



FAIR WORK
AUSTRALIA

12 March 2010

Mr Leon Carter
National Secretary
Finance Sector Union of Australia
GPO Box 9893
MELBOURNE VIC 3001

By email: fsuinfo@fsunion.org.au

Dear Mr Carter,

**Fair Work (Registered Organisations) Act 2009 (“RO Act”)
Financial Report & Concise Report for the year ended 30 June 2009 – FR2009/10091**

I acknowledge receipt of the financial report and concise report for the Finance Sector Union of Australia for the year ended 30 June 2009. The documents were lodged on 8 January 2010.

The documents have been filed.

Although the documents have been filed, I would like to comment on some issues arising from the financial report. I make these comments to assist you when you next prepare the financial report. You do not need to take any further action in respect of the documents already lodged.

Income Statement - Employee Benefits Expenses

Remuneration expense was separately and individually disclosed for those employees who are holders of an office and those who do not hold office.

However in relation to Superannuation contributions expense and Redundancy & termination payments expense there was no such separation.

This expense must be separated in the same fashion as Remuneration in accordance with Item 11(g) and (h) of the Reporting Guidelines.

Notes to the Financial Statements

In the notes to the financial statements the reporting unit did not disclose the accounting policy adopted for the recognition of revenue. This policy must be disclosed in accordance with AASB 118(35).

Wages Recovery Activity

I note that the financial report did not provide information in relation to any recovery of wages activity. The financial reporting obligations regarding recovery of wages activity is specified in Items 16 to 23 and Item 25(f) of the Reporting Guidelines.

Where the reporting unit has not undertaken any recovery of wages activity for the financial year the committee of management statement or the independent audit report should include a statement to this effect.

Your attention to the abovementioned matters when preparing future documents will be much appreciated.

Please note, once the financial report has been filed the documents and relevant correspondence will appear on our registered organisation website at <http://www.e-airc.gov.au/036n/financial>. The Loans, Grants, and Donations Statement, which was lodged previously, will not be published in any form.

Should you wish to discuss any matters contained in this letter I may be contacted on (03) 8661 7988 or by e-mail at tom.cagorski@fwa.gov.au.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Tom Cagorski', written in a cursive style.

Tom Cagorski
Law Graduate
Tribunal Services & Organisations



6 January 2010

General Manager
Fair Work Australia
GPO Box 1994
MELBOURNE, VIC 3001

Dear Sir/Madam,

RE: FINANCIAL DOCUMENTS FOR THE YEAR ENDED 30 JUNE 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 I hereby lodge the following financial documents:

- Designated Officer' Certificate
- Full Financial Report, including the Committee of Management Statement and Auditor's Report
- Operating Report, which has been circulated to members
- Discussion and Analysis of Financial Position, which has been circulated to members
- Concise Financial Report, which has been circulated to members

Yours faithfully,



Leon Carter,
NATIONAL SECRETARY

FINANCE
SECTOR
UNION OF
AUSTRALIA

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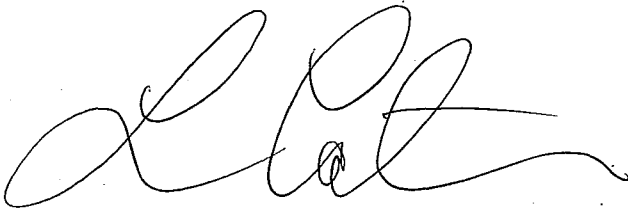
*All correspondence must
be addressed to the
Secretary*

FINANCE SECTOR UNION OF AUSTRALIA
AND CONTROLLED ENTITY

DESIGNATED OFFICER'S CERTIFICATE

I, Leon J. Carter, being National Secretary of the Finance Sector Union of Australia, certify:

- that the documents lodged herewith are true copies of :
 - the full financial report, including the Committee of Management Statement and Auditor's Report, of the reporting unit, for the financial year ended 30 June 2009, as referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
 - the Operating Report for the year ended 30 June 2009; and
 - Discussion and Analysis of Financial Position; and
 - Concise Financial Report, including Auditor's Report, of the reporting unit, for the financial year ended 30 June 2009, as referred to in s268 of the Fair Work (Registered Organisations) Act 2009.
- that the full financial report was presented to a meeting of the Committee of Management of the reporting unit on 13 November, 2009, in accordance with s266 of the Fair Work (Registered Organisations) Act 2009, and re-presented to the Committee of Management on 4 January 2010
- that the Operating Report, Discussion and Analysis of Financial Position and Concise Financial Report were circulated to members in December 2009



LEON J. CARTER
NATIONAL SECRETARY

Signed at Melbourne this 6th day of January, 2010

FINANCE SECTOR UNION OF AUSTRALIA
& CONTROLLED ENTITY

FINANCIAL STATEMENTS

30 JUNE 2009

CONTENTS

Statement of the National Executive	1
Income Statement	2
Balance Sheet	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to and forming part of the accounts	6-19
Independent Audit Report	20-21

FINANCE SECTOR UNION OF AUSTRALIA
AND CONTROLLED ENTITY

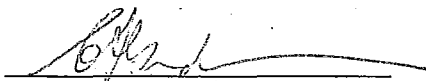
STATEMENT OF THE NATIONAL EXECUTIVE

On November 18, 2009 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, 2009:

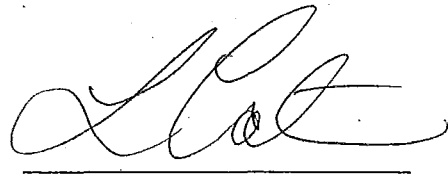
The National Executive declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of Fair Work Australia;
- (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 Fair Work (Registered Organisations) Act 2009; and
 - (iv) no requests for information have been received from a member of the reporting unit or a Registrar under section 272 of the Fair Work (Registered Organisations) Act 2009 during the period; and
 - (v) no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.

Signed on behalf of the National Executive



C. GORDON
NATIONAL PRESIDENT



L.J. CARTER
NATIONAL SECRETARY

Signed at Melbourne this 18th day of November, 2009

FINANCE SECTOR UNION OF AUSTRALIA
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	Economic Entity		Parent Entity	
		2009	2008	2009	2008
		\$	\$	\$	\$
Income from Ordinary Activities	2	18,305,506	20,014,808	18,349,904	20,115,649
Expenses From Ordinary Activities					
Employee Benefits		(14,559,579)	(14,993,672)	(14,559,579)	(14,993,672)
Building & Equipment Expenses		(1,385,650)	(1,309,371)	(1,893,171)	(1,904,403)
Industrial & Campaign Expenses		(975,614)	(1,199,932)	(975,614)	(1,199,932)
Depreciation		(1,313,120)	(982,264)	(846,844)	(488,601)
ACTU Affiliation Fees		(120,382)	(123,677)	(120,382)	(123,677)
Office Expenses		(1,745,447)	(1,769,396)	(1,745,447)	(1,769,396)
Other Expenses		(1,917,901)	(1,799,791)	(1,921,054)	(1,799,263)
		<u>(22,017,693)</u>	<u>(22,178,103)</u>	<u>(22,062,091)</u>	<u>(22,278,944)</u>
NET SURPLUS / (DEFICIT) FROM ORDINARY ACTIVITIES	2	<u>(3,712,187)</u>	<u>(2,163,295)</u>	<u>(3,712,187)</u>	<u>(2,163,295)</u>

The accompanying notes form part of these financial statements

FINANCE SECTOR UNION OF AUSTRALIA
BALANCE SHEET
AS AT 30 JUNE 2009

	Note	Economic Entity		Parent Entity	
		2009	2008	2009	2008
		\$	\$	\$	\$
TOTAL ACCUMULATED FUNDS		46,902,618	43,304,404	34,449,587	37,994,586
represented by:					
CURRENT ASSETS					
Cash	14 (a)	11,417,479	13,426,074	11,218,241	13,130,961
Receivables	3	892,526	1,337,346	822,215	1,267,377
Available-for-sale property	15	625,000	-	625,000	-
Prepayments		377,329	263,392	306,807	200,687
TOTAL CURRENT ASSETS		13,312,334	15,026,812	12,972,263	14,599,025
NON CURRENT ASSETS					
Receivables	3	238,398	367,162	20,738,398	20,867,162
Financial Assets	4	6,169,000	6,953,401	6,169,000	6,953,401
Available-for-sale financial assets	4	343,148	387,460	343,148	387,460
Property, Plant & Equipment	5	31,779,078	25,790,679	3,339,078	4,364,223
TOTAL NON CURRENT ASSETS		38,529,624	33,498,702	30,589,624	32,572,246
TOTAL ASSETS		51,841,958	48,525,514	43,561,887	47,171,271
CURRENT LIABILITIES					
Accounts Payable	6	1,708,097	1,970,702	5,881,057	5,926,277
Provision - Employee Entitlements	9	2,052,083	2,034,253	2,052,083	2,034,253
TOTAL CURRENT LIABILITIES		3,760,180	4,004,955	7,933,140	7,960,530
NON CURRENT LIABILITIES					
Provision - Employee Entitlements	9	1,179,160	1,216,155	1,179,160	1,216,155
TOTAL NON CURRENT LIABILITIES		1,179,160	1,216,155	1,179,160	1,216,155
TOTAL LIABILITIES		4,939,340	5,221,110	9,112,300	9,176,685
NET ASSETS		46,902,618	43,304,404	34,449,587	37,994,586

The accompanying notes form part of these financial statements

FINANCE SECTOR UNION OF AUSTRALIA
STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2009

	<u>Economic Entity</u>		<u>Parent Entity</u>	
	2009	2008	2009	2008
	\$	\$	\$	\$
GENERAL FUND				
Total at the beginning of the financial year	36,072,851	38,236,146	36,072,849	38,236,144
Surplus / (Deficit) for the year	(3,712,187)	(2,163,295)	(3,712,187)	(2,163,295)
Total at the end of the financial year	<u>32,360,664</u>	<u>36,072,851</u>	<u>32,360,662</u>	<u>36,072,849</u>
ASSET REVALUATION RESERVE				
Total at the beginning of the financial year	7,231,553	7,398,047	1,921,737	2,088,231
Loss on listed shares held for long term investment	(44,312)	(166,494)	(44,312)	(166,494)
Gain on revaluation of land and buildings	7,354,713	-	211,500	-
Total at the end of the financial year	<u>14,541,954</u>	<u>7,231,553</u>	<u>2,088,925</u>	<u>1,921,737</u>
TOTAL ACCUMULATED FUNDS				
Total at the beginning of the financial year	43,304,404	45,634,193	37,994,586	40,324,375
Surplus / (Deficit) for the year	(3,712,187)	(2,163,295)	(3,712,187)	(2,163,295)
Loss in listed shares held for long term investment	(44,312)	(166,494)	(44,312)	(166,494)
Gain on revaluation of land and buildings	7,354,713	-	211,500	-
Total at the end of the financial year	<u>46,902,618</u>	<u>43,304,404</u>	<u>34,449,587</u>	<u>37,994,586</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 2009

	Note	Economic Entity		Parent Entity	
		2009	2008	2009	2008
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Members		16,924,732	16,807,143	16,924,732	16,807,143
Interest Received		703,718	634,635	693,505	621,749
Rent		1,074,371	917,576	-	-
Other		263,490	538,288	263,490	538,287
Interest Paid		-	(9,305)	-	(9,305)
Payments to Suppliers and Employees		(20,797,687)	(21,341,176)	(19,287,073)	(20,830,838)
CASH FLOW PROVIDED BY/ (USED) IN OPERATING ACTIVITIES	14 (b)	(1,831,376)	(2,452,839)	(1,405,346)	(2,872,964)
CASH FLOWS FROM INVESTING ACTIVITIES					
Amelioration Fund loans advanced/repaid		428,160	404,363	428,160	404,363
Net OLI bonus payments distributed		(655)	(13,737)	(655)	(13,737)
Purchase of property, plant and equipment		(784,116)	(2,929,165)	(447,510)	(2,538,000)
Proceeds from the sale of fixed assets		179,392	6,194,688	179,392	1,718,827
Redemption of managed funds		-	3,100,000	-	3,100,000
CASH FLOW PROVIDED BY / (USED) IN INVESTING ACTIVITIES		(177,219)	6,756,149	159,387	2,671,453
CASH FLOWS FROM FINANCING ACTIVITIES					
Funding from Property Trust		-	-	(666,761)	4,523,565
CASH FLOW PROVIDED BY / (USED) IN FINANCING ACTIVITIES		-	-	(666,761)	4,523,565
NET CASH INCREASE / (DECREASE)		(2,008,595)	4,303,310	(1,912,720)	4,322,054
CASH AT THE BEGINNING OF THE YEAR		13,426,074	9,122,764	13,130,961	8,808,907
CASH AT THE END OF THE FINANCIAL YEAR	14 (a)	11,417,479	13,426,074	11,218,241	13,130,961

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 2009

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

This financial report is a general-purpose report that has been prepared in accordance with the Fair Work (Registered Organisations) Act 2009, 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.

Freehold land and buildings were revalued on 30 June 2009, based on the assessment of their market value as at 31 December 2008. The revaluations were made in accordance with a policy of revaluing land and buildings every three years.

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 Property.

On August 13, 2009 the Finance Sector Union of Australia entered into a contract to sell the property located at 313 Pier Street, Perth, at a value commensurate with its carrying cost in these accounts.

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2009

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

Plant & Equipment

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

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'.

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2009

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

(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.

(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 2009

	Economic Entity		Parent Entity	
	2009 \$	2008 \$	2009 \$	2008 \$
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	554,434	587,942	554,434	587,942
- Employees remuneration	9,832,744	9,759,468	9,832,744	9,759,468
- Superannuation contributions	1,824,197	1,869,345	1,824,197	1,869,345
- Redundancy and termination payments	383,624	589,475	383,624	589,475
- Other payroll on-costs	1,551,867	1,874,523	1,551,867	1,874,523
Allowances	72,306	51,689	72,306	51,689
Meeting expenses	167,829	77,444	167,829	77,444
Office rent	368,847	148,554	1,597,689	1,469,822
Other office and building expenses	1,016,803	1,160,817	295,482	434,581
Auditors remuneration:-				
- Auditing the accounts	59,510	51,500	54,510	51,500
- Other services	14,039	6,932	14,039	6,932
Legal fees	121,940	85,265	130,717	85,265
Other professional fees	21,150	23,110	21,150	23,110
Operating lease/rental of office equipment	650,655	481,403	650,655	481,403
Depreciation	836,344	471,574	836,344	471,574
Amortisation of freehold buildings	476,776	510,690	10,500	17,027
(Profit)/Loss on sale of property, plant & equipment	20,555	(2,283,681)	20,555	(291,031)
Affiliations – ACTU, TLCs, ALP, Other	460,945	399,276	460,945	399,276
Bad and doubtful debts	-	-	-	-
Donations and grants	18,904	25,175	18,904	25,175
Amelioration fund				
- Mortuary benefits	180,357	143,500	180,357	143,500
- Grants	-	2,000	-	2,000
- Remission of debts	27,450	113,814	27,450	113,814
<i>(b) Crediting as income</i>				
Subscriptions	16,931,559	16,555,220	16,931,559	16,555,220
Interest	551,598	511,055	541,385	498,169
Dividend income	26,689	25,999	26,689	25,999
Increase (decrease) in market value of managed funds	(624,827)	(648,399)	(624,827)	(648,399)
Rent received	1,074,712	970,275	-	-
<i>(c) Significant items of income/ (expenditure)</i>				
	-	-	-	-

FINANCE SECTOR UNION OF AUSTRALIA
 NOTES TO AND FORMING PART OF THE ACCOUNTS
 FOR THE YEAR ENDED 30 JUNE 2009

	Economic Entity		Parent Entity	
	2009 \$	2008 \$	2009 \$	2008 \$
NOTE 3: RECEIVABLES				
<i>CURRENT</i>				
Subscriptions deducted not remitted	288,023	198,084	288,023	198,084
Sundry debtors	155,797	391,160	85,486	321,191
Less provision for doubtful debts	-	-	-	-
	<u>443,820</u>	<u>589,102</u>	<u>373,509</u>	<u>519,275</u>
Amelioration fund loans to members	598,706	898,102	598,706	898,102
Less provision for doubtful debts	(150,000)	(150,000)	(150,000)	(150,000)
	<u>448,706</u>	<u>748,102</u>	<u>448,706</u>	<u>748,102</u>
	<u>892,526</u>	<u>1,337,346</u>	<u>822,215</u>	<u>1,267,377</u>
<i>NON-CURRENT</i>				
Amelioration fund loans to members	238,398	367,162	238,398	367,162
FSU Property Pty Ltd	-	-	20,500,000	20,500,000
	<u>238,398</u>	<u>367,162</u>	<u>20,738,398</u>	<u>20,867,162</u>

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2009

	Economic Entity		Parent Entity	
	2009 \$	2008 \$	2009 \$	2008 \$
NOTE 4: NON CURRENT ASSETS				
Financial assets at fair value through profit or loss				
- Managed investments	6,167,971	6,952,374	6,167,971	6,952,374
- Units - unlisted trusts	27,962	27,960	27,962	27,960
less provision for diminution	(26,933)	(26,933)	(26,933)	(26,933)
	1,029	1,027	1,029	1,027
Total financial assets through profit or loss	<u>6,169,000</u>	<u>6,953,401</u>	<u>6,169,000</u>	<u>6,953,401</u>
Available-for-sale financial assets				
- Shares in listed companies at market value	<u>343,148</u>	<u>387,460</u>	<u>343,148</u>	<u>387,460</u>
 NOTE 5: PROPERTY, PLANT & EQUIPMENT				
<i>Freehold Land & Buildings:</i>				
Freehold land at:				
- independent valuation December 2008	6,215,000	4,230,000	50,000	335,000
- at cost	-	-	-	-
Total Freehold Land	<u>6,215,000</u>	<u>4,230,000</u>	<u>50,000</u>	<u>335,000</u>
Buildings at:				
- independent valuation December 2008	22,535,000	18,465,000	260,000	420,000
- at cost	-	391,164	-	-
less accumulated depreciation	-	(925,708)	-	(21,000)
Total Buildings	<u>22,535,000</u>	<u>17,930,456</u>	<u>260,000</u>	<u>399,000</u>
Total Freehold Land & Buildings	<u>28,750,000</u>	<u>22,160,456</u>	<u>310,000</u>	<u>734,000</u>

FINANCE SECTOR UNION OF AUSTRALIA
 NOTES TO AND FORMING PART OF THE ACCOUNTS
 FOR THE YEAR ENDED 30 JUNE 2009

	Economic Entity		Parent Entity	
	2009 \$	2008 \$	2009 \$	2008 \$
<u>NOTE 5: PROPERTY, PLANT & EQUIPMENT</u> (CONTINUED)				
<i>Plant & Equipment:</i>				
Furniture & Fittings - at cost	4,549,555	6,516,280	4,549,555	6,516,280
less accumulated depreciation	<u>(2,338,231)</u>	<u>(3,703,120)</u>	<u>(2,338,231)</u>	<u>(3,703,120)</u>
	<u>2,211,324</u>	<u>2,813,160</u>	<u>2,211,324</u>	<u>2,813,160</u>
Motor Vehicles - at cost	1,126,570	1,143,438	1,126,570	1,143,438
less accumulated depreciation	<u>(308,816)</u>	<u>(326,375)</u>	<u>(308,816)</u>	<u>(326,375)</u>
	<u>817,754</u>	<u>817,063</u>	<u>817,754</u>	<u>817,063</u>
Total Plant & Equipment	<u>3,029,078</u>	<u>3,630,223</u>	<u>3,029,078</u>	<u>3,630,223</u>
Total Property, Plant & Equipment	<u>31,779,078</u>	<u>25,790,679</u>	<u>3,339,078</u>	<u>4,364,223</u>

The revaluations of freehold land and buildings were based on the assessment of their market value as at 31 December 2008.

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 and other property consulting firms contracted by Charter Keck Cramer. The next valuation is due 31 December 2011.

NOTE 6: ACCOUNTS PAYABLE

Legal costs	8,899	26,648	7,554	16,648
Other	1,699,198	1,944,054	5,873,503	5,909,629
	<u>1,708,097</u>	<u>1,970,702</u>	<u>5,881,057</u>	<u>5,926,277</u>

FINANCE SECTOR UNION OF AUSTRALIA
 NOTES TO AND FORMING PART OF THE ACCOUNTS
 FOR THE YEAR ENDED 30 JUNE 2009

NOTE 7: GROUP ENTITIES

Subsidiary

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

	<u>2009</u>	<u>2008</u>
Country of incorporation	Australia	Australia
Percentage owned	100%	100%
Investment at cost	\$2	\$2
Contribution to group operating surplus	\$nil	\$nil

Rent of \$1,597,689 (2008 - \$1,469,822) 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 \$1,129,323 (2008 - \$3,076,693) at the end of the year. The distribution for 2007/2008 included profit on the sale of properties.

<u>Economic Entity</u>		<u>Parent Entity</u>	
<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

NOTE 8: REMUNERATION & RETIREMENT BENEFITS

a) Remuneration received or receivable by National Executive Delegates.	<u>584,649</u>	<u>862,739</u>	<u>584,649</u>	<u>862,739</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>109,868</u>	<u>188,545</u>	<u>109,868</u>	<u>188,545</u>

NOTE 9: PROVISION – EMPLOYEE ENTITLEMENTS

Officers	281,543	268,921	281,543	268,921
Employees	2,949,700	2,981,487	2,949,700	2,981,487
	<u>3,231,243</u>	<u>3,250,408</u>	<u>3,231,243</u>	<u>3,250,408</u>
<i>Shown as:</i>				
Current	2,052,083	2,034,253	2,052,083	2,034,253
Non Current	1,179,160	1,216,155	1,179,160	1,216,155
	<u>3,231,243</u>	<u>3,250,408</u>	<u>3,231,243</u>	<u>3,250,408</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 2009

NOTE 11: SEGMENT REPORTING

	Trade Union		Property Trust		OLI Scheme/Union Care Fund		Economic Entity	
	2009	2008	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$
Primary Reporting - Business Segments								
<i>Turnover</i>								
Segment Revenue	16,776,276	16,557,884	1,084,925	2,975,852	444,305	481,072	18,305,506	20,014,808
Total Segment Revenue							18,305,506	20,014,808
<i>Result</i>								
Segment result pre-trust distribution	(5,065,922)	(5,456,067)	1,129,323	3,076,693	224,412	216,079	(3,712,187)	(2,163,295)
Distribution to trade union	1,129,323	3,076,693	(1,129,323)	(3,076,693)	-	-	-	-
Segment result post-trust distribution	(3,936,599)	(2,379,374)	-	-	224,412	216,079	(3,712,187)	(2,163,295)
Net Profit							(3,712,187)	(2,163,295)
<i>Assets</i>								
Segment Assets	16,054,337	19,613,658	28,780,071	21,854,243	7,007,550	7,057,613	51,841,958	48,525,514
Total Segment Assets							51,841,958	48,525,514
<i>Liabilities</i>								
Segment Liabilities	4,472,469	4,338,278	213,000	628,781	253,871	254,051	4,939,340	5,221,110
Total Liabilities							4,939,340	5,221,110

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 2009

NOTE 12: OPERATING LEASE COMMITMENT

As at 30 June 2009 the Finance Sector Union of Australia has a commitment to two operating leases, with Alleasing Pty Ltd as the lessor. These operating leases relate to general office equipment, telephony and IT infrastructure.

Future lease commitments are as follows:

0 - 1 year	\$371,751
1 - 5 years	\$278,813
5+ years	\$ -

NOTE 13: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 of Part 3 of Chapter 8, 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 2009

Economic Entity		Parent Entity	
2009	2008	2009	2008
\$	\$	\$	\$

NOTE 14: 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	4,365	4,065	4,350	4,050
Cash at bank	8,447,401	10,615,873	8,248,178	10,320,775
Managed investments – cash component	2,965,713	2,806,136	2,965,713	2,806,136
Bank overdraft	-	-	-	-
	<u>11,417,479</u>	<u>13,426,074</u>	<u>11,218,241</u>	<u>13,130,961</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>(3,712,187)</u>	<u>(2,163,295)</u>	<u>(3,712,187)</u>	<u>(2,163,295)</u>
Non Cash Flows in Operating Surplus/(Deficit)				
Depreciation & amortisation	1,313,120	982,264	846,844	488,601
Decrease in market value of non-current investments	784,403	771,979	784,403	771,979
Loss/(Profit) on sale of assets	20,555	(2,283,721)	20,555	(291,031)
Changes in Assets & Liabilities				
Increase / (Decrease) in accounts payable	(242,783)	225,449	172,999	(150,733)
Increase / (Decrease) in provision for employee entitlements	(16,447)	115,496	(16,447)	115,496
Increase / (Decrease) in loan – Property Trust	-	-	468,366	(1,606,871)
Decrease / (Increase) in subscriptions owing	(6,828)	251,923	(6,828)	251,923
Decrease / (Increase) in sundry receivables	142,728	(379,934)	143,069	(327,235)
Decrease / (Increase) in prepayments	<u>(113,937)</u>	<u>27,000</u>	<u>(106,120)</u>	<u>38,202</u>
Cash Flow from Operations	<u>(1,831,376)</u>	<u>(2,452,839)</u>	<u>(1,405,346)</u>	<u>(2,872,964)</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 (2008: \$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 2009

NOTE 15: 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
2009	\$	\$	\$	\$	\$	\$
<i>Financial Assets</i>						
Cash on hand	N/A		4,365			
Cash at bank	5.60%	8,447,401				
Managed investments - Cash	5.69%	2,965,713				
Managed investments	N/A		6,169,000			
Available for sale assets	N/A		343,148			
Available for sale property	N/A		625,000			
Receivables	5.00%		443,820	448,706	238,398	
Total Financial Assets		11,413,114	7,585,333	448,706	238,398	-
<i>Financial Liabilities</i>						
Accounts payable	N/A		1,708,097			
Total Financial Liabilities		-	1,708,097	-	-	-
<u>2008</u>						
<i>Financial Assets</i>						
Cash on hand	N/A		4,065			
Cash at bank	7.41%	10,615,873				
Managed investments - Cash	4.61%	2,806,136				
Managed investments	N/A		6,953,401			
Available for Sale Assets	N/A		387,460			
Receivables	5.00%		589,245	748,102	367,162	
Total Financial Assets		13,422,009	7,934,171	748,102	367,162	-
<i>Financial Liabilities</i>						
Accounts payable	N/A		1,970,702			
Total Financial Liabilities		-	1,970,702	-	-	-

FINANCE SECTOR UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2009

NOTE 15: 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, 2009 of \$16.9 million (2008 - \$16.6 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 \$11.4 million, contributing to a working capital surplus of \$9.6 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 small amounts deposited with Members Equity Bank, Gateway Credit Union and AMP Credit Union.

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 2009

NOTE 16: EVENTS SUBSEQUENT TO BALANCE DATE

(a) Sale of Property:

On August 13, 2009 the Finance Sector Union of Australia entered into a contract to sell the property located at 313 Pier Street, Perth, at a value commensurate with its carrying cost in these accounts.

(b) Investment Valuations:

Investments shown in these accounts are shown at their value as at June 30, 2009. Since that date, financial markets world-wide have increased in value, and the value of the Union's investments have also increased accordingly.

(c) Operating Leases:

In July 2009, the Finance Sector Union of Australia replaced its telephone system and core IT network infrastructure. This installation will be financed by an operating lease provided by the National Bank of Australia, over a five year period.

NOTE 17: CONTINGENT LIABILITIES

Bank guarantee provided for Fynstat Pty Ltd, to guarantee lease payments at 12 Cordelia Street, South Brisbane, QLD, amounted to \$126,555 (2008: \$126,555).

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 2009. 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 *Fair Work (Registered Organisations) Act 2009*. 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 *Fair Work (Registered Organisations) Act 2009*, 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)

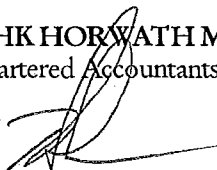
Independence

In conducting our audit, we followed applicable independence requirements of Australian professional accounting bodies and *Fair Work (Registered Organisations) Act 2009*.

Audit Opinion

In our opinion, the general purpose financial report of the Finance Sector Union of Australia for the year ended 30 June 2009, presents fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.

WHK HORWATH MELBOURNE
Chartered Accountants



.....
Peter Sexton
Partner

Member of Institute of Chartered Accountants
And holder of a Current Public Practice Certificate
Registered Company Auditor # 85044

18 November 2009

Concise Report to Members

Finance Sector Union of Australia (the reporting unit)

OPERATING REPORT for the period 1 July 2008 to 30 June 2009

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 Fair Work (Registered Organisations) Act 2009 (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 Fair Work (Registered Organisations) Act 2009;
- 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 1/7/08 - 30/6/09, the Finance Sector Union:

- Received application for and admitted 7,480 members;
- Appointed over 748 members as FSU workplace representatives;
- Provided training to 928 workplace representatives;
- Provided representation to 7,863 members at the workplace or enterprise level;
- Was party to over 80 awards and more than 90 collective agreements in current operation across the finance sector;
- Made approximately 82 applications to the Australian Industrial Relations Commission regarding industrial disputes, award variations and seeking award coverage of award free employees;
- Negotiated and had certified 18 union collective agreements covering approximately 3,121 employees;
- Made submissions to, and appeared before, Commonwealth of Australia Parliamentary Committees and various Federal and State Inquiries and consultations.

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 reporting period.

In accordance with Section 174 of the Fair Work (Registered Organisations) Act 2009, 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 Fair Work (Registered Organisations) Act 2009, the reporting unit had a recorded 44,445 members at the end of the reporting period.

The reporting unit employed 190 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:

Arnfield L. (from 1/1/09)	Gordon C.A.
Bampton M.D.	Hill J. (from 1/1/09)
Black D.A.	Jordan F.S.
Carter L.	Martin D.L.
Clifford M.S.	Moody M. (to 15/10/08)
Derrick G.	Ruwoldt J.M.
Fay A.C.	Young L.G.
Ferrari P.R.M.	Streets W. (to 23/7/08)

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 18th day of November, 2009

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

The Annual Accounts for the year ended June 30, 2009 disclose a deficit for the period of \$3,712,187 compared to a deficit of \$2,163,295 for the previous financial year. The following major factors have impacted on this result and comparisons with the prior year:

Income:

- (a) Income from member subscriptions increased by \$376,339, following a 5.0% increase in subscription rates at the beginning of the financial year and a continued decline in total membership.
- (b) The unrealised market value of managed funds held by the Union decreased by \$624,827 during the financial year, as a result of declines in worldwide financial markets, following a \$648,399 decline in 2007/2008. Unrealised losses, incurred over the past 2 years, have been largely recovered during the first quarter of the 2009/2010 financial year.
- (c) A number of properties were sold during the 2007/2008 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. No property sales were conducted during the 2008/2009 year.

Expenditure:

- (a) Employee benefits reduced by \$434,093, following the restructure of operations conducted in recent years.
- (b) Employee benefits also included the payment of a number of redundancies, incurred as a result of restructuring.
- (c) Depreciation and Amortisation charges increased by \$330,856 due to the amortisation of branch office renovations at Pitt Street, Sydney and Adelaide Terrace, East Perth.
- (d) Other operating expenditure was generally in line with the previous year

Financial Position:

The economic entity remains in a strong financial position, with net assets of approximately \$47 million, following a revaluation of land and buildings as at 30 June 2009. Cash reserves and receivables of approximately \$12.3 million, contributed to a working capital surplus of approximately \$9.6 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, 2009.

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 Fair Work (Registered Organisations) Act 2009:

272 Information to be provided to members or General Manager

- (1) A member of a reporting unit, or a General Manager, 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).

INCOME STATEMENT

for the year ended 30 June 2009

INCOME FROM ORDINARY ACTIVITIES

Expenses From Ordinary Activities

Employee Benefits

Building & Equipment Expenses

Industrial & Campaign Expenses

Depreciation

ACTU Affiliation Fees

Office Expenses

Other Expenses

NET SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES

	Economic Entity		Parent Entity	
	2009 (\$)	2008 (\$)	2009 (\$)	2008 (\$)
INCOME FROM ORDINARY ACTIVITIES	18,305,506	20,014,808	18,349,904	20,115,649
Expenses From Ordinary Activities				
Employee Benefits	(14,559,579)	(14,993,672)	(14,559,579)	(14,993,672)
Building & Equipment Expenses	(1,385,650)	(1,309,371)	(1,893,171)	(1,904,403)
Industrial & Campaign Expenses	(975,614)	(1,199,932)	(975,614)	(1,199,932)
Depreciation	(1,313,120)	(982,264)	(846,844)	(488,601)
ACTU Affiliation Fees	(120,382)	(123,677)	(120,382)	(123,677)
Office Expenses	(1,745,447)	(1,769,396)	(1,745,447)	(1,769,396)
Other Expenses	(1,917,901)	(1,799,791)	(1,921,054)	(1,799,263)
	(22,017,693)	(22,178,103)	(22,062,091)	(22,278,944)
NET SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES	(3,712,187)	(2,163,295)	(3,712,187)	(2,163,295)

BALANCE SHEET

as at 30 June 2009

TOTAL ACCUMULATED FUNDS

represented by:

CURRENT ASSETS

Cash	11,417,479	13,426,074	11,218,241	13,130,961
Receivables	892,526	1,337,346	822,215	1,267,377
Available-for-sale property	625,000	-	625,000	-
Prepayments	377,329	263,392	306,807	200,687

TOTAL CURRENT ASSETS

13,312,334 15,026,812 12,972,263 14,599,025

NON CURRENT ASSETS

Receivables	238,398	367,162	20,738,398	20,867,162
Financial Assets	6,169,000	6,953,401	6,169,000	6,953,401
Available-for-sale financial assets	343,148	387,460	343,148	387,460
Property, Plant & Equipment	31,779,078	25,790,679	3,339,078	4,364,223

TOTAL NON CURRENT ASSETS

38,529,624 33,498,702 30,589,624 32,572,246

TOTAL ASSETS

51,841,958 48,525,514 43,561,887 47,171,271

CURRENT LIABILITIES

Accounts Payable	1,708,097	1,970,702	5,881,057	5,926,277
Provision - Employee Entitlements	2,052,083	2,034,253	2,052,083	2,034,253

TOTAL CURRENT LIABILITIES

3,760,180 4,004,955 7,933,140 7,960,530

NON CURRENT LIABILITIES

Provision - Employee Entitlements	1,179,160	1,216,155	1,179,160	1,216,155
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TOTAL NON CURRENT LIABILITIES

1,179,160 1,216,155 1,179,160 1,216,155

TOTAL LIABILITIES

4,939,340 5,221,110 9,112,300 9,176,685

NET ASSETS

46,902,618 43,304,404 34,449,587 37,994,586

STATEMENT OF CHANGES IN EQUITY

as at 30 June 2009

GENERAL FUND

Total at the beginning of the financial year	36,072,851	38,236,146	36,072,849	38,236,144
Surplus/(Deficit) for the year	(3,712,187)	(2,163,295)	(3,712,187)	(2,163,295)
Total at the end of the financial year	32,360,664	36,072,851	32,360,662	36,072,849

ASSET REVALUATION RESERVE

Total at the beginning of the financial year	7,231,553	7,398,047	1,921,737	2,088,231
Loss on listed shares held for long term investment	(44,312)	(166,494)	(44,312)	(166,494)
Gain on revaluation of land and buildings	7,354,713	-	211,500	-
Total at the end of the financial year	14,541,954	7,231,553	2,088,925	1,921,737

TOTAL ACCUMULATED FUNDS

Total at the beginning of the financial year	43,304,404	45,634,193	37,994,586	40,324,375
Surplus/(Deficit) for the year	(3,712,187)	(2,163,295)	(3,712,187)	(2,163,295)
Loss on listed shares held for long term investment	(44,312)	(166,494)	(44,312)	(166,494)
Gain on revaluation of land and buildings	7,354,713	-	211,500	-
Total at the end of the financial year	46,902,618	43,304,404	34,449,587	37,994,586

STATEMENT OF CASH FLOWS

for the year ended 30 June 2009

CASH FLOWS FROM OPERATING ACTIVITIES

	Economic Entity		Parent Entity	
	2009 (\$)	2008 (\$)	2009 (\$)	2008 (\$)
Receipts from Members	16,924,732	16,807,143	16,924,732	16,807,143
Interest Received	703,718	634,635	693,505	621,749
Rent	1,074,371	917,576	-	-
Other	263,490	538,288	263,490	538,287
Interest paid	-	(9,305)	-	(9,305)
Payments to Suppliers and Employees	(20,797,687)	(21,341,176)	(19,287,073)	(20,830,838)

CASH FLOW PROVIDED BY/(USED) IN OPERATING ACTIVITIES (1,831,376) (2,452,839) (1,405,346) (2,872,964)

CASH FLOWS FROM INVESTING ACTIVITIES

Amelioration Fund loans advanced/repaid	428,160	404,363	428,160	404,363
Net OLI bonus payments distributed	(655)	(13,737)	(655)	(13,737)
Purchase of property, plant and equipment	(784,116)	(2,929,165)	(447,510)	(2,538,000)
Proceeds from the sale of fixed assets	179,392	6,194,688	179,392	1,718,827
Redemption of managed funds	-	3,100,000	-	3,100,000

CASH FLOW PROVIDED BY/(USED) IN INVESTING ACTIVITIES (177,219) 6,756,149 159,387 2,671,453

CASH FLOWS FROM FINANCING ACTIVITIES

Funding from Property Trust	-	-	(666,761)	4,523,565
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CASH FLOW PROVIDED BY/(USED) IN FINANCING ACTIVITIES - - (666,761) 4,523,565

NET CASH INCREASE/(DECREASE) (2,008,595) 4,303,310 (1,912,720) 4,322,054

CASH AT THE BEGINNING OF THE YEAR 13,426,074 9,122,764 13,130,961 8,808,907

CASH AT THE END OF THE FINANCIAL YEAR 11,417,479 13,426,074 11,218,241 13,130,961

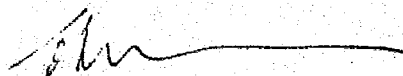
Finance Sector Union of Australia and Controlled Entity STATEMENT OF THE NATIONAL EXECUTIVE

On November 18, 2009 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, 2009:

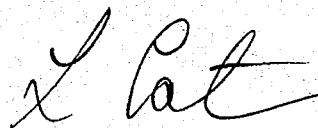
The National Executive declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009; and
 - (iv) no requests for information have been received from a member of the reporting unit or a General Manager under section 272 of the Fair Work (Registered Organisations) Act 2009 during the period; and
 - (v) no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.

Signed on behalf of the National Executive



C. GORDON
NATIONAL PRESIDENT



L.J. CARTER
NATIONAL SECRETARY

Signed at Melbourne this 18th day of November, 2009

**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 2009, 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 2009, 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 2009. Our audit report on the financial report for the year was signed on 18 November 2009 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.

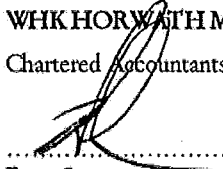
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 2009 complies with Accounting Standard AASB 1039: Concise Financial Reports and the requirements imposed by Part 3 of Chapter 8 the Fair Work (Registered Organisations) Act 2009.

WHK HORWATH MELBOURNE

Chartered Accountants



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Peter Sexton
Partner

Member of Institute of Chartered Accountants
And holder of a Current Public Practice Certificate
Registered Company Auditor # 85044

18 November 2009