



Australian Government
Australian Industrial Registry

7 May 2009

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: Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)
Financial report for the year ended 30 June 2008 – FR2008/224**

I have received the financial report and concise report for the National Office of the Finance Sector Union of Australia for the year ended 30 June 2008. The documents were lodged in the Registry on 5 February 2009. I apologise for the delay in responding to the lodged documents.

The documents have been filed.

It has been noted that the organisation has complied fully with our previous request to include:

- the committee of management statement and a discussion and analysis of the principal factors affecting the financial performance in the concise report;
- the correct the legislation reference in the auditor's report;
- a statement regarding whether any officers or members of the FSU is a trustee of a superannuation entity; and
- a date to the operating report.

The documents were of a high standard and complied with the financial reporting obligations under the RAO Schedule.

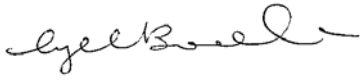
I have only one comment to assist in future years, that is, the Auditor's Report should provide details of the individual auditor's qualifications to confirm he is an **approved auditor** as defined by s.256 of RAO Schedule and Regulation 4 of the *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003* (RAO Regulations). Regulation 4 defines an approved auditor as a *person* who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants **and** holds a current Public Practice Certificate.

While it is more than likely that your auditor is an approved auditor as defined by the RAO Regulations the preferred practice is the qualifications of the individual auditor **and** the fact that he holds a current Public Practice Certificate be made explicit in the signature block.

I have forwarded a copy of this letter to your auditor.

If you have any queries regarding this letter please contact me on (03) 8661 7989 (Wednesdays to Fridays) or at Cynthia.lobooth@airc.gov.au

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Cynthia Lo-Booth', with a stylized flourish at the end.

Cynthia Lo-Booth
Statutory Services Branch

Cc: Mr Peter Sexton
mel@whkhorwath.com.au



January 30, 2009

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, 2008 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 December 4, 2008, and the summary circulated to members during November/December 2008. They were re-presented to the National Executive on January 27, 2009.

Yours faithfully,

Leon Carter,
NATIONAL SECRETARY

FINANCE
SECTOR
UNION OF
AUSTRALIA

National Office

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Melbourne
Victoria 3000

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*All correspondence must
be addressed to the
Secretary*

- (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, 2008, 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 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.
- (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, 2008 be adopted for presentation to members in accordance with Section 265 (2) of the RAO Schedule to the Workplace Relations Act 1996.
- (4) That the Operating Report for the year ended June 30, 2008 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.

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

FINANCIAL STATEMENTS

30 JUNE 2008

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

STATEMENT OF THE NATIONAL EXECUTIVE

On December 4, 2008 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, 2008:

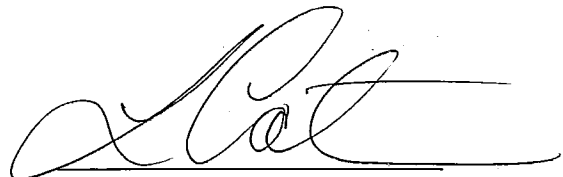
The National Executive declares in relation to the GPFR that in its opinion:

- (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 4th day of December, 2008

FINANCE SECTOR UNION OF AUSTRALIA
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	Note	<u>Economic Entity</u>		<u>Parent Entity</u>	
		2008	2007	2008	2007
		\$	\$	\$	\$
Income From Ordinary Activities	2	20,014,808	21,374,327	20,115,649	21,518,264
Expenses From Ordinary Activities					
Employee Benefits		(14,993,672)	(12,287,413)	(14,993,672)	(12,287,413)
Building & Equipment Expenses		(1,309,371)	(1,792,970)	(1,904,403)	(2,435,445)
Industrial & Campaign Expenses		(1,199,932)	(1,477,896)	(1,199,932)	(1,477,896)
Depreciation		(982,264)	(766,524)	(488,601)	(268,649)
ACTU Affiliation Fees		(123,677)	(396,771)	(123,677)	(396,771)
Office Expenses		(1,769,396)	(1,696,841)	(1,769,396)	(1,696,841)
Other Expenses		(1,799,791)	(1,747,883)	(1,799,263)	(1,747,220)
NET SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES	2	<u>(2,163,295)</u>	<u>1,208,029</u>	<u>(2,163,295)</u>	<u>1,208,029</u>

The accompanying notes form part of these financial statements

FINANCE SECTOR UNION OF AUSTRALIA
BALANCE SHEET
AS AT 30 JUNE 2008

	Note	Economic Entity		Parent Entity	
		2008	2007	2008	2007
		\$	\$	\$	\$
TOTAL ACCUMULATED FUNDS		43,304,404	44,996,861	37,994,586	39,687,043
represented by:					
CURRENT ASSETS					
Cash	13 (a)	13,426,074	9,122,764	13,130,961	8,808,907
Receivables	3	1,337,346	1,475,972	1,267,377	1,458,701
Available-for-sale properties		-	3,853,500	-	1,330,250
Prepayments		263,392	290,391	200,687	238,889
TOTAL CURRENT ASSETS		15,026,812	14,742,627	14,599,025	11,836,747
NON CURRENT ASSETS					
Receivables	3	367,162	566,610	20,867,162	21,066,610
Financial Assets	4	6,953,401	10,825,380	6,953,401	10,825,380
Available-for-sale financial assets	4	387,460	553,954	387,460	553,954
Property, Plant & Equipment	5	25,790,679	23,286,640	4,364,223	1,797,765
TOTAL NON CURRENT ASSETS		33,498,702	35,232,584	32,572,246	34,243,709
TOTAL ASSETS		48,525,514	49,975,211	47,171,271	46,080,456
CURRENT LIABILITIES					
Accounts Payable	6	1,970,702	1,844,992	5,926,277	3,260,055
Provision - Employee Entitlements	9	2,034,253	1,862,209	2,034,253	1,862,209
TOTAL CURRENT LIABILITIES		4,004,955	3,707,201	7,960,530	5,122,264
NON CURRENT LIABILITIES					
Provision - Employee Entitlements	9	1,216,155	1,271,149	1,216,155	1,271,149
TOTAL NON CURRENT LIABILITIES		1,216,155	1,271,149	1,216,155	1,271,149
TOTAL LIABILITIES		5,221,110	4,978,350	9,176,685	6,393,413
NET ASSETS		43,304,404	44,996,861	37,994,586	39,687,043

The accompanying notes form part of these financial statements

FINANCE SECTOR UNION OF AUSTRALIA
STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2008

	<u>Economic Entity</u>		<u>Parent Entity</u>	
	2008	2007	2008	2007
	\$	\$	\$	\$
GENERAL FUND				
Total at the beginning of the financial year	37,737,213	36,529,184	37,737,211	36,529,182
Correction of prior year classification of fit-out costs	637,332	-	637,332	-
Transfer to asset revaluation reserve re: gain on listed shares held for long term investment	(138,399)	-	(138,399)	-
Restated total at the beginning of the financial year	38,236,146	36,529,184	38,236,144	36,529,182
Surplus/(Deficit) for the year	(2,163,295)	1,208,029	(2,163,295)	1,208,029
Total at the end of the financial year	<u>36,072,851</u>	<u>37,737,213</u>	<u>36,072,849</u>	<u>37,737,211</u>
ASSET REVALUATION RESERVE				
Total at the beginning of the financial year	7,259,648	7,259,648	1,949,832	1,949,832
Transfer from general fund re: gain on listed shares held for long term investment	138,399	-	138,399	-
Loss on listed shares held for long term investment	(166,494)	-	(166,494)	-
Total at the end of the financial year	<u>7,231,553</u>	<u>7,259,648</u>	<u>1,921,737</u>	<u>1,949,832</u>
TOTAL ACCUMULATED FUNDS				
Total accumulated funds at the beginning of the financial year	44,996,861	43,788,832	39,687,043	38,479,014
Correction of prior year classification of fit-out costs	637,332	-	637,332	-
Restated total accumulated funds at the beginning of the financial year	45,634,193	43,788,832	40,324,375	38,479,014
Surplus/(Deficit) for the year	(2,163,295)	1,208,029	(2,163,295)	1,208,029
Loss on listed shares held for long term investment	(166,494)	-	(166,494)	-
Total accumulated funds at the end of the financial year	<u>43,304,404</u>	<u>44,996,861</u>	<u>37,994,586</u>	<u>39,687,043</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 2008

	Note	Economic Entity		Parent Entity	
		2008	2007	2008	2007
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Members		16,807,143	17,634,668	16,807,143	17,634,664
Interest Received		634,635	474,642	621,749	460,751
Rent		917,576	842,334	-	-
Other		538,288	546,895	538,287	546,896
Interest Paid		(9,305)	-	(9,305)	-
Payments to Suppliers and Employees		(21,341,176)	(18,719,836)	(20,830,838)	(17,959,871)
CASH FLOW PROVIDED BY OPERATING ACTIVITIES	13 (b)	(2,452,839)	778,703	(2,872,964)	682,440
CASH FLOWS FROM INVESTING ACTIVITIES					
Amelioration Fund loans advanced/repaid		404,363	148,172	404,363	148,172
Net OLI bonus payments distributed		(13,737)	(119,202)	(13,737)	(119,202)
Purchase of property, plant and equipment		(2,929,165)	(693,414)	(2,538,000)	(693,414)
Proceeds from the sale of fixed assets		6,194,688	240,135	1,718,827	240,135
Redemption of managed funds		3,100,000	-	3,100,000	-
CASH FLOW PROVIDED BY / (USED) IN INVESTING ACTIVITIES		6,756,149	(424,309)	2,671,453	(424,309)
CASH FLOWS FROM FINANCING ACTIVITIES					
Funding from Property Trust		-	-	4,523,565	87,647
CASH FLOW PROVIDED BY / (USED) IN FINANCING ACTIVITIES		-	-	4,523,565	87,647
NET CASH INCREASE		4,303,310	354,394	4,322,054	345,778
CASH AT THE BEGINNING OF THE YEAR		9,122,764	8,768,370	8,808,907	8,463,129
CASH AT THE END OF THE FINANCIAL YEAR	13 (a)	13,426,074	9,122,764	13,130,961	8,808,907

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 2008

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 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.

(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 2008

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 2008**

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 2008

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
NOTE 2: OPERATING SURPLUS/(DEFICIT)				
Operating surplus/(deficit) before abnormal items has been determined after:				
<i>(a) Charging as an expense</i>				
Salaries and salary oncosts				
- Officers remuneration	587,942	719,627	587,942	719,627
- Employees remuneration	9,759,468	8,189,963	9,759,468	8,189,963
- Superannuation contributions	1,869,345	1,463,119	1,869,345	1,463,119
- Redundancy and termination payments	589,475	106,517	589,475	106,517
- Other payroll on-costs	1,874,523	1,456,966	1,874,523	1,456,966
Allowances	51,689	40,581	51,689	40,581
Meeting expenses	77,444	114,978	77,444	114,978
Office rent	148,554	9,374	1,469,822	1,467,008
Other office expenses	1,160,817	1,783,596	434,581	968,437
Auditors remuneration:-				
- Auditing the accounts	51,500	75,000	51,500	70,000
- Other services	6,932	1,915	6,932	1,915
Legal fees	85,265	181,065	85,265	172,962
Other professional fees	23,110	26,588	23,110	26,588
Operating lease/rental of office equipment	481,403	420,613	481,403	420,613
Depreciation	471,574	248,399	471,574	248,399
Amortisation of freehold buildings	510,690	518,125	17,027	20,250
(Profit)/Loss on sale of property, plant & equipment	2,283,721	6,249	291,031	6,249
Affiliations – ACTU, TLCs, ALP, Other	399,276	645,669	399,276	645,669
Bad and doubtful debts	-	70,000	-	70,000
Donations and grants	23,175	14,935	23,175	14,935
Amelioration fund				
- Mortuary benefits	143,500	177,210	143,500	177,210
- Grants	2,000	-	2,000	-
- Remission of debts	113,814	5,431	113,814	5,431
<i>(b) Crediting as income</i>				
Subscriptions	16,555,220	17,720,862	16,555,220	17,720,862
Interest	511,055	474,642	498,169	460,751
Dividend income	25,999	24,861	25,999	24,861
Increase/(decrease) in market value of managed funds	(648,399)	2,005,596	(648,399)	2,005,596
Rent received	970,275	827,579	-	-
<i>(c) Significant items of income/ (expenditure)</i>				
Court-assessed damages/(refund)	-	(300,000)	-	(300,000)

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
<u>NOTE 3: RECEIVABLES</u>				
<i>CURRENT</i>				
Subscriptions deducted not remitted	198,084	450,006	198,084	450,006
Sundry debtors	391,160	72,949	321,191	55,678
Less provision for doubtful debts	-	-	-	-
	<u>589,244</u>	<u>522,955</u>	<u>519,275</u>	<u>505,684</u>
Amelioration fund loans to members	898,102	1,103,017	898,102	1,103,017
Less provision for doubtful debts	(150,000)	(150,000)	(150,000)	(150,000)
	<u>748,102</u>	<u>953,017</u>	<u>748,102</u>	<u>953,017</u>
	<u><u>1,337,346</u></u>	<u><u>1,475,972</u></u>	<u><u>1,267,377</u></u>	<u><u>1,458,701</u></u>
<i>NON-CURRENT</i>				
Amelioration fund loans to members	367,162	566,610	367,162	566,610
FSU Property Pty Ltd	-	-	20,500,000	20,500,000
	<u>367,162</u>	<u>566,610</u>	<u>20,867,162</u>	<u>21,066,610</u>

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
NOTE 4: NON CURRENT ASSETS				
Financial assets at fair value through profit or loss				
- Managed investments	6,952,374	10,824,353	6,952,374	10,824,353
- Units - unlisted trusts	27,960	27,960	27,960	27,960
less provision for diminution	(26,933)	(26,933)	(26,933)	(26,933)
	1,027	1,027	1,027	1,027
Total financial assets through profit or loss	<u>6,953,401</u>	<u>10,825,380</u>	<u>6,953,401</u>	<u>10,825,380</u>
Available-for-sale financial assets				
- Shares in listed companies at market value	<u>387,460</u>	<u>553,954</u>	<u>387,460</u>	<u>553,954</u>

NOTE 5: PROPERTY, PLANT & EQUIPMENT

Freehold Land & Buildings:

Freehold land at:				
- independent valuation December 2005	4,230,000	4,230,000	335,000	335,000
- at cost	-	-	-	-
Total Freehold Land	<u>4,230,000</u>	<u>4,230,000</u>	<u>335,000</u>	<u>335,000</u>
Buildings at:				
- independent valuation December 2005	18,465,000	18,465,000	420,000	420,000
- at cost	391,164	-	-	-
less accumulated depreciation	(925,708)	(461,625)	(21,000)	(10,500)
Total Buildings	<u>17,930,456</u>	<u>18,003,375</u>	<u>399,000</u>	<u>409,500</u>
Total Freehold Land & Buildings	<u>22,160,456</u>	<u>22,233,375</u>	<u>734,000</u>	<u>744,500</u>

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
	\$	\$	\$	\$
<u>NOTE 5: PROPERTY, PLANT & EQUIPMENT</u>				
<u>(CONTINUED)</u>				
<i>Plant & Equipment:</i>				
Furniture & Fittings - at cost	6,516,280	3,560,772	6,516,280	3,560,772
less accumulated depreciation	<u>(3,703,120)</u>	<u>(3,384,956)</u>	<u>(3,703,120)</u>	<u>(3,384,956)</u>
	<u>2,813,160</u>	<u>175,816</u>	<u>2,813,160</u>	<u>175,816</u>
Motor Vehicles - at cost	1,143,438	1,168,206	1,143,438	1,168,206
less accumulated depreciation	<u>(326,375)</u>	<u>(290,757)</u>	<u>(326,375)</u>	<u>(290,757)</u>
	<u>817,063</u>	<u>877,449</u>	<u>817,063</u>	<u>877,449</u>
Total Plant & Equipment	<u>3,630,223</u>	<u>1,053,265</u>	<u>3,630,223</u>	<u>1,053,265</u>
Total Property, Plant & Equipment	<u>25,790,679</u>	<u>23,286,640</u>	<u>4,364,223</u>	<u>1,797,765</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	26,648	22,914	16,648	12,914
Other	1,944,054	1,822,078	5,909,629	3,247,141
	<u>1,970,702</u>	<u>1,844,992</u>	<u>5,926,277</u>	<u>3,260,055</u>

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 7: GROUP ENTITIES

Subsidiary

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

	<u>2008</u>	<u>2007</u>
Country of incorporation	Australia	Australia
Percentage owned	100%	100%
Investment at cost	\$2	\$2
Contribution to group operating surplus	\$nil	\$nil

Rent of \$1,469,822 (2007 - \$1,457,634) 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 \$3,076,693 (2007 - \$985,408) at the end of the year. The distribution this year included profit on the sale of properties.

<u>Economic Entity</u>		<u>Parent Entity</u>	
<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

NOTE 8: REMUNERATION & RETIREMENT BENEFITS

a) Remuneration received or receivable by National Executive Delegates.	<u>897,229</u>	<u>1,134,390</u>	<u>897,229</u>	<u>1,134,390</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>188,545</u>	<u>135,968</u>	<u>188,545</u>	<u>135,968</u>

NOTE 9: PROVISION – EMPLOYEE ENTITLEMENTS

Officers	268,921	324,763	268,921	324,763
Employees	2,981,487	2,808,595	2,981,487	2,808,595
	<u>3,250,408</u>	<u>3,133,358</u>	<u>3,250,408</u>	<u>3,133,358</u>
<i>Shown as:</i>				
Current	2,034,253	1,862,209	2,034,253	1,862,209
Non Current	1,216,155	1,271,149	1,216,155	1,271,149
	<u>3,250,408</u>	<u>3,133,358</u>	<u>3,250,408</u>	<u>3,133,358</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 2008

NOTE 11: SEGMENT REPORTING

	Trade Union		Property Trust		OLI Scheme/Union Care Fund		Economic Entity	
	2008	2007	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$	\$	\$
Primary Reporting - Business Segments								
<i>Turnover</i>								
Segment Revenue	16,557,884	20,067,413	2,975,852	841,471	481,072	465,443	20,014,808	21,374,327
Total Segment Revenue							20,014,808	21,374,327
<i>Result</i>								
Segment result pre-trust distribution	(5,456,067)	18,201	3,076,693	985,408	216,079	204,420	(2,163,295)	1,208,029
Distribution to trade union	3,076,693	985,408	(3,076,693)	(985,408)	-	-	-	-
Segment result post-trust distribution	(2,379,374)	1,003,609	-	-	216,079	204,420	(2,163,295)	1,208,029
Net Surplus/(Deficit)							(2,163,295)	1,208,029
<i>Assets</i>								
Segment Assets	19,613,658	18,534,633	21,854,243	24,394,755	7,057,613	7,045,823	48,525,514	49,975,211
Total Segment Assets							48,525,514	49,975,211
<i>Liabilities</i>								
Segment Liabilities	4,338,278	4,457,963	628,781	252,599	254,051	267,788	5,221,110	4,978,350
Total Liabilities							5,221,110	4,978,350

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 2008

1

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 2008

	Economic Entity		Parent Entity	
	2008	2007	2008	2007
		\$	\$	\$

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	4,065	4,555	4,050	4,540
Cash at bank	10,615,873	6,435,653	10,320,775	6,121,811
Managed investments – cash component	2,806,136	2,682,556	2,806,136	2,682,556
Bank overdraft	-	-	-	-
	<u>13,426,074</u>	<u>9,122,764</u>	<u>13,130,961</u>	<u>8,808,907</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) :

Operating Surplus/(Deficit)	(2,163,295)	1,208,029	(2,163,295)	1,208,029
Non Cash Flows in Operating Surplus/(Deficit)				
Depreciation & amortisation	982,264	766,524	488,601	268,649
Decrease in market value of non-current investments	771,979	(2,005,602)	771,979	(2,005,602)
Loss/(Profit) on sale of assets	(2,283,721)	6,249	(291,031)	6,249
Changes in Assets & Liabilities				
Increase /(Decrease) in accounts payable	225,449	171,232	(150,733)	105,363
Increase /(Decrease) in provision for employee entitlements	115,496	807,943	115,496	807,943
Increase /(Decrease) in doubtful debts	-	70,000	-	70,000
Increase /(Decrease) in loan – Property Trust	-	-	(1,606,871)	472,226
Decrease /(Increase) in subscriptions owing	251,923	(48,450)	251,923	(48,450)
Decrease /(Increase) in sundry receivables	(379,934)	(22,994)	(327,235)	(37,748)
Decrease /(Increase) in prepayments	27,000	(174,228)	38,202	(164,219)
Cash Flow from Operations	<u>(2,452,839)</u>	<u>778,703</u>	<u>(2,872,964)</u>	<u>682,440</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 (2007: \$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 2008

NOTE 14: FINANCIAL INSTRUMENTS

The Union's financial instruments consist mainly of deposits with banks, funds managed on behalf of the Union in a range of managed funds, and accounts receivable and payable.

Funds on deposit with banks are monitored on a daily basis, and are utilised and invested in a manner which ensures that the Union has adequate funding for day-to-day operations without resorting to overdraft funds.

Managed funds are placed with a number of professional fund managers, using recommendations received from JANA Investment Advisors Pty Ltd (JANA). JANA has been appointed on an open-ended arrangement, and provides detailed reporting on a quarterly basis on the performance of the fund managers, and recommendations for re-weighting of portfolios. The funds are invested in Australian Equities, International Equities, Fixed Interest and Cash products.

	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>2008</u>	\$	\$	\$	\$	\$	\$
<i>Financial Assets</i>						
Cash	7.41%	10,615,873	4,065	-	-	-
Managed investments	-6.35%	9,758,510	1,027	-	-	-
Available for sale assets	N/A	-	387,460	-	-	-
Receivables	5.00%	-	589,245	748,102	367,162	-
Total Financial Assets		20,374,383	981,797	748,102	367,162	-
<i>Financial Liabilities</i>						
Accounts payable	N/A	-	1,970,702	-	-	-
Total Financial Liabilities		-	1,970,702	-	-	-
<u>2007</u>						
<i>Financial Assets</i>						
Cash	6.30%	6,435,653	4,555	-	-	-
Managed investments	16.70%	13,506,909	1,027	-	-	-
Available for sale assets	N/A	-	553,954	-	-	-
Available for sale properties	N/A	-	3,853,500	-	-	-
Receivables	5.00%	-	522,955	953,017	566,610	-
Total Financial Assets		19,942,562	4,935,991	953,017	566,610	-
<i>Financial Liabilities</i>						
Accounts payable	N/A	-	1,844,992	-	-	-
Total Financial Liabilities		-	1,844,992	-	-	-

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 14: FINANCIAL INSTRUMENTS (CONT'D)

(a) 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.

Tenants of Union properties are required to pay their rental on a monthly basis in advance, by direct credit to the FSU Property Trust bank account.

Loans made to members through the Amelioration Fund of the Union are unsecured, but loans are required to be repaid within 4 years by fortnightly direct debit, and are subject to a maximum amount of \$3,000.

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.

(b) Liquidity Risk

Subscription revenue from members for the year ended June 30, 2008 of \$16.8 million (2007 - \$17.6 million) is the major income source of the Union. Consequently the future liquidity of the Union will be impacted by the level of membership.

At year end the Union held cash reserves of approximately \$15 million, contributing to a working capital surplus in excess of \$10 million (current assets minus current liabilities).

(c) Market Risk

(i) Interest Rate Risk

Interest rate risk is dependent on short-term interest rates offered by banking institutions. Most deposits are made with National Australia Bank, with a small amount deposited with Members Equity Bank.

Accounts receivable which are subject to interest rates are loans made to members through the Amelioration Fund of the Union, which is reviewed and set by the National Executive.

(ii) Foreign Currency Risk

Foreign currency risk is limited to the managed funds which are invested in Overseas Equities. These are managed by JANA, and the funds are subject to hedging arrangements.

(iii) Price Risk

Subscription revenue from members is the major income source of the Union, and the price risk relates to members maintaining their membership at the subscription rates set by the National Executive on an annual basis.

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 15: EVENTS SUBSEQUENT TO BALANCE DATE

(a) Purchase of Property:

On October 10, 2008 FSU Property Pty Ltd entered into a contract to purchase a Holiday Unit at 'Leeuwin Resort', Margaret River, Western Australia, for \$325,000. Settlement was completed on November 10, 2008.

(b) Investment Valuations:

Investments shown in these accounts are shown at their value as at June 30, 2008. Since that date, financial markets world-wide have continued to decline in value, and the value of the Union's investments have also declined accordingly. No downward reduction has been recorded to reflect this post year-end decline, because in the Executive's opinion it is too early to determine whether the reductions constitute a permanent diminution in value.

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF THE FINANCE SECTOR UNION OF AUSTRALIA

Scope

The financial report and National Executives' 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 2008. 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)

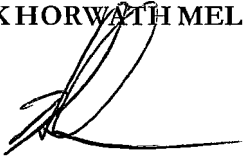
Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and *section 257 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 2008, presents fairly in accordance with applicable Australian Accounting Standards, the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996, and other mandatory professional reporting requirements in Australia.

WHK HORWATH MELBOURNE



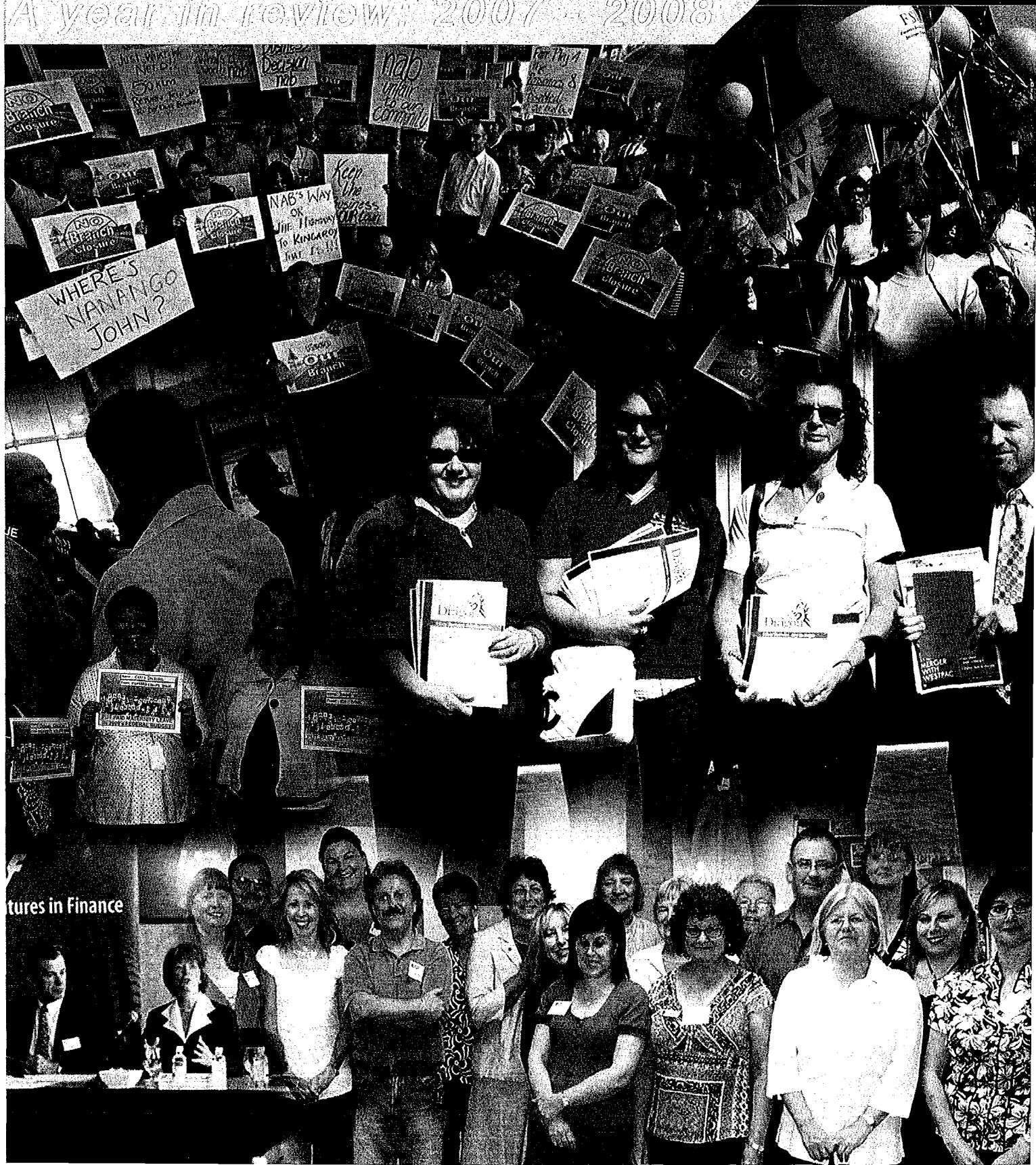
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Peter Sexton
Partner

Dated: 4th December 2008

Finance Sector Union

Account

A year in review: 2007 - 2008



atures in Finance



2007/2008

Concise Report to Members

Finance Sector Union of Australia (the reporting unit)

Operating Report for the period 1 July 2007 to 30 June 2008.
 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 1/7/07 - 30/6/08, the Finance Sector Union:

- Received application for and admitted 6,834 members;
- Appointed over 795 members as FSU workplace representatives;
- Provided training to 611 workplace representatives;
- Provided representation to 4,264 members at the workplace or enterprise level;
- Was party to 80 awards and more than 100 collective agreements in current operation across the finance sector;
- Made approximately 70 applications to the Australian Industrial Relations Commission regarding industrial disputes, award variations and seeking award coverage of award free employees;
- Negotiated and had certified 14 union collective agreements covering approx. 13,000 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 46,456 members at the end of the period.

The reporting unit employed 182 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:

Bampton M.D.	Derrick G.	Gordon C.A.	Ruwoldt J.M.
Black D.A.	Fay A.C.	Jordan F.S.	Schroder P.J. (to 30/9/07)
Brinkley K.M. (to 15/2/08)	Ferrari P.R.M.	Martin D.L.	Stacey L.G.
Clifford M.S.	Geli I. (to 2/2/08)	Moody M. (from 11/7/07)	Streets W. (from 18/2/08)
Corbett M.M. (to 10/7/07)			

No officer or member of the Finance Sector Union is a trustee (or a director of a company that is a trustee) of a superannuation entity, where a criteria for them being a trustee (or a director) is that they are an officer or member of the Finance Sector Union.

Leon Carter
 National Secretary

Signed at Melbourne this 4th day of December, 2008



Finance Sector Union of Australia and Controlled Entity DISCUSSION AND ANALYSIS OF FINANCIAL POSITION

The Annual Accounts for the year ended June 30, 2008 disclose a deficit for the period of \$2,163,295 compared to a surplus of \$1,208,029 for the previous financial year. The major factors which have impacted on this result are as follows:

INCOME:

- (a) Income from member subscriptions fell by \$1,165,642 due to a decline in total membership. There was no increase in subscription rates at the beginning of the financial year.
- (b) The unrealised market value of managed funds held by the Union decreased by \$648,399 during the financial year as a result of declines in worldwide financial markets. The Union had been experiencing annual increases in values of \$1 million-\$2 million for a number of preceding years.
- (c) A number of properties were sold during the year as part of a strategy to reduce exposure to the property market, and to realise under-utilised properties. Net profits of \$2,276,157 were realised from these sales.

EXPENDITURE:

- (a) Employee benefits increased by \$2,706,259 as part of a strategy to provide additional organising and industrial resources to service members, and to promote membership.
- (b) Employee benefits also included the payment of a number of redundancies, as the Union continues to restructure its organisation.

FINANCIAL POSITION:

The economic entity remains in a strong financial position, with net assets in excess of \$43 million. This includes cash reserves of approximately \$15 million, contributing to a working capital surplus in excess of \$10 million (current assets minus current liabilities).

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.



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, 2008.

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 2008

	Economic Entity		Parent Entity	
	2008 (\$)	2007 (\$)	2008 (\$)	2007 (\$)
INCOME FROM ORDINARY ACTIVITIES	20,014,808	21,374,327	20,115,649	21,518,264
Expenses From Ordinary Activities				
Employee Benefits	(14,993,672)	(12,287,413)	(14,993,672)	(12,287,413)
Building & Equipment Expenses	(1,309,371)	(1,792,970)	(1,904,403)	(2,435,445)
Industrial & Campaign Expenses	(1,199,932)	(1,477,896)	(1,199,932)	(1,477,896)
Depreciation	(982,264)	(766,524)	(488,601)	(268,649)
ACTU Affiliation Fees	(123,677)	(396,771)	(123,677)	(396,771)
Office Expenses	(1,769,396)	(1,696,841)	(1,769,396)	(1,696,841)
Other Expenses	(1,799,791)	(1,747,883)	(1,799,263)	(1,747,220)
NET SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES	(2,163,295)	1,208,029	(2,163,295)	1,208,029

FINANCE SECTOR UNION OF AUSTRALIA BALANCE SHEET AS AT 30 JUNE 2008

	Economic Entity		Parent Entity	
	2008 (\$)	2007 (\$)	2008 (\$)	2007 (\$)
TOTAL ACCUMULATED FUNDS	43,304,404	44,996,861	37,994,586	39,687,043
represented by:				
CURRENT ASSETS				
Cash	13,426,074	9,122,764	13,130,961	8,808,907
Receivables	1,337,346	1,475,972	1,267,377	1,458,701
Available-for-sale properties	-	3,853,500	-	1,330,250
Prepayments	263,392	290,391	200,687	238,889
TOTAL CURRENT ASSETS	15,026,812	14,742,627	14,599,025	11,836,747
NON CURRENT ASSETS				
Receivables	367,162	566,610	20,867,162	21,066,610
Financial assets	6,953,401	10,825,380	6,953,401	10,825,380
Available-for-sale financial assets	387,460	553,954	387,460	553,954
Property, Plant & Equipment	25,790,679	23,286,640	4,364,223	1,797,765
TOTAL NON CURRENT ASSETS	33,498,702	35,232,584	32,572,246	34,243,709
TOTAL ASSETS	48,525,514	49,975,211	47,171,271	46,080,456
CURRENT LIABILITIES				
Accounts Payable	1,970,702	1,844,992	5,926,277	3,260,055
Provision - Employee Entitlements	2,034,253	1,862,209	2,034,253	1,862,209
TOTAL CURRENT LIABILITIES	4,004,955	3,707,201	7,960,530	5,122,264
NON CURRENT LIABILITIES				
Provision - Employee Entitlements	1,216,155	1,271,149	1,216,155	1,271,149
TOTAL NON CURRENT LIABILITIES	1,216,155	1,271,149	1,216,155	1,271,149
TOTAL LIABILITIES	5,221,110	4,978,350	9,176,685	6,393,413
NET ASSETS	43,304,404	44,996,861	37,994,586	39,687,043

FINANCE SECTOR UNION OF AUSTRALIA STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2008

	Economic Entity		Parent Entity	
	2008 (\$)	2007 (\$)	2008 (\$)	2007 (\$)
GENERAL FUND				
Total equity at the beginning of the financial year	37,737,213	36,529,184	37,737,211	36,529,182
Correction of prior year error classification of fit-out costs	637,332	-	637,332	-
Transfer to asset revaluation reserve re: gain on listed shares held for long term investment	(138,399)	-	(138,399)	-
Restated total at the beginning of the financial year	38,236,146	36,529,184	38,236,144	36,529,182
Surplus/(Deficit) for the year	(2,163,295)	1,208,029	(2,163,295)	1,208,029
Total at the end of the financial year	36,072,851	37,737,213	36,072,849	37,737,211
ASSET REVALUATION RESERVE				
Total at the beginning of the financial year	7,259,648	7,259,648	1,949,832	1,949,832
Transfer from general fund re: gain on listed shares held for long term investment	138,399	-	138,399	-
Loss on listed shares held for long term investment	(166,494)	-	(166,494)	-
Total at the end of the financial year	7,231,553	7,259,648	1,921,737	1,949,832
TOTAL ACCUMULATED FUNDS				
Total accumulated funds at the beginning of the financial year	44,996,861	43,788,832	39,687,043	38,479,014
Correction of prior year classification of fit-out costs	637,332	-	637,332	-
Restated total accumulated funds at the beginning of the financial year	45,634,193	43,788,832	40,324,375	38,479,014
Surplus/(Deficit) for the year	(2,163,295)	1,208,029	(2,163,295)	1,208,029
Loss on listed shares held for long term investment	(166,494)	-	(166,494)	-
Total accumulated funds at the end of the financial year	43,304,404	44,996,861	37,994,586	39,687,043

FINANCE SECTOR UNION OF AUSTRALIA STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2008

	Economic Entity		Parent Entity	
	2008 (\$)	2007 (\$)	2008 (\$)	2007 (\$)
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Members	16,807,143	17,634,668	16,807,143	17,634,664
Interest Received	634,635	474,642	621,749	460,751
Rent	917,576	842,334	-	-
Other	538,288	546,895	538,287	546,896
Interest paid	(9,305)	-	(9,305)	-
Payments to Suppliers and Employees	(21,341,176)	(18,719,836)	(20,830,838)	(17,959,871)
CASH FLOW PROVIDED BY OPERATING ACTIVITIES	(2,452,839)	778,703	(2,872,964)	682,440
CASH FLOWS FROM INVESTING ACTIVITIES				
Amelioration fund loans advanced/repaid	404,363	148,172	404,363	148,172
Net OLI bonus payments distributed	(13,737)	(119,202)	(13,737)	(119,202)
Purchase of property, plant and equipment	(2,929,165)	(693,414)	(2,538,000)	(693,414)
Proceeds from the sale of fixed assets	6,194,688	240,135	1,718,827	240,135
Redemption of managed funds	3,100,000	-	3,100,000	-
CASH FLOW PROVIDED BY/(USED) IN INVESTING ACTIVITIES	6,756,149	(424,309)	2,671,453	(424,309)
CASH FLOWS FROM FINANCING ACTIVITIES				
Funding from Property Trust	-	-	4,523,565	87,647
CASH FLOW PROVIDED BY/(USED) IN FINANCING ACTIVITIES	-	-	4,523,565	87,647
NET CASH INCREASE	4,303,310	354,394	4,322,054	345,778
CASH AT THE BEGINNING OF THE YEAR	9,122,764	8,768,370	8,808,907	8,463,129
CASH AT THE END OF THE FINANCIAL YEAR	13,426,074	9,122,764	13,130,961	8,808,907



Finance Sector Union of Australia and Controlled Entity STATEMENT OF THE NATIONAL EXECUTIVE

On 4 December 2008 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, 2008:

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

A handwritten signature in black ink, appearing to be 'C. Gordon'.

C. GORDON
NATIONAL PRESIDENT

A handwritten signature in black ink, appearing to be 'L.J. Carter'.

L.J. CARTER
NATIONAL SECRETARY

Signed at Melbourne this 4th day of December, 2008



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FINANCE SECTOR UNION OF AUSTRALIA

Report on the concise financial report

The accompanying concise financial report of the Finance Sector Union of Australia comprises the balance sheet as at 30 June 2008, the income statement, statement of changes in equity and statement of cash flows for the year then ended, derived from the audited financial report of the Finance Sector Union of Australia for the year ended 30 June 2008, and the discussion and analysis. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

National Executive's responsibility for the concise financial report

The National Executive are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039: Concise Financial Reports (including the Australian Accounting Interpretations), statutory and other requirements. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of the Finance Sector Union of Australia for the year ended 30 June 2008. Our audit report on the financial report for the year was signed on 4 December 2008 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1039: Concise Financial Reports.

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

Auditor's opinion

In our opinion, the concise financial report including the discussion and analysis of the Finance Sector Union of Australia for the year ended 30 June 2008 complies with Accounting Standard AASB 1039: Concise Financial Reports and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996.

WHK Horwath Melbourne

Peter Sexton, Partner

Dated: 4th December 2008

Total Financial Solutions

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