<u>19,526</u>
Motor Vehicles - at cost	1,199,285	1,310,206	1,199,285	1,310,206
less accumulated depreciation	(286,661)	(372,488)	(286,661)	(372,488)
	<u>912,624</u>	<u>937,718</u>	<u>912,624</u>	<u>937,718</u>
Total Plant & Equipment	<u>1,431,453</u>	<u>1,736,567</u>	<u>1,431,453</u>	<u>1,736,567</u>
Total Property, Plant & Equipment	<u>19,121,338</u>	<u>19,765,193</u>	<u>2,290,723</u>	<u>2,608,703</u>

The revaluations of freehold land and buildings were based on the assessment of their market value as at 31 December 1999.

The revaluations were made in accordance with a policy of revaluing land and buildings every three years.

The valuations were undertaken by principals and employees of Herron Todd White Valuers. All of these principals and employees are qualified valuers and members of the Australian Institute of Valuers and Land Economists. The next valuation is due 31 December 2002.

**FINANCE SECTOR UNION OF AUSTRALIA**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

NOTE 7: GROUP ENTITIES

Subsidiary

FSU Property Trust Pty. Limited as trustee for the FSU Property Trust.

	<u>2002</u>	<u>2001</u>
Country of incorporation	Australia	Australia
Percentage owned	100%	100%
Investment at cost	\$2	\$2
Contribution to group operating surplus	\$nil	\$nil

The net operating income of the Property Trust is calculated to be \$nil each year by varying the rent charged to the FSUA or management fee paid to the FSUA. The management fee paid to the FSUA for the year ended 30 June 2002 was \$66,993 (Rent charged to the FSUA in 2001 - \$148,107).

Economic Entity		Parent Entity	
2002	2001	2002	2001
\$	\$	\$	\$

NOTE 8: CAPITAL & LEASING COMMITMENTS

Finance, Leasing & Hire Purchase Commitments:

Payable:				
-not longer than 1 year	-	100,894	-	100,894
-longer than 1 year but not longer than 2 years	-	-	-	-
-longer than 2 years but not longer than 5 years	-	-	-	-
	-	100,894	-	100,894
Less Future Finance Charges	-	(2,006)	-	(2,006)
	-	98,888	-	98,888
 Lease liability is split between:				
Current Liabilities	-	98,888	-	98,888
Non Current Liabilities	-	-	-	-
	-	98,888	-	98,888



**FINANCE SECTOR UNION OF AUSTRALIA  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2002**

Economic Entity		Parent Entity	
2002	2001	2002	2001
\$	\$	\$	\$

**NOTE 9: RELATED PARTY TRANSACTIONS**

The Ultimate Parent Entity is the Finance Sector Union of Australia.

- a) The name of each person holding a position on the National Executive during the year is as follows:

Atkinson M.	Ballerum L.R.
Beardmore W.B. (to 31/8/01)	Beck A.J.
Black D.A.	Brinkley K.M.
Brown L.K.	Buckland J.
Caddie S.M.	Cahill J.P. (to 8/4/02)
Christie K.	Clifford M.S.
Derrick G.	Gordon C.A.
Limbrick M.J.	Locke M.P.
Mills C.	Peddie D.H.
Presdee P.K.	Riordan P.J.
Ruwoldt J.M.	Schofield-Olsen L.D.
Schroder PJ	Stacey L.G. (from 31/8/01)
Wilson J.S.	

- b) Remuneration received or receivable by National Executive Delegates.

	1,114,650	1,120,029	1,114,650	1,120,029
--	-----------	-----------	-----------	-----------

- c) The amount paid to a superannuation fund or other entity by the Union or any related party for retirement of the Union's National Executive

	204,241	208,258	204,241	208,258
--	---------	---------	---------	---------

- d) A number of members of the National Executive have from time to time received loans from the Commonwealth Bank and Reserve Bank Officers Amelioration Fund in connection with their current or past employment with the Commonwealth Bank or Reserve Bank.

This Fund provides benefits to members of the Union employed by those Banks. Loans advanced to members of the National Executive are granted on the same terms and conditions provided to other eligible members.

Aggregate amount receivable	-	-	-	-
Aggregate amount of loans made	-	-	-	-
Aggregate amount of loans repaid	-	-	-	-
Interest rate	-	-	-	-

**FINANCE SECTOR UNION OF AUSTRALIA  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2002**

**NOTE 10: SEGMENT REPORTING**

The economic entity operates in the banking and finance sector. It is a trade union, which offers its services throughout Australia.

**NOTE 11: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 274 which reads as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation;
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed;
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

Economic Entity		Parent Entity	
2002	2001	2002	2001
	\$	\$	\$

**NOTE 12: CASH FLOW INFORMATION**

(a) Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:

Cash on hand	6,205	6,405	6,190	6,390
Cash at bank	6,079,607	5,420,643	5,954,149	5,101,252
Managed investments	1,511,816	1,972,059	1,511,816	1,972,059
Bank overdraft	-	(302,567)	-	(302,567)
	<u>7,597,628</u>	<u>7,096,540</u>	<u>7,472,155</u>	<u>6,777,134</u>
Overdraft facility limit	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>

**FINANCE SECTOR UNION OF AUSTRALIA**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

	Economic Entity		Parent Entity	
	2002	2001	2002	2001
	\$	\$	\$	\$
<b>NOTE 12: CASH FLOW INFORMATION (CONT'D)</b>				
<b>(b) Reconciliation of Cash Flow from Operations with Operating Surplus / (Deficit) after income tax:</b>				
Operating surplus (deficit) after income tax	(20,901)	1,083,417	(20,901)	1,083,417
<b>Non Cash Flows in Operating Surplus/(Deficit)</b>				
Amortisation of leased assets	19,526	46,481	19,526	46,481
Depreciation	516,897	525,132	516,897	525,132
Amortisation of buildings	338,740	363,529	12,865	12,865
Lease interest	1,944	17,926	1,944	17,926
Write down of shares	985	-	985	-
Loss/(Profit) on sale of assets	4,036	(4,576)	4,036	(11,713)
<b>Changes in Assets &amp; Liabilities</b>				
Increase / (Decrease) in accounts payable	(373,259)	494,187	(228,306)	290,884
Increase / (Decrease) in provision for employee entitlements	84,871	(577,828)	84,871	(577,828)
Increase / (Decrease) in accrued interest	29,456	581	29,456	-
Increase / (Decrease) in loan -- Property Trust	-	-	500,402	143,250
Decrease / (Increase) in subscriptions owing	66,846	(53,477)	66,846	(53,477)
Decrease / (Increase) in sundry receivables	(64,859)	22,172	(190,511)	189,437
Decrease / (Increase) in prepayments	(2,774)	89,834	(2,669)	89,834
<b>Cash Flow from Operations</b>	<b>601,508</b>	<b>2,007,378</b>	<b>795,441</b>	<b>1,756,208</b>

**(c) Non Cash Financing and Investing Activities**

During the year the parent entity acquired plant and equipment with an aggregate fair value of \$Nil (2001: \$Nil) by means of finance leases. These acquisitions are not reflected in the statement of cash flows.

**FINANCE SECTOR UNION OF AUSTRALIA**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

NOTE 13: FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

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

	Weighted Average Interest Rate	Floating Interest Rate	Non Interest Bearing	Fixed Interest Rate Maturing		
				Within 1 Year	1 to 5 Years	Over 5 Years
<u>2002</u>	\$	\$	\$	\$	\$	\$
<i>Financial Assets</i>						
Cash	3.50%	7,591,423	6,205	-	-	-
Managed investments	2.80%	5,620,941	-	-	-	-
Receivables	4.50%	-	631,624	2,172,790	-	-
Total Financial Assets		13,212,364	637,829	2,172,790	-	-
<i>Financial Liabilities</i>						
Overdrafts	8.95%	-	-	-	-	-
Accounts payable	N/A	-	2,074,604	-	-	-
Lease liabilities	N/A	-	-	-	-	-
Total Financial Liabilities		-	2,074,604	-	-	-
<u>2001</u>						
<i>Financial Assets</i>						
Cash	3.50%	7,090,135	6,405	-	-	-
Managed investments	7.50%	5,307,603	-	-	-	-
Receivables	4.50%	-	663,065	1,625,275	716,637	-
Total Financial Assets		12,397,738	669,470	1,625,275	716,637	-
<i>Financial Liabilities</i>						
Overdrafts	8.95%	302,567	-	-	-	-
Accounts payable	N/A	-	2,067,890	-	-	-
Lease liabilities	8.10%	-	-	98,888	-	-
Total Financial Liabilities		302,567	2,067,890	98,888	-	-

**FINANCE SECTOR UNION OF AUSTRALIA  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2002**

(b) 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 of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to and forming part of the financial statements.

The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

(c) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

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

## INDEPENDENT AUDIT REPORT

### TO THE MEMBERS OF THE FINANCE SECTOR UNION OF AUSTRALIA

#### Scope

We have audited the financial report of the Finance Sector Union of Australia and controlled entities comprising the Income and Expenditure Statement, Balance sheet, Cash Flow Statement and Notes to and forming part of the accounts for the year ended 30 June 2002. The financial report includes the consolidated financial report of the consolidated entity comprising the Union and the entities it controlled at the year's end or from time to time during the financial year. The management of the organisation is responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Finance Sector Union of Australia.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements, so as to present a view which is consistent with our understanding of the Union's and the consolidated entity's financial position and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

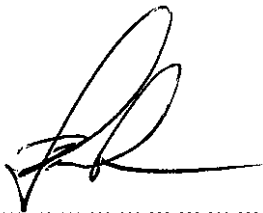
#### Audit Opinion

In our opinion:

- a) satisfactory accounting records have been kept by the organisation so far as appears from our examination of these books, including:
  - i) records of the sources and nature of the income of the organisation (including income from members); and
  - ii) records of the nature and purposes of the expenditure of the organisation; and

(Audit Opinion Continued)

- b) the accounts and statements prepared under section 273 of the Workplace Relations Act 1996 have been properly drawn up so as to give a true and fair view of:
- i) the financial affairs of the organisation as at 30 June 2002; and
  - ii) the income and expenditure and any surplus or deficit of the organisation for the year,
- and
- c) all information and explanations that under subsection (2) of section 276 were required to be provided by the officers and employees of the Union, were provided.



.....  
**HAYES KNIGHT**

Peter T. Sexton

Dated: 17 December 2002



## FINANCE & ACCOUNTS

### Annual Accounts 2001/2002

National Secretary Beck welcomed FSU Auditor, Peter Sexton from Hayes Knight.

Chief Finance Officer Ken MacRae reported to Delegates that the Annual Accounts of the Union for the year ended June 30 have been completed. He advised that the report shows a total deficit for the year of \$20,901 compared to a surplus for the previous year.

It was resolved:

59/02

- “1) That National Executive, as the Committee of Management of the Finance Sector Union resolve that in the opinion of the National Executive:
  - (a) the Statement of Income and Expenditure gives a true and fair view of the results of the Union for the year ended 30th June, 2002;
  - (b) the Balance Sheet is drawn up so as to give a true and fair view of the state affairs of the Union as at the end of the financial year;
  - (c) the Statement of Cash Flows gives a true and fair view of the cash flows of the Union for the financial year.
  - (d) during the financial year to which the accounts relate, meetings of the National Executive were held in accordance with the rules of the Union;
  - (e) to the knowledge and belief of all the members of the National Executive there have been no instances where records of the Union, or copies of the rules of the Union that should be made available have been withheld from members; and
  - (f) the Union has in relation to the Auditor's Report on the accounts and statements in respect of the immediately preceding year, complied with the provisions of sec 279(1) and 279(6) of the *Workplace Relations Act 1996*.
- 2) That the summary of the Annual Accounts for the year ended June 30, 2002 be adopted for presentation to members in accordance with Section 279 (2) of the Workplace Relations Act 1996.
- 3) That the National President and National Secretary be authorised to sign the Certificate to be included in the Annual Accounts, on behalf of National Executive.”

**CARRIED**



### Auditor's Certification

To the members of Finance Sector Union of Australia

In accordance with section 279(2)(b) of the *Workplace Relations Act 1996* we have reviewed the attached summary report and in our opinion the report represents a fair and accurate summary of the audited financial accounts and statements of the Finance Sector Union for the year ended 30 June 2002.



.....  
HAYES KNIGHT

Peter T. Sexton

Dated: 17 December 2002

**FINANCE SECTOR UNION OF AUSTRALIA**  
**ANNUAL ACCOUNTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

The financial statements of the Union have been audited in accordance with the provisions of the Workplace Relations Act 1996 and the following summary is provided for members in accordance with Section 279 (2) of the Act.

A copy of the Auditor's Report, Accounts and Statements will be supplied free of charge to members who request it.

Certificates required to be given under the Act by the Principal Accounting Officer and the Committee of Management have been completed in accordance with the provisions of the Act and contain no qualifications.

In accordance with the requirements of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 274, which read as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation;
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed;
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

**BALANCE SHEET**  
**AS AT JUNE 30, 2002**

	<u>Economic Entity</u>		<u>Parent Entity</u>	
	2002 \$	2001 \$	2002 \$	2001 \$
TOTAL ACCUMULATED FUNDS	30,527,537	30,548,438	30,527,537	30,548,438
represented by:				
CURRENT ASSETS	9,586,864	9,454,025	9,516,679	9,064,360
NON CURRENT ASSETS	25,731,145	25,892,188	26,796,612	26,631,780
TOTAL ASSETS	35,318,009	35,346,213	36,313,291	35,696,140
CURRENT LIABILITIES	3,966,236	3,995,832	4,961,518	4,345,759
NON CURRENT LIABILITIES	824,236	801,943	824,236	801,943
TOTAL LIABILITIES	4,790,472	4,797,775	5,785,754	5,147,702
NET ASSETS	30,527,537	30,548,438	30,527,537	30,548,438

**INCOME AND EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2002**

	Economic Entity		Parent Entity	
	2002 \$	2001 \$	2002 \$	2001 \$
Member Subscriptions	15,270,040	15,873,967	15,270,040	15,873,967
Other Income	1,773,678	2,617,984	871,642	1,830,424
Total Income	17,043,718	18,491,951	16,141,682	17,704,391
less Expenditure	17,064,619	17,408,534	16,162,583	16,620,974
Operating surplus/(deficit)	(20,901)	1,083,417	(20,901)	1,083,417
General funds at the beginning of the financial year	30,548,438	29,465,021	30,548,438	29,465,021
General funds at the end of the financial year	30,527,537	30,548,438	30,527,537	30,548,438

# FINANCE SECTOR UNION OF AUSTRALIA

## ANNUAL ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2002

The financial statements of the Union have been audited in accordance with the provisions of the Workplace Relations Act 1996 and the following summary is provided for members in accordance with Section 279 (2) of the Act.

A copy of the Auditor's Report, Accounts and Statements will be supplied free of charge to members who request it.

Certificates required to be given under the Act by the Principal Accounting Officer and the Committee of Management have been completed in

accordance with the provisions of the Act and contain no qualifications.

In accordance with the requirements of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of Section 274, which read as follows:

(1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation;

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(3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

### BALANCE SHEET AS AT JUNE 30, 2002

	ECONOMIC ENTITY		PARENT ENTITY	
	2002 (\$)	2001 (\$)	2002 (\$)	2001 (\$)
<b>TOTAL ACCUMULATED FUNDS</b>	<b>30,527,537</b>	<b>30,548,438</b>	<b>30,527,537</b>	<b>30,548,438</b>
<i>represented by</i>				
Current Assets	9,586,864	9,454,025	9,516,679	9,064,360
Non Current Assets	25,731,145	25,892,188	26,796,612	26,631,780
Total Assets	35,318,009	35,346,213	36,313,291	35,696,140
Current Liabilities	3,966,236	3,995,832	4,961,518	4,345,759
Non Current Liabilities	824,236	801,943	824,236	801,943
Total Liabilities	4,790,472	4,797,775	5,785,754	5,147,702
<b>NET ASSETS</b>	<b>30,527,537</b>	<b>30,548,438</b>	<b>30,527,537</b>	<b>30,548,438</b>

### INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED JUNE 30, 2002

	ECONOMIC ENTITY		PARENT ENTITY	
	2002 (\$)	2001 (\$)	2002 (\$)	2001 (\$)
Member Subscriptions	15,270,040	15,873,967	15,270,040	15,873,967
Other Income	1,773,678	2,617,984	871,642	1,830,424
Total Income	17,043,718	18,491,951	16,141,682	17,704,391
Less Expenditure	17,064,619	17,408,534	16,162,583	16,620,974
Operating surplus / (deficit)	(20,901)	1,083,417	(20,901)	1,083,417
General funds at the beginning of the financial year	30,548,438	29,465,021	30,548,438	29,465,021
<b>General funds at the end of the financial year</b>	<b>30,527,537</b>	<b>30,548,438</b>	<b>30,527,537</b>	<b>30,548,438</b>



**AUSTRALIAN INDUSTRIAL REGISTRY**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994S, Melbourne, VIC 3001  
Telephone: (03) 8661 7777  
Fax: (03) 9654 6672

Mr Anthony Beck  
National Secretary  
Finance Sector Union of Australia  
GPO Box 2829AA  
MELBOURNE VIC 3001

Dear Mr Beck,

**Re: Finance Sector Union of Australia  
Financial documents for year ended 30 June 2002 - FR 2002/742**

Receipt is acknowledged of the financial documents of the Finance Sector Union of Australia for the year ended 30 June 2002, together with a copy of the summary of the auditor's report, accounts and statements for that year. The documents and summary were lodged in the Industrial Registry on 3 June 2003.

The documents and summary have been filed.

Re: Loans, Grants and Donations

The statement made pursuant to section 269 of the *Workplace Relations Act 1996* and lodged with the abovementioned documents has been dealt with under cover of a separate letter.

*refer O/36N  
folio 42*

Yours sincerely

Ruth Hansen *RA*  
Statutory Services Branch

12 June 2003