



Australian Government
Australian Industrial Registry

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Mr Leon Carter
National Secretary
Finance Sector Union of Australia
341 Queen Street
MELBOURNE VIC 3000

By email - fsuinfo@fsunion.org.au

Dear Mr Carter,

Re: Financial Documents - Year ending 30 June 2006 - FR2007/462
Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)

I have received the Financial Report and Concise Report for the Finance Sector Union of Australia for year ending 30 June 2007. The documents were lodged on 9 January 2008.

The documents have been filed. The following comments are to assist in future years.

Concise Report

Please note that in future financial years the Concise Report must also include:

- The Committee of Management Statement, and
- A discussion and analysis of the principal factors affecting the financial performance, financial position and financial and investing activities of the reporting unit to assist the understanding of members.

The obligation to prepare a Committee of Management Statement arises from s253(2)(c) of the RAO Schedule and Items 24 to 26 of the Reporting Guidelines. The obligation to include the Committee of Management Statement in the Concise Report arises from RAO Regulation 161(1)(d). The obligation to include a discussion and analysis in the Concise Report arises from RAO Regulation 161(1)(c) – see attached.

Auditors Report – reference to legislation

The Auditors Report incorrectly referred to s256 of the Workplace Relations Act 1996 – this should be amended to s257 of the RAO Schedule of the Workplace Relations Act 1996.

Operating Report – superannuation trustees

The Operating Report must state whether any officer or member of the FSU is a trustee (or is a director of a company that is a trustee) of a superannuation entity. If no officer or member is such a trustee the Operating Report should state this – see s254(2)(d).

Operating Report undated

It is noted that the Operating Report was undated. All statements prepared under the RAO Schedule should be dated as a matter of course.

If you have any queries please contact me on (03) 8661 7990.

Yours faithfully,

Andrew Schultz
Statutory Services Branch

27 February 2008

s265 RAO SCHEDULE - Copies of full report or concise report to be provided to members

(1) A reporting unit must provide free of charge to its members either:

(a) a full report consisting of:

(i) a copy of the report of the auditor in relation to the inspection and audit of the financial records of the reporting unit in relation to a financial year; and

(ii) a copy of the general purpose financial report to which the report relates; and

(iii) a copy of the operating report to which the report relates; or

(b) a concise report for the financial year that complies with subsection (3).

Note: This subsection is a civil penalty provision (see section 305).

(2) A concise report may only be provided if, under the rules of the reporting unit, the committee of management of the reporting unit resolves that a concise report is to be provided.

(3) A concise report for a financial year consists of:

(a) a concise financial report for the year drawn up in accordance with the regulations; and

(b) the operating report for the year; and

(c) a statement by the auditor:

(i) that the concise financial report has been audited; and

(ii) whether, in the auditor's opinion, the concise financial report complies with the relevant Australian Accounting Standards; and

(d) a copy of anything included under subsection 257(5), (6) or (7) in the auditor's report on the full report; and

(e) a statement that the report is a concise report and that a copy of the full report and auditor's report will be sent to the member free of charge if the member asks for them.

(4) If a member requests a copy of the full report and auditor's report, as mentioned in paragraph (3)(e), the reporting unit must send those reports to the person within 28 days of the request being made.

Note: This subsection is a civil penalty provision (see section 305).

(5) The copies referred to in subsection (1) must be provided within:

(a) if a general meeting of members of the reporting unit to consider the reports is held within 6 months after the end of the financial year—the period starting at the end of the financial year and ending 21 days before that meeting; or

(b) in any other case—the period of 5 months starting at the end of the financial year.

A Registrar may, upon application by the reporting unit, extend the period during which the meeting referred to in paragraph (a) may be held, or the period set out in paragraph (b), by no more than one month.

Note: This subsection is a civil penalty provision (see section 305).

(6) Where a reporting unit publishes a journal of the reporting unit that is available to the members of the reporting unit free of charge, the reporting unit may comply with subsection (1):

(a) by publishing in the journal the full report; or

(b) by preparing a concise report as described in subsection (3) and publishing the concise report in the journal.

(7) Where a reporting unit consists of 2 or more branches of an organisation and one of those branches publishes a journal of the branch that is available to the members of the branch free of charge, the reporting unit may comply with subsection (1) in relation to those members:

(a) by publishing in the journal the full report; or

(b) by preparing a concise report as described in subsection (3) and publishing the concise report in the journal.

RAO REGULATIONS 161 - Concise Report (RAO Schedule, s 265 (3) (a))

(1) For subsection 265 (3) of the RAO Schedule, a concise financial report must include:

(a) the following financial statements presented as in the full report except for the omission of cross-references to notes to the financial statements in the full report:

(i) a profit and loss statement for the financial year;

(ii) a balance sheet for the end of the financial year;

(iii) a statement of cash flows for the financial year; and

(b) disclosure of information for the preceding financial year corresponding to the disclosures made for the current financial year; and

(c) discussion and analysis of the principal factors affecting the financial performance, financial position and financial and investing activities of the reporting unit to assist the understanding of members; and

(d) any reports or statements mentioned in paragraph 253 (2) (c) of the RAO Schedule; and

(e) in addition to the statement required by paragraph 265 (3) (e) of the RAO Schedule, a statement that the concise financial report has been derived from the full report and cannot be expected to provide as full an understanding of the financial performance, financial position and financial and investing activities of the reporting unit as the full report; and

(f) the notice mentioned in subsection 272 (5) of the RAO Schedule.

(2) A concise report may include any other information consistent with the full report.

FR 2007/462



FSU
Australia
www.fsunion.org.au

January 4, 2008

Industrial Registrar,
Australian Industrial Registry,
Level 5,
11 Exhibition 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, 2007 together with copies of the Auditor's Report and certificate provided by the National Executive.

I also submit copies of the Auditor's Report and resolution of the National Executive in relation to the summary of the accounts provided to members. A copy of the concise report 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 November 14, 2007, and the summary circulated to members during November/December 2007. They were re-presented to the National Executive on December 24, 2007.

Yours faithfully,

Leon Carter,
NATIONAL SECRETARY

FINANCE
SECTOR
UNION OF
AUSTRALIA

National Office

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*All correspondence must
be addressed to the
Secretary*

Finance Sector Union
of Australia

Annual Report

2006/07

OPERATING REPORT FOR THE PERIOD 1 JULY 2006 TO JUNE 2007

Finance Sector Union of Australia

(the reporting unit)

Operating Report for the period 1 July 2006 to 30 June 2007.

Prepared in accordance with Schedule 1 - Registration and Accountability of Organisation Chapter 8 - Records and Accounts; Part 3 - Accounts and Audit Section 254 - Reporting unit to prepare Operating Report of the Workplace Relations Act 1996 (Commonwealth).

Review of Activities

The Finance Sector Union is a member based, federally registered trade union, representing finance sector workers who are actively pursuing better working lives and stronger communities.

The reporting unit's activities are directed by its National Executive in pursuit of this aim and in accordance with its rules of registration.

Principally, the reporting unit's activities consist of:

- Organising finance sector employees;
- Training and education of members;
- Providing individual members with informed and expert representation in workplace related matters;
- Maintaining and monitoring the compliance with relevant industrial awards and agreements;
- Collectively bargaining with employers on behalf of and in the interests of members;
- Representing and assisting members in all matters pursuant to the Workplace Relations Act 1996;
- Representing and assisting members in all matters pursuant to the relevant national and state Occupational, Health and Safety Acts;
- Advocating on behalf of members and in the interests of finance sector employees in all relevant tribunals, courts of law, parliamentary committees and inquiries;
- Administering union resources;
- Other matters as directed by the National Executive.

Results of Activities

During the period 1/7/06 - 30/6/07, the Finance Sector Union:

- Received application for and admitted 6152 members;
- Appointed over 712 members as FSU workplace representatives;
- Provided training to 665 workplace representatives;
- Provided representation to 5535 members at the workplace or enterprise level;
- Was party to 80 awards and more than 92 collective agreements in current operation across the finance sector;
- Made approximately 130 applications to the Australian Industrial Relations Commission regarding industrial disputes, award variations and seeking award coverage of award free employees;
- Negotiated and had certified 19 union collective agreements covering approx. 25,000 employees;
- Made submissions to, and appeared before, Commonwealth of Australia Parliamentary Committees and State Parliament Committee of Inquiry or Review.

There was no significant change to the nature of the activities of the reporting unit during the reporting period. There were no significant changes to the reporting unit's financial affairs during the period.

In accordance with Section 174 of the Workplace Relations Act, members of the reporting unit may resign from membership by written notice addressed and delivered to the National Secretary or the relevant Local Executive Secretary.

In accordance with section 230 of the Registration and Accountability of Organisations (RAO) Schedule, the reporting unit had a recorded 48,439 members at the end of the period.

The reporting unit employed 146 FTE employees nationally at the end of the reporting period.

The name of each person holding a position on the National Executive of the reporting unit during the reporting period is as follows:

Beattie N. (to 30/9/06)	Clifford M.S.	Hollebon C.D. (from 2/5/07)	Ruwoldt J.M.
Black D.A.	Corbett M.M. (from 1/10/06)	Jordan F.S. (from 17/5/07)	Schofield-Olsen L.D. (to 17/5/07)
Brampton M.D. (from 1/10/06)	Derrick G.	Logan A. (to 30/9/06)	Schroder P.J.
Brinkley K.M.	Fay A.C. (from 1/10/06)	Martin D.L.	Smailes K. (to 30/9/06)
Brown L.K. (to 30/9/06)	Ferrari P.R.M.	Noye C.A. (to 30/9/06)	Stacey L.G.
Caddie S.M. (to 30/9/06)	Geli I. (from 1/10/06)	Oxley C. (to 30/9/06)	Wilson J.S. (to 30/9/06)
Christie K.A. (from 1/10/06 to 2/5/07)	Gordon C.A.	Peddie D.H. (to 30/9/06)	



Leon Carter
National Secretary

FINANCE SECTOR UNION OF AUSTRALIA
& CONTROLLED ENTITY

FINANCIAL STATEMENTS

30 JUNE 2007

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

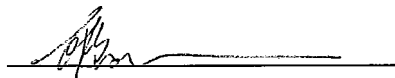
STATEMENT OF THE NATIONAL EXECUTIVE

On November 21, 2007 the National Executive (Committee of Management) of the Finance Sector Union of Australia passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended June 30, 2007:


The National Executive 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 organization 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 organization including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) no requests for information have been received from a member of the reporting unit or a Registrar under section 272 of the RAO Schedule during the period; and
 - (v) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.

Signed on behalf of the National Executive



**C. GORDON
NATIONAL PRESIDENT**



**L.J. CARTER
NATIONAL SECRETARY**

Signed at Melbourne this 21st day of November, 2007

FINANCE SECTOR UNION OF AUSTRALIA
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007

	Note	Economic Entity		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
Revenue from ordinary activity	2	21,374,327	18,740,199	21,518,264	19,021,848
Expenses From Ordinary Activities					
Employee Benefits		(12,287,413)	(11,531,061)	(12,287,413)	(11,531,061)
Building & Equipment expenses		(1,792,970)	(1,788,128)	(2,435,445)	(2,487,303)
Industrial & Campaign expenses		(1,477,896)	(1,255,249)	(1,477,896)	(1,255,249)
Depreciation		(766,524)	(668,114)	(268,649)	(251,239)
ACTU Affiliation fees		(396,771)	(666,726)	(396,771)	(666,726)
Office Expenses		(1,696,841)	(602,532)	(1,696,841)	(602,532)
Other expenses		(1,747,883)	(1,678,613)	(1,747,220)	(1,677,962)
NET PROFIT FROM ORDINARY ACTIVITIES	2	<u>1,208,029</u>	<u>549,776</u>	<u>1,208,029</u>	<u>549,776</u>

The accompanying notes form part of these financial statements

FINANCE SECTOR UNION OF AUSTRALIA
BALANCE SHEET
AS AT 30 JUNE 2007

	Note	Economic Entity		Parent Entity	
		2007 \$	2006 \$	2007 \$	2006 \$
ACCUMULATED FUNDS					
General Fund		37,737,213	36,529,184	37,737,211	36,529,182
Asset Revaluation Reserve		7,259,648	7,259,648	1,949,832	1,949,832
TOTAL ACCUMULATED FUNDS		44,996,861	43,788,832	39,687,043	38,479,014
represented by:					
CURRENT ASSETS					
Cash	13 (a)	9,122,764	8,768,370	8,808,907	8,463,129
Receivables	3	1,475,972	1,751,631	1,458,701	1,719,606
Available-for-sale properties	15	3,853,500	-	1,330,250	-
Prepayments		290,391	116,163	238,889	74,670
TOTAL CURRENT ASSETS		14,742,627	10,636,164	11,836,747	10,257,405
NON CURRENT ASSETS					
Receivables	3	566,610	608,230	21,066,610	21,108,230
Financial assets	4	10,825,380	9,667,563	10,825,380	9,667,563
Available-for-sale financial assets	4	553,954	477,234	553,954	477,234
Property, Plant & Equipment	5	23,286,640	27,459,635	1,797,765	2,949,635
TOTAL NON CURRENT ASSETS		35,232,584	38,212,662	34,243,709	34,202,662
TOTAL ASSETS		49,975,211	48,848,826	46,080,456	44,460,067
CURRENT LIABILITIES					
Accounts Payable	6	1,844,992	1,963,521	3,260,055	2,884,580
Provision - Employee Entitlements	9	1,862,209	1,726,526	1,862,209	1,726,526
TOTAL CURRENT LIABILITIES		3,707,201	3,690,047	5,122,264	4,611,106
NON CURRENT LIABILITIES					
Provision - Employee Entitlements	9	1,271,149	1,369,947	1,271,149	1,369,947
TOTAL NON CURRENT LIABILITIES		1,271,149	1,369,947	1,271,149	1,369,947
TOTAL LIABILITIES		4,978,350	5,059,994	6,393,413	5,981,053
NET ASSETS		44,996,861	43,788,832	39,687,043	38,479,014

The accompanying notes form part of these financial statements

FINANCE SECTOR UNION OF AUSTRALIA
STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2007

	Note	<u>Economic Entity</u>		<u>Parent Entity</u>	
		2007 \$	2006 \$	2007 \$	2006 \$
Total equity at the beginning of the financial year		43,788,832	36,970,359	38,479,014	36,411,166
Adjustment to reserves on adoption of AASB 139 re: change in the fair value of available-for-sale financial assets - listed company shares		-	366,669	-	366,669
Correction of prior year error re: calculation of OLI Scheme liability		-	21,933	-	21,933
Restated total equity at the beginning of the financial year		43,788,832	37,358,961	38,479,014	36,799,768
Change in the fair value of available-for-sale financial assets:					
- listed company shares		-	61,720	-	61,720
Gain on revaluation of land and buildings		-	5,818,375	-	1,067,750
Net income recognised directly in equity		-	5,880,095	-	1,129,470
Profit for the year		1,208,029	549,776	1,208,029	549,776
Total recognised income and expense for the year		1,208,029	6,429,871	1,208,029	1,679,246
Total equity at the end of the financial year		<u>44,996,861</u>	<u>43,788,832</u>	<u>39,687,043</u>	<u>38,479,014</u>

The accompanying notes form part of these financial statements

FINANCE SECTOR UNION OF AUSTRALIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2007

Receipts from Members	17,634,668	14,760,424	17,634,664	14,760,424
Interest Received	474,642	1,701,208	460,751	1,689,620
Rent	842,334	926,845	-	-
Other	546,895	1,445,243	546,896	1,445,243
Payments to Suppliers and Employees	<u>(18,719,836)</u>	<u>(17,305,011)</u>	<u>(17,959,871)</u>	<u>(16,481,966)</u>
CASH FLOW PROVIDED BY OPERATING ACTIVITIES	13 (b) 778,703	1,528,709	682,440	1,413,321
 CASH FLOWS FROM INVESTING ACTIVITIES				
Amelioration Fund loans advanced/repaid	148,172	(38,709)	148,172	(38,709)
Net OLI bonus payments distributed	(119,202)	(10,688)	(119,202)	(10,688)
Purchase of property, plant and equipment	(693,414)	(388,038)	(693,414)	(388,038)
Proceeds from the sale of fixed assets	240,135	125,569	240,135	125,569
Purchase of managed funds	-	(1,141,413)	-	(1,141,415)
CASH FLOW PROVIDED BY / (USED) IN INVESTING ACTIVITIES	(424,309)	(1,453,279)	(424,309)	(1,453,281)
 CASH FLOWS FROM FINANCING ACTIVITIES				
Funding from Property Trust	-	-	87,647	101,330
CASH FLOW PROVIDED BY / (USED) IN FINANCING ACTIVITIES	-	-	87,647	101,330
 NET CASH INCREASE	 354,394	 75,430	 345,778	 61,370
CASH AT THE BEGINNING OF THE YEAR	8,768,370	8,692,940	8,463,129	8,401,759
CASH AT THE END OF THE FINANCIAL YEAR	13 (a) 9,122,764	8,768,370	8,808,907	8,463,129

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 2007**

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) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(b) 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 8 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.

(c) Income Tax

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

(d) Property

Property is brought to account at fair value less any accumulated depreciation or amortisation. The carrying amount of property 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 been discounted to their present values in determining recoverable amounts.

Available-for-sale properties

Property expected to be sold within 12 months of the end of the financial year is classified as Available for Sale Properties.

Plant & Equipment

Plant and equipment is brought to account at the lower of cost and net realisable value less any accumulated depreciation.

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

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

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%		

(e) *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.

(f) *Financial assets*

Financial assets at fair value through profit or loss:

This category comprises investments in managed funds that are held by fund managers on behalf of the Union for trading to make a profit. They are non-derivatives and are included in non current assets as it is the intention of management to maintain a portfolio of investments for the longer term. They are recorded in the balance sheet at market value and any gains or losses are recorded through the Income Statement.

Investments in Unlisted Unit Trusts where no active market exists 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. Any gains or losses are recorded through the Income Statement.

Available-for-sale financial assets:

This category comprises shares in listed companies. They are non-derivatives and are included in non current assets as it is the intention of management to hold these shares as a strategic investment for the longer term. The shares are disclosed at their fair value at year end in accordance with quoted market pricing provided by the Australian Stock Exchange and any gains and losses arising from changes in the fair value are recorded directly to equity and disclosed in the 'Statement of Changes in Equity'.

(g) *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.

**FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007**

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

(h) 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 2007

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
NOTE 2: OPERATING SURPLUS/(DEFICIT)				
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	719,627	990,587	719,627	990,857
- Employees remuneration	8,189,963	6,755,408	8,189,963	6,755,407
- Superannuation contributions	1,463,119	1,304,632	1,463,119	1,304,632
- Redundancy and termination payments	106,517	690,714	106,517	690,714
- Other payroll on-costs	1,456,966	1,555,811	1,456,966	1,555,811
Allowances	40,581	66,641	40,581	66,641
Meeting expenses	114,978	203,562	114,978	203,562
Office rent	9,374	1,250	1,467,008	1,385,944
Other office expenses	1,783,596	952,679	968,437	225,452
Auditors remuneration:-				
- Auditing the accounts	75,000	70,000	70,000	70,000
- Other services	1,915	635	1,915	635
Legal fees	181,065	537,528	172,962	535,393
Other professional fees	26,588	27,600	26,588	27,600
Operating lease/rental of office equipment	420,613	400,932	420,613	400,932
Depreciation	248,399	241,989	248,399	241,989
Amortisation of freehold buildings	518,125	426,125	20,250	9,250
(Profit)/Loss on sale of property, plant & equipment	6,249	(4,153)	6,249	(4,153)
Affiliations – ACTU, TLCs, ALP, Other	645,669	897,232	645,669	897,232
Bad and doubtful debts	70,000	-	70,000	-
Donations and grants	14,935	8,513	14,935	8,513
Amelioration fund				
- Mortuary benefits	177,210	194,200	177,210	194,200
- Grants	-	8,597	-	8,597
- Remission of debts	5,431	71,862	5,431	71,862
<i>(b) Crediting as income</i>				
Subscriptions	17,720,862	14,911,929	17,720,862	14,911,929
Interest	474,642	417,333	460,751	405,744
Dividend income	24,861	39,117	24,861	39,117
Increase in market value of managed funds	2,005,596	1,283,876	2,005,596	1,283,876
Rent received	827,579	937,069	-	-
<i>(c) Significant items of income/ (expenditure)</i>				
Court-assessed damages/ (refund)	(300,000)	903,750	(300,000)	903,750

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
<u>NOTE 3: RECEIVABLES</u>				
<i>CURRENT</i>				
Subscriptions deducted not remitted	450,006	401,556	450,006	401,556
Sundry debtors	72,949	220,506	55,678	188,481
Less provision for doubtful debts	-	-	-	-
	<u>522,955</u>	<u>622,062</u>	<u>505,684</u>	<u>590,037</u>
Amelioration fund loans to members	1,103,017	1,209,569	1,103,017	1,209,569
Less provision for doubtful debts	(150,000)	(80,000)	(150,000)	(80,000)
	<u>953,017</u>	<u>1,129,569</u>	<u>953,017</u>	<u>1,129,569</u>
	<u>1,475,972</u>	<u>1,751,631</u>	<u>1,458,701</u>	<u>1,719,606</u>
<i>NON-CURRENT</i>				
Amelioration fund loans to members	566,610	608,230	566,610	608,230
FSU Property Pty Ltd	-	-	20,500,000	20,500,000
	<u>566,610</u>	<u>608,230</u>	<u>21,066,610</u>	<u>21,108,230</u>

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
NOTE 4: NON CURRENT ASSETS				
Financial assets at fair value through profit or loss				
- Managed investments	10,824,353	9,661,541	10,824,353	9,661,541
- Units - unlisted trusts	27,960	32,955	27,960	32,955
less provision for diminution	(26,933)	(26,933)	(26,933)	(26,933)
	1,027	6,022	1,027	6,022
Total financial assets through profit or loss	<u>10,825,380</u>	<u>9,667,563</u>	<u>10,825,380</u>	<u>9,667,563</u>
Available-for-sale financial assets				
- Shares in listed companies at market value	<u>553,954</u>	<u>477,234</u>	<u>553,954</u>	<u>477,234</u>

NOTE 5: PROPERTY, PLANT & EQUIPMENT

Freehold Land & Buildings:

Freehold land at:				
- independent valuation December 2005	4,230,000	5,880,000	335,000	1,285,000
- at cost	-	-	-	-
Total Freehold Land	<u>4,230,000</u>	<u>5,880,000</u>	<u>335,000</u>	<u>1,285,000</u>
Buildings at:				
- independent valuation December 2005	18,465,000	20,725,000	420,000	810,000
- at cost	-	-	-	-
less accumulated depreciation	(461,625)	-	(10,500)	-
Total Buildings	<u>18,003,375</u>	<u>20,725,000</u>	<u>409,500</u>	<u>810,000</u>
Total Freehold Land & Buildings	<u>22,233,375</u>	<u>26,605,000</u>	<u>744,500</u>	<u>2,095,000</u>

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
<u>NOTE 5: PROPERTY, PLANT & EQUIPMENT</u>				
<u>(CONTINUED)</u>				
<i>Plant & Equipment:</i>				
Furniture & Fittings - at cost	3,560,772	3,471,143	3,560,772	3,471,143
less accumulated depreciation	(3,384,956)	(3,299,555)	(3,384,956)	(3,299,555)
	<u>175,816</u>	<u>171,588</u>	<u>175,816</u>	<u>171,588</u>
Motor Vehicles - at cost	1,168,206	1,023,099	1,168,206	1,023,099
less accumulated depreciation	(290,757)	(340,052)	(290,757)	(340,052)
	<u>877,449</u>	<u>683,047</u>	<u>877,449</u>	<u>683,047</u>
Total Plant & Equipment	<u>1,053,265</u>	<u>854,635</u>	<u>1,053,265</u>	<u>854,635</u>
Total Property, Plant & Equipment	<u>23,286,640</u>	<u>27,459,635</u>	<u>1,797,765</u>	<u>2,949,635</u>

The revaluations of freehold land and buildings were based on the assessment of their market value as at 31 December 2005.

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 Charter Keck Cramer 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 2008.

NOTE 6: ACCOUNTS PAYABLE

Legal costs	22,914	13,723	12,914	4,500
Other	1,822,078	1,949,798	3,247,141	2,880,080
	<u>1,844,992</u>	<u>1,963,521</u>	<u>3,260,055</u>	<u>2,884,580</u>

**FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 7: GROUP ENTITIES

Subsidiary

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

	<u>2007</u>	<u>2006</u>
Country of incorporation	Australia	Australia
Percentage owned	100%	100%
Investment at cost	\$2	\$2
Contribution to group operating surplus	\$nil	\$nil

Rent of \$1,457,634 (2006 - \$1,427,652) was invoiced by the Property Trust to the FSUA during the year at commercial rates.

The FSU Property Trust made a trust distribution to FSUA, its sole beneficiary, of \$985,408 (2006 - \$1,230,307) at the end of the year.

<u>Economic Entity</u>		<u>Parent Entity</u>	
<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

NOTE 8: REMUNERATION & RETIREMENT BENEFITS

a) Remuneration received or receivable by National Executive Delegates.	<u>1,134,390</u>	<u>1,145,398</u>	<u>1,134,390</u>	<u>1,145,398</u>
b) 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	<u>135,968</u>	<u>214,420</u>	<u>135,968</u>	<u>214,420</u>

NOTE 9: PROVISION – EMPLOYEE ENTITLEMENTS

Officers	324,763	614,024	324,763	614,024
Employees	2,808,595	2,482,449	2,808,595	2,482,449
	<u>3,133,358</u>	<u>3,096,473</u>	<u>3,133,358</u>	<u>3,096,473</u>
<i>Shown as:</i>				
Current	1,862,209	1,726,526	1,862,209	1,726,526
Non Current	1,271,149	1,369,947	1,271,149	1,369,947
	<u>3,133,358</u>	<u>3,096,473</u>	<u>3,133,358</u>	<u>3,096,473</u>

NOTE 10: RELATED PARTY TRANSACTIONS

There were no related party transactions with any members of National Executive during the year.

**FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007**

NOTE 11: SEGMENT REPORTING

	Trade Union		Property Trust		OLI Scheme/Union Care Fund		Economic Entity	
	2007	2006	2007	2006	2007	2006	2007	2006
	\$	\$	\$	\$	\$	\$	\$	\$
Primary Reporting - Business Segments								
<i>Turnover</i>								
Segment Revenue	20,067,413	17,388,679	841,471	948,658	465,443	402,861	21,374,327	18,740,198
Total Segment Revenue							21,374,327	18,740,198
<i>Result</i>								
Segment Result	1,003,609	627,998	-	-	204,420	(78,222)	1,208,029	549,776
Net Profit							1,208,029	549,776
<i>Assets</i>								
Segment Assets	18,534,633	16,975,013	24,394,755	24,888,759	7,045,823	6,985,054	49,975,211	48,848,826
Total Segment Assets							49,975,211	48,848,826
<i>Liabilities</i>								
Segment Liabilities	4,457,963	4,486,273	252,599	186,730	267,788	386,991	4,978,350	5,059,994
Total Liabilities							4,978,350	5,059,994

Secondary Reporting - Geographical Segments

The Union operates in only one geographical sector ie: Australia.

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

NOTE 12: 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 272 of Schedule 1B which reads as follows:

- (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;
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit;
- (3) A reporting unit must comply with an application made under sub-section (1).

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
		\$	\$	\$
NOTE 13: 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	4,555	5,555	4,540	5,540
Cash at bank	6,435,653	6,246,322	6,121,811	5,941,096
Managed investments – cash component	2,682,556	2,516,493	2,682,556	2,516,493
Bank overdraft	-	-	-	-
	<u>9,122,764</u>	<u>8,768,370</u>	<u>8,808,907</u>	<u>8,463,129</u>
Overdraft facility limit	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
(b) Reconciliation of Cash Flow from Operations with Operating Surplus / (Deficit) after income tax:				
Operating surplus (deficit) after income tax	<u>1,208,029</u>	<u>549,776</u>	<u>1,208,029</u>	<u>549,776</u>
Non Cash Flows in Operating Surplus/(Deficit)				
Amortisation of leased assets	-	-	-	-
Depreciation & amortisation	766,524	668,114	268,649	251,239
Write-off of bad debts	-	71,862	-	71,862
Unrealised Gains	(2,005,602)	-	(2,005,602)	-
Loss/(Profit) on sale of assets	6,249	(4,153)	6,249	(4,153)
Changes in Assets & Liabilities				
Increase / (Decrease) in accounts payable	171,232	239,730	105,363	224,990
Increase / (Decrease) in provision for employee entitlements	807,943	123,243	807,943	123,243
Increase / (Decrease) in doubtful debts	70,000	-	70,000	-
Increase / (Decrease) in loan – Property Trust	-	-	472,226	301,341
Decrease / (Increase) in subscriptions owing	(86,198)	(151,505)	(86,198)	(151,505)
Decrease / (Increase) in sundry receivables	14,754	59,182	-	69,405
Decrease / (Increase) in prepayments	(174,228)	(27,541)	(164,219)	(22,877)
Cash Flow from Operations	<u>778,703</u>	<u>1,528,709</u>	<u>682,440</u>	<u>1,413,321</u>

(c) Non Cash Financing and Investing Activities

During the year the parent entity acquired plant and equipment with an aggregate fair value of \$Nil (2006: \$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 2007

NOTE 14: 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:

Financial Assets

Cash	6.30%	6,435,653	4,555	-	-	-
Managed investments	16.70%	13,506,909	1,027	-	-	-
Available for sale assets	N/A	-	477,234	-	-	-
Receivables	5.00%	-	522,955	1,519,627	-	-
Total Financial Assets		19,942,562	1,005,771	1,519,627	-	-

Financial Liabilities

Overdrafts	9.50%	-	-	-	-	-
Accounts payable	N/A	-	1,844,992	-	-	-
Total Financial Liabilities		-	1,844,992	-	-	-

2006

Financial Assets

Cash	5.20%	6,246,322	5,555	-	-	-
Managed investments	11.80%	12,178,034	6,022	-	-	-
Available for sale assets	N/A	-	477,234	-	-	-
Receivables	5.00%	-	622,062	1,129,569	608,230	-
Total Financial Assets		18,424,356	1,110,873	1,129,569	608,230	-

Financial Liabilities

Overdrafts	8.90%	-	-	-	-	-
Accounts payable	N/A	-	1,963,521	-	-	-
Total Financial Liabilities		-	1,963,521	-	-	-

**FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007**

(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.

NOTE 15: EVENT SUBSEQUENT TO BALANCE DATE

At a meeting of the National Executive held 23 August 2007 it was decided to place certain properties up for sale. The level of interest received from the market indicates these properties will realise amounts no less than their carrying values as at 30 June 2007.

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF THE FINANCE SECTOR UNION OF AUSTRALIA

Scope

The financial report and directors' responsibility:

The financial report comprises the Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, accompanying notes to the financial statements, and the Statement of the National Executive of the Finance Sector Union of Australia (the consolidated entity), for the year ended 30 June 2007. The consolidated entity comprises both the Union and the entities it controlled during that year.

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

Audit Approach

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

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

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

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

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

INDEPENDENT AUDIT REPORT (CONTINUED)

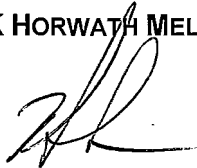
Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and *section 256 of the Workplace Relations Act 1996*.

Audit Opinion

In our opinion, the general purpose financial report of the Finance Sector Union of Australia for the year ended 30 June 2007, presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia as well as the requirements of the RAO Schedule of the Workplace Relations Act 1996.

WHK HORWATH MELBOURNE



.....
Peter Sexton
Partner

Dated: 21st November 2007

Annual Report – 2006/07

On 14 November 2007 a ballot of National Executive Delegates was conducted and Delegates were asked to endorse the Annual Report – 2006/07.

At the close of the ballot the recommendation was carried.

It was resolved:

81/07

“That the following motion carried by National Executive by postal ballot be minuted:

‘That

- (1) The National Executive, as the Committee of Management of the Finance Sector Union declares in relation to the general purpose financial report (GPFR) of the Finance Sector Union of Australia for the financial year ended June 30, 2007, that in the opinion of the National Executive:
 - (a) the financial statements and notes comply with the Australian Accounting Standards;
 - (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
 - (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
 - (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
 - (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) no requests for information have been received from a member of the reporting unit or a Registrar under section 272 of the RAO Schedule during the period; and
 - (v) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.
- (2) That the National President and National Secretary be authorised to sign the Certificate to be included in the GPFR, on behalf of National Executive.
- (3) That the summary of the GPFR for the year ended June 30, 2007 be adopted for presentation to members in accordance with Section 265 (2) of the RAO Schedule to the Workplace Relations Act 1996.



FSU CONCISE REPORT TO MEMBERS 2006/2007

Finance Sector Union of Australia

(the reporting unit)

Operating Report for the period 1 July 2006 to 30 June 2007.

Prepared in accordance with Schedule 1 - Registration and Accountability of Organisation Chapter 8 - Records and Accounts; Part 3 - Accounts and Audit Section 254 - Reporting unit to prepare Operating Report of the Workplace Relations Act 1996 (Commonwealth).

Review of Activities

The Finance Sector Union is a member based, federally registered trade union, representing finance sector workers who are actively pursuing better working lives and stronger communities.

The reporting unit's activities are directed by its National Executive in pursuit of this aim and in accordance with its rules of registration.

Principally, the reporting unit's activities consist of:

- Organising finance sector employees;
- Training and education of members;
- Providing individual members with informed and expert representation in workplace related matters;
- Maintaining and monitoring the compliance with relevant industrial awards and agreements;
- Collectively bargaining with employers on behalf of and in the interests of members;
- Representing and assisting members in all matters pursuant to the Workplace Relations Act 1996;
- Representing and assisting members in all matters pursuant to the relevant national and state Occupational, Health and Safety Acts;
- Advocating on behalf of members and in the interests of finance sector employees in all relevant tribunals, courts of law, parliamentary committees and inquiries;
- Administering union resources;
- Other matters as directed by the National Executive.

Results of Activities

During the period 1/7/06 - 30/6/07, the Finance Sector Union:

- Received application for and admitted 6152 members;
- Appointed over 712 members as FSU workplace representatives;
- Provided training to 665 workplace representatives;
- Provided representation to 5535 members at the workplace or enterprise level;
- Was party to 80 awards and more than 92 collective agreements in current operation across the finance sector;
- Made approximately 130 applications to the Australian Industrial Relations Commission regarding industrial disputes, award variations and seeking award coverage of award free employees;
- Negotiated and had certified 19 union collective agreements covering approx. 25,000 employees;
- Made submissions to, and appeared before, Commonwealth of Australia Parliamentary Committees and State Parliament Committee of Inquiry or Review.

There was no significant change to the nature of the activities of the reporting unit during the reporting period. There were no significant changes to the reporting unit's financial affairs during the period.

In accordance with Section 174 of the Workplace Relations Act, members of the reporting unit may resign from membership by written notice addressed and delivered to the National Secretary or the relevant Local Executive Secretary.

In accordance with section 230 of the Registration and Accountability of Organisations (RAO) Schedule, the reporting unit had a recorded 48,439 members at the end of the period.

The reporting unit employed 146 FTE employees nationally at the end of the reporting period.

The name of each person holding a position on the National Executive of the reporting unit during the reporting period is as follows:

Beattie N. (to 30/9/06)	Clifford M.S.	Hollebon C.D. (from 2/5/07)	Ruwoldt J.M.
Black D.A.	Corbett M.M. (from 1/10/06)	Jordan F.S. (from 17/5/07)	Schofi eld-Olsen L.D. (to 17/5/07)
Brampton M.D. (from 1/10/06)	Derrick G.	Logan A. (to 30/9/06)	Schroder P.J.
Brinkley K.M.	Fay A.C. (from 1/10/06)	Martin D.L.	Smailes K. (to 30/9/06)
Brown L.K. (to 30/9/06)	Ferrari P.R.M.	Noye C.A. (to 30/9/06)	Stacey L.G.
Caddie S.M. (to 30/9/06)	Geli I. (from 1/10/06)	Oxley C. (to 30/9/06)	Wilson J.S. (to 30/9/06)
Christie K.A. (from 1/10/06 to 2/5/07)	Gordon C.A.	Peddie D.H. (to 30/9/06)	

Leon Carter
National Secretary

FINANCE SECTOR UNION OF AUSTRALIA AND CONTROLLED ENTITY

CONCISE FINANCIAL REPORT

The National Executive (Committee of Management) of the Finance Sector Union of Australia has resolved to provide a concise financial report to members for the financial year ended June 30, 2007.

The concise financial report has been derived from the full report and cannot be expected to provide as full an understanding of the financial performance, financial position and financial and investing activities of the reporting unit as the full report. A copy of the full report and auditor's report will be sent to any member who requests them free of charge.

Members are advised of the following provision of the RAO Schedule of the Workplace Relations Act:

272 Information to be provided to members or Registrar

- (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.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

FINANCE SECTOR UNION OF AUSTRALIA INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Economic Entity		Parent Entity	
	2007 (\$)	2006 (\$)	2007 (\$)	2006 (\$)
REVENUE FROM ORDINARY ACTIVITY	21,374,327	18,740,199	21,518,264	19,021,848
Expenses From Ordinary Activities				
Building & Equipment expenses	(1,792,970)	(1,788,128)	(2,435,445)	(2,487,303)
Industrial & Campaign expenses	(1,477,896)	(1,255,249)	(1,477,896)	(1,255,249)
Depreciation	(766,524)	(668,114)	(268,649)	(251,239)
ACTU Affiliation fees	(396,771)	(666,726)	(396,771)	(666,726)
Office Expenses	(1,696,841)	(602,532)	(1,696,841)	(602,532)
Other expenses	(1,747,883)	(1,678,613)	(1,747,220)	(1,677,962)
NET PROFIT FROM ORDINARY ACTIVITIES	1,208,029	549,776	1,208,029	549,776

FINANCE SECTOR UNION OF AUSTRALIA BALANCE SHEET AS AT 30 JUNE 2007

	Economic Entity		Parent Entity	
	2007 (\$)	2006 (\$)	2007 (\$)	2006 (\$)
ACCUMULATED FUNDS				
General Fund	37,737,213	36,529,184	37,737,211	36,529,182
Asset Revaluation Reserve	7,259,648	7,259,648	1,949,832	1,949,832
TOTAL ACCUMULATED FUNDS represented by:	44,996,861	43,788,832	39,687,043	38,479,014
CURRENT ASSETS				
Cash	9,122,764	8,768,370	8,808,907	8,463,129
Receivables	1,475,972	1,751,631	1,458,701	1,719,606
Available-for-sale properties	3,853,500	-	1,330,250	-
Prepayments	290,391	116,163	238,889	74,670
TOTAL CURRENT ASSETS	14,742,627	10,636,164	11,836,747	10,257,405
NON CURRENT ASSETS				
Receivables	566,610	608,230	21,066,610	21,108,230
Financial assets	10,825,380	9,667,563	10,825,380	9,667,563
Available-for-sale financial assets	553,954	477,234	553,954	477,234
Property, Plant & Equipment	23,286,640	27,459,635	1,797,765	2,949,635
TOTAL NON CURRENT ASSETS	35,232,584	38,212,662	34,243,709	34,202,662
TOTAL ASSETS	49,975,211	48,848,826	46,080,456	44,460,067
CURRENT LIABILITIES				
Accounts Payable	1,844,992	1,963,521	3,260,055	2,884,580
Provision - Employee Entitlements	1,862,209	1,726,526	1,862,209	1,726,526
TOTAL CURRENT LIABILITIES	3,707,201	3,690,047	5,122,264	4,611,106
NON CURRENT LIABILITIES				
Provision - Employee Entitlements	1,271,149	1,369,947	1,271,149	1,369,947
TOTAL NON CURRENT LIABILITIES	1,271,149	1,369,947	1,271,149	1,369,947
TOTAL LIABILITIES	4,978,350	5,059,994	6,393,413	5,981,053
NET ASSETS	44,996,861	43,788,832	39,687,043	38,479,014

FINANCE SECTOR UNION OF AUSTRALIA STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2007

	Economic Entity		Parent Entity	
	2007 (\$)	2006 (\$)	2007 (\$)	2006 (\$)
Total equity at the beginning of the financial year	43,788,832	36,970,359	38,479,014	36,411,166
Adjustment to reserves on adoption of AASB 139 re: change in the fair value of available-for-sale financial assets - listed company shares	-	366,669	-	366,669
Correction of prior year error re: calculation of OLI Scheme liability	-	21,933	-	21,933
Restated total equity at the beginning of the financial year	43,788,832	37,358,961	38,479,014	36,799,768
Change in the fair value of available-for-sale financial assets:				
- listed company shares	-	61,720	-	61,720
Gain on revaluation of land and buildings	-	5,818,375	-	1,067,750
Net income recognised directly in equity	-	5,880,095	-	1,129,470
Profit for the year	1,208,029	549,776	1,208,029	549,776
Total recognised income and expense for the year	1,208,029	6,429,871	1,208,029	1,679,246
Total equity at the end of the financial year	44,996,861	43,788,832	39,687,043	38,479,014

FINANCE SECTOR UNION OF AUSTRALIA STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2007

	Economic Entity		Parent Entity	
	2007 (\$)	2006 (\$)	2007 (\$)	2006 (\$)
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Members	17,634,668	14,760,424	17,634,664	14,760,424
Interest Received	474,642	1,701,208	460,751	1,689,620
Rent	842,334	926,845	-	-
Other	546,895	1,445,243	546,896	1,445,243
Payments to Suppliers and Employees	(18,719,836)	(17,305,011)	(17,959,871)	(16,481,966)
CASH FLOW PROVIDED BY OPERATING ACTIVITIES	778,703	1,528,709	682,440	1,413,321
CASH FLOWS FROM INVESTING ACTIVITIES				
Amelioration Fund loans advanced/repaid	148,172	(38,709)	148,172	(38,709)
Net OLI bonus payments distributed	(119,202)	(10,688)	(119,202)	(10,688)
Purchase of property, plant and equipment	(693,414)	(388,038)	(693,414)	(388,038)
Proceeds from the sale of fixed assets	240,135	125,569	240,135	125,569
Purchase of managed funds	-	(1,141,413)	-	(1,141,415)
CASH FLOW PROVIDED BY / (USED) IN INVESTING ACTIVITIES	(424,309)	(1,453,279)	(424,309)	(1,453,281)
CASH FLOWS FROM FINANCING ACTIVITIES				
Funding from Property Trust	-	-	87,647	101,330
CASH FLOW PROVIDED BY / (USED) IN FINANCING ACTIVITIES	-	-	87,647	101,330
NET CASH INCREASE	354,394	75,430	345,778	61,370
CASH AT THE BEGINNING OF THE YEAR	8,768,370	8,692,940	8,463,129	8,401,759
CASH AT THE END OF THE FINANCIAL YEAR	9,122,764	8,768,370	8,808,907	8,463,129

Auditor's certification


To the members of the Finance Sector Union of Australia

In our opinion, the attached Concise Financial Report of the Finance Sector Union of Australia for the year ended 30 June 2007 is in accordance with the full audited general purpose financial report available for inspection by members. The audit opinion expressed in that report is as follows:

Audit Opinion

In our opinion, the general purpose financial report of the Finance Sector Union of Australia presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia as well as the requirements of the RAO Schedule of the Workplace Relations Act 1996.

WHK HORWATH MELBOURNE



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Peter T. Sexton
Partner

Dated: 21 November 2007

- (4) That the Operating Report for the year ended June 30, 2007 be adopted in accordance with Section 254 of the RAO Schedule to the Workplace Relations Act 1996 for inclusion in the full report and the concise report for presentation to members’.”

CARRIED