



FAIR WORK
AUSTRALIA

28 September 2011

Mr Andrew Johnson
Secretary

Western Australian Shire Councils, Municipal Road Boards, Health Boards, Parks, Cemeteries and Racecourse, Public Authorities, Water Boards Union

email: lgrceu@tpg.com.au

Dear Mr Johnson

Re: Financial Reports for the Western Australian Shire Councils, Municipal Road Boards, Health Boards, Parks, Cemeteries and Racecourse, Public Authorities, Water Boards Union for years ended 31 December 2008, 30 June 2009 and 2010 – FR2008/637, FR2009/10313 and FR2010/2908

I acknowledge receipt of the financial reports for the Western Australian Shire Councils, Municipal Road Boards, Health Boards, Parks, Cemeteries and Racecourse, Public Authorities, Water Boards Union (the Union) for the years ended 31 December 2008, 30 June 2009 and 2010. The reports were lodged with Fair Work Australia (FWA) on 31 August 2011.

I also acknowledge the comments contained in note 2 of the notes to the financial statements regarding going concern and the basis for preparation of accounts.

The financial reports have now been filed.

I make the following comments in relation to the 2010 financial report to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Fair Work (Registered Organisations) Act 2009

Reference to the 'Fair Work Act 2009', and 'the RAO Schedule' appearing in the designated officer's certificate, the 'Registration and Accountability of Organisations Legislation' appearing in the operating report, and 'Workplace Relations Act 1996', appearing in the Audit Report and note 2 of the notes to the financial statements should properly refer to the '*Fair Work (Registered Organisations) Act 2009*' (the Act). The reference to 'Fair Work Authority' in note 1 of the notes to the financial statement should read 'Fair Work Australia'.

Also reference to the 'Industrial Registrar', 'Registration and Accountability of Organisation (RAO) Schedule & Regulations' and 'Schedule 1B of the Workplace Relations Act 1996' appearing in the Committee of Management statement should properly refer to the 'General Manager', the 'Fair Work (Registered Organisations) Act 2009' and 'Fair Work (Registered Organisations) Regulations 2009' respectively.

Notes to the financial statements

Notice under section 272(5) of the Act

As you are aware the notes to the General Purpose Financial Report are required to include a notice drawing attention to the fact that information prescribed by the *Fair Work (Registered Organisations) Regulations 2009* is available to members on request. Note 14 to the financial statements reproduces the wording from outdated legislation. Instead the wording should read as follows:

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

Please ensure that future notes contain this extract of the Act word for word.

Timing of Financial Documents - Lodgement of documents with Fair Work Australia

[Section 268](#) of the Act requires the Union to lodge its financial documents with FWA within 14 days of the date of the General Meeting of Members at which they were presented (that is, 24 August 2011). The documents were not lodged with FWA until 31 August 2011. In future years please ensure that financial reports are lodged with FWA within 14 days of the General Meeting of Members.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Donnellan', with a long horizontal line extending to the right.

Kevin Donnellan


Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

LGRCEU



FORMERLY THE 
FOR OVER 107 YEARS

*Western Australian Shire Councils, Municipal Road Boards,
Health Boards, Parks, Cemeteries and Racecourses,
Public Authorities Water Boards Union*

SECRETARY ANDREW JOHNSON

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Mr Kevin Donnellan,
Tribunal Services and Organisations,
Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001

Dear Mr Kevin,

**RE: FINANCIAL REPORTS OF THE FEDERAL UNION AND WESTERN AUSTRALIAN DIVISION
FOR THE REPORTING PERIOD 2008, 2009 AND 2010**

Thank you for your communication date August 17 2011.

The union is pleased provide the above documents with accompanying certificates as directed by the union's executive committees' of management and union membership.

We thank you for your assistance and guidance in these matters.

Yours faithfully,

Andrew Johnson
FEDERAL SECRETARY

Encl.

CERTIFICATE OF DIVISION SECRETARY

Pursuant to the Provisions of the Fair Work Act 2009

I, Andrew Gerard Johnson, Division Secretary of the Western Australian Shire Councils, Municipal Road Boards, Parks, Cemeteries and Racecourse, Public Authorities, Water Boards Union(Western Australian Division) certify that:

1. That documents lodged herewith are the full report referred to in s268 of RAO Schedule and;
- 2 On the 18th of July 2011 the members received individual notice by written advice of the availability of the full report on the union's website and the right to individual copies of the documents.
3. The full report was presented to the Western Australian Division Executive on the 4th of July 2011 in accordance with Section 268 of the RAO Schedule.
4. The full report was presented to a general meeting of members on the 10th of August 2011.

Yours faithfully

a. a. Johnson
Andrew Johnson
Division Secretary

Dated this *20th* day of *August* 2011



Western Australian Shire Councils,
Municipal Road Boards, Health Boards,
Parks, Cemeteries and Racecourses,
Public Authorities Water Boards Union



WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH BOARDS,
PARKS, CEMETERIES AND RACECOURSES, PUBLIC AUTHORITIES WATER
BOARDS UNION - WA DIVISION

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2010

**WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH
BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC
AUTHORITIES WATER BOARDS UNION - W.A. DIVISION**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2010**

Registered office:

112 Charles Street
West Perth
Western Australia 6005
Telephone: (08) 9328 5854
Facsimile: (08) 9328 4792

President – Andrew Johnson
Secretary – David James

CONTENTS

Operating Report	1 -2
Committee of Managements' Certificate	3
Independent Audit Report	4
Statement regarding recovery of wages	5
Statement of Financial Performance	6
Statement of Cash Flows	6
Statement of Financial Performance	7
Statement of Change in Equity	7
Notes to the financial statements	8 – 11

**WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH
BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC
AUTHORITIES WATER BOARDS UNION - W.A. DIVISION**

OPERATING REPORT FOR REPORTING YEAR ENDED 30 JUNE 2010

1. Review of the Union's Principal Activities.

- A. The Union maintained its high level industrial servicing of membership with an average meeting schedule with member and employer of plus 10 meetings per week with the industrial staff the industrial and organising staff at the union's disposal. The industrial and servicing activities centred around negotiation of collective bargaining agreements: resolution of individual member disputes with employers dealing with a range of matters not limited to but including: disciplinary hearings. classification disputes: workers compensation claims: equal opportunity claims: underpayment of wages and entitlements disputes and like matters.
- B. In accordance with the rules the union executive continued to meet and deal with issues on a month by month basis.
- C. As a result of ongoing changes in industrial relations laws the union undertook a number of co-ordinated job delegates training courses to assist union delegates in the performance of their functions on behalf of the organisation.
- D. The continuing maintenance of federal awards as and agreements negotiated by the organisation.
- E. The continued involvement of the organisation in industry training initiatives
- F. The establishment of a union website for reporting to and receiving communication from membership.
- G. Continued work towards compliance with federal reporting requirements.
- H. Continued publication of union newsletters and journal information.

2. Significant Changes in the Nature of Principal Activities

There were no significant changes in the nature of principal activities

3. Results of Principal Activities

A continued increase in membership.

4. The Rights of Members to Resign

All members have a right to resign from the union in accordance with:

Rule 58 – Resignation of member in Part II – Rules for the Administration of a Division: and

Rule 18 – Resignation of membership of the Western Australian Division General Rules as required by Section 174 of the Act.

**5. Trustee or Director of Trustee Company of Superannuation Entity of Exempt Public Sector
Superannuation Fund**

The following officer and/or member of the Union is a director of a company that is the trustee of a superannuation fund that requires that one or more of their directors be a member of a registered organisation:

Officer / Member

Name of Entity

Mr David James

Western Australian Local Government Superannuation Plan.

6. Other Prescribed Information

In accordance with the requirements of the Registration and Accountability of Organisations Legislation the following information is provided:

- A. The number of persons that were at the end of the financial year recorded in the register of members was 1425.
- B. The number of persons who were at the end of the financial year employees of the organisation including both full time and part time employees measured on a full time equivalent basis was 4.0.

WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC AUTHORITIES WATER BOARDS UNION - W.A. DIVISION

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2010 (Cont'd)

C. Committee of Management

During the reporting period, the following persons held the following offices of the Union for the period:

President: David James	31 May 2010 – 30 June 2010
Andrew Johnson	1 July 2009 – 30 May 2010
Vice President: Stuart Auld	31 May 2010 – 30 June 2010
Stuart Barron	1 July 2009 - 30 May 2010
Secretary: Andrew Johnson	31 May 2010 – 30 June 2010
David James	1 July 2009 – 30 May 2010
Treasurer: Andrea Ballantyne	1 July 2009 – 30 June 2010

Committee of Management Members

Raymond Brand	31 May 2010 – 30 June 2010
Felicity Brosnan	31 May 2010 – 30 June 2010
Peter Crawford	1 July 2009 – 30 June 2010
Angus Hutchings	1 July 2009 – 30 June 2010
Martyn Love	1 July 2009 – 30 June 2010
Graham Sigglekow	31 May 2010 – 30 June 2010
Dean Stephens	1 July 2009 – 30 May 2010
Stuart Auld	1 July 2009 – 30 May 2010
Carol Hicks	1 July 2009 – 30 May 2010
John Mearns	1 July 2009 – 30 May 2010

Trustees

Barry Dyer	1 July 2009 – 30 May 2010
Eric Edwards	1 July 2009 – 30 May 2010
Susan Weightman (until May 2010)	1 July 2009 – 30 May 2010

Zone Delegates

Ron Cullen(Goldfields)	1 July 2009 – 30 June 2010
Ian Kent (Central Districts)	1 July 2010 – 30 June 2010
Dale Maver (Murchison)	1 July 2010 – 30 June 2010
Graham Sigglekow (Metropolitan)	1 July 2009 – 30 May 2010
Cliff Dearn (South Western)	1 July 2009 – 30 May 2010
Terry Cooper(Coastal Districts)	1 July 2009 – 30 May 2010

a. a. Johnson

 Andrew Johnson
 President
Secretary

July 2010

 Dated

David James

 David James
 Secretary
Secretary

**WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH
BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC
AUTHORITIES WATER BOARDS UNION - W.A. DIVISION**

COMMITTEE OF MANAGEMENT STATEMENT

On 6th of July 2011 the Committee of Management of the Western Australian Shire Councils, Municipal Road Boards, Parks, Cemeteries and Racecourses, Public Authorities, Water Boards Union - WA Division passed the following resolution in relation to the general purpose financial report (GPFR) for the reporting unit for the year ended 30 June 2010.

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a.) the financial statements and notes comply with the Australian Accounting Standards;
- (b.) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c.) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Western Australian Shire Councils, Municipal Road Boards, Parks, Cemeteries and Racecourses, Public Authorities, Water Boards Union - WA Division for the financial period to which they relate;
- (d.) there are reasonable grounds to believe that the Western Australian Shire Councils, Municipal Road Boards, Parks, Cemeteries and Racecourses, Public Authorities, Water Boards Union (WA Division) 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 the financial year:
 - (i.) meetings of the Committee of Management were held in accordance with the rules of the organisation, and
 - (ii.) the financial affairs of the Union have been managed in accordance with the rules of the organisation, and
 - (iii.) except as outlined in Note 1 (a), the financial records of the Union have been kept and maintained in accordance with Registration and Accountability of Organisations (RAO) Schedule & Regulations; and
 - (iv.) except as outlined in Note 1 (a), the financial records of the Union have been kept as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v.) to the knowledge of any member of the Committee, no information has been sought in any request by a member of the Union or a Registrar duly made under Section 272 of the RAO; and
 - (vi.) no order have been made by the Commission under Section 273 of Schedule 1B to the Workplace Relations Act, 1996

For the Committee of Management

A. A. Johnson

Andrew Johnson
President

Secretary

6 July 2011

Dated

David James

David James
Secretary

Secretary

CARLTON & PARTNERS

CERTIFIED PRACTISING ACCOUNTANTS

Business Address: FIRST FLOOR 9-11 DRAKE STREET, OSBORNE PARK WA 6017

Telephone: (08) 9201 0611

Fax: (08) 9382 3404

Independent auditor's report to the members of the WA Shire Councils, Municipal Road Boards, Health Boards, Parks, Cemeteries and Racecourses, Public Authorities Water Boards Union - W.A. Division

We have audited the accompanying financial report of the WA Shire Councils, Municipal Road Boards, Health Boards, Parks, Cemeteries and Racecourses, Public Authorities Water Boards Union - W.A. Division (the Union), which comprises the balance sheet as at the 30 June 2010, the income statement, statement of changes in equity, cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Committee of Management's Statement.

Committee of Management's Responsibility for the Financial Report

The Committee of Management of the Union are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting interpretations) and with the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These auditing standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the material risks of misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee Members as well as evaluating overall presentation of the financial report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

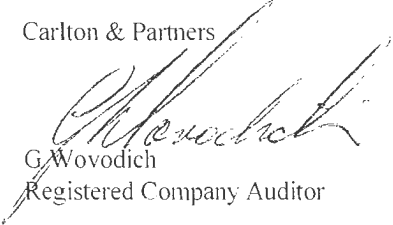
Independence

In conducting our audit we have complied with the independence requirements of the Australian professional ethical pronouncements.

Auditor's Opinion

Subject to the restrictions outlined in Note 1 (a) of these financial statements, in our opinion the general purpose financial report of the Western Australian Shire Councils, Municipal Road Boards, Parks, Cemeteries and Racecourse, Public Authorities, Water Boards Union, is presented fairly in accordance applicable accounting standards and other mandatory professional reporting requirements in Australia and the requirements of the Fair Work (Registered Organisations) Act 2009.

Carlton & Partners


G. Wovodich
Registered Company Auditor

Perth, Western Australia

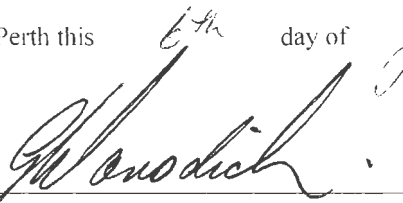
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**WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH
BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC
AUTHORITIES WATER BOARDS UNION - W.A. DIVISION**

STATEMENT REGARDING RECOVERY OF WAGES

Based on representations made to us by our client and our audit work undertaken for the year ended 30 June 2010, it appears that there was no recovery of wages activity for the Union for the year then ended.

Dated at Perth this *6th* day of *July* 2011.



G. Wvodich
Registered Company Auditor
Carlton & Partners

**WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH
BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC
AUTHORITIES WATER BOARDS UNION - W.A. DIVISION**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2010**

	12 months to 30-6-2010 \$	6 months to 30-6-2009 \$
Revenue		
Members' subscriptions	261.375	114.234
Other income	5.791	4.700
	<u>267.166</u>	<u>118.934</u>
Expense		
Audit and accountancy fees	9.500	6.500
Interest	20.449	1.039
Depreciation	2.379	1.323
Employee costs - Officials	123.439	32.544
Other	25.943	30.055
Other expenses from ordinary activities	136.018	58.658
	<u>315.349</u>	<u>130.119</u>
Surplus (Loss) for the year	<u>(48.183)</u>	<u>(11.185)</u>

**STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2009**

	12 months to 30-6-2010 \$	6 months to 30-6-2009 \$
CASH FLOW FROM OPERATING ACTIVITIES		
Operating revenue	258.459	116.695
Payments to suppliers and employees	(287.632)	(126.471)
Net cash provided by (used in) operating activities	<u>(29.173)</u>	<u>(9.776)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, furniture and equipment	-	(916)
Net cash provided by (used in) investing activities	<u>-</u>	<u>(916)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Advances from (Repayments to) related entities	49.806	11.716
Interest and borrowing charges	(20.449)	(1.039)
Net cash provided by (used in) financing activities	<u>29.357</u>	<u>10.677</u>
Net increase (decrease) in cash resources	<u>184</u>	<u>(15)</u>
Cash at Bank at beginning of year	700	715
Cash at Bank at end of year	884	700
Decrease (Increase) in Cash at Bank	<u>184</u>	<u>15</u>

The accompanying notes form part of these financial statements

**WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH
BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC
AUTHORITIES WATER BOARDS UNION - W.A. DIVISION**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010**

	Note	30-6-2010 \$	30-6-2009 \$
CURRENT ASSETS			
Cash and cash equivalents		884	700
Trade and other receivables	4.	42,712	34,005
TOTAL CURRENT ASSETS		<u>43,596</u>	<u>34,705</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5.	404,195	366,574
TOTAL NON-CURRENT ASSETS		<u>404,195</u>	<u>366,574</u>
TOTAL ASSETS		<u>447,791</u>	<u>401,279</u>
CURRENT LIABILITIES			
Trade and other payables	6.	1,165,793	1,121,945
Provision for employee entitlements		78,535	72,240
TOTAL CURRENT LIABILITIES		<u>1,244,328</u>	<u>1,194,185</u>
NON-CURRENT LIABILITIES			
Provision for employee entitlements		16,078	11,526
TOTAL NON-CURRENT LIABILITIES		<u>16,078</u>	<u>11,526</u>
TOTAL LIABILITIES		<u>1,260,406</u>	<u>1,205,711</u>
NET ASSETS (DEFICIENCY)		<u>(812,615)</u>	<u>(804,432)</u>
EQUITY			
Asset revaluation reserve	7.	326,348	286,348
Deduct accumulated losses	8.	(1,138,963)	(1,090,780)
TOTAL EQUITY (DEFICIENCY)		<u>(812,615)</u>	<u>(804,432)</u>

**STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010**

Balance at beginning of year	804,432	793,247
Add Deficit for period	48,183	11,185
Balance at 30 June 2010	<u>(812,615)</u>	<u>804,432</u>

The accompanying notes form part of these financial statements.

WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC AUTHORITIES WATER BOARDS UNION - W.A. DIVISION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 1 – Change in accounting period.

In accordance with changes to the Union rules as approved by the Fair Work Authority and the State Industrial Commission the Union's financial year changed from a calendar year to a 12 month period ending on the 30th June each year. In order to bring the financial reporting into line with this rule change, the previous financial report covered the six month period 1st January to the 30th June 2009. The comparative figures in this report are for the previous six month period.

Note 2 – Basis of presentation of financial statements.

Going Concern

These accounts have been prepared on the ongoing basis, on the understanding that the W.A. Division's sister Perth union will continue its financial support, utilising the Perth property for financing purposes. This ongoing backing is demonstrated by the pooled operations of the W.A. Division, the Federal body and the Perth union (see note (1a) below). Having made enquiries, the Executive consider that the W.A. Division and the aforementioned related bodies have adequate resources to continue and that it is therefore appropriate to adopt the going concern basis in preparing the accounts.

Division of income and expenditure

The membership application form for the WA Shire Councils, Municipal Road Boards, Health Boards, Parks, Cemeteries and Racecourses, Public Authorities Water Boards Union - WA Division and the Western Australian Municipal Road Boards, Parks and Racecourse Employees' Union of Workers (Perth) includes the following:

"I ...(name) ... hereby apply to be admitted as a member of the WA Shire Councils, Municipal Road Boards, Health Boards, Parks, Cemeteries and Racecourses, Public Authorities Water Boards Union - WA Division an organisation registered under the Workplace Relations Act, 1996 as amended, and to be admitted as a member of the Western Australian Municipal Road Boards, Parks and Racecourse Employee Union of Workers, Perth, an organisation registered under the WA industrial Relations Act 1979 (as amended). I pledge myself to the abovementioned organisations."

For this reason,

- b. The accounting procedures adopted in the recording and maintenance of the day-to-day transactions of both unions are such that it is not practical to reconstruct the accounting records to allocate global income and expenses between the two entities.
- c. Under these circumstances, in the years up to and including the year ended 31 December 2005, both entities prepared and distributed to members consolidated financials encompassing the combined operations of both entities.
- d. Fair Work Australia has determined (letter dated 12 May 2010) that "the provision of a consolidated financial report would not comply with the financial reporting requirements" and that the WA Shire Councils, Municipal Road Boards, Health Boards, Parks, Cemeteries and Racecourses, Public Authorities Water Boards Union - WA Division is required to provide a financial report solely in respect to that reporting entity.
- e. In order to comply with the reporting requirements of Fair Work Australia, all income received and expenses incurred (apart from identifiable direct income receipts and expenses incurred) have been apportioned equally between the W.A. Divisional and the Perth union.

Note 3 - Statement of significant accounting policies.

Except where stated, the accounting procedures and policies set out in these notes are consistent with the accounting procedures and policies used in prior years in the day to day activities of the Unions and in preparing financial statements.

b. Income tax

No provision for income tax is necessary for either Union because both are exempt from income tax under 50-15 of the Income Tax Assessment Act 1997. Tax effect accounting is therefore neither applicable nor applied in the preparation of these financial statements.

c. Property, furniture and equipment

The Executive Committee obtains sworn valuations of freehold properties every three to five years and adjusts the book values of the relevant properties to agree with the sworn valuations.

Furniture and equipment is carried at cost less accumulated depreciation.

The carrying amount of furniture and equipment is reviewed annually by the Executive Committee to ensure it is not in excess of the expected net proceeds receivable from the asset's disposal at the end of its useful life.

d. Depreciation

The Executive Committee believes that, as freehold properties are adjusted to values determined by sworn valuations from time to time, there is no need to provide for depreciation of the structures erected on those properties.

Items of furniture and equipment are depreciated at ten percent per annum on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down to its recoverable amount if its carrying amount is greater than the higher of the asset's fair value less costs to sell and value in use, compared to the asset's carrying value. Realised gains and losses on disposals are included in the income statement.

WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC AUTHORITIES WATER BOARDS UNION - W.A. DIVISION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Note 3 - Statement of significant accounting policies. (cont'd)

- e. Employee benefits
Provision is made in accordance with the Workplace Relations Act 1996, for the organisations' liability for accrued employee benefits owing as at the end of the financial period arising from services rendered by employees to that date.
- f. Provisions
Provisions are established when the Unions have a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.
- g. Borrowing costs
Borrowing costs are recognised in full in the income statement in the period in which they are incurred.
- h. Goods and services tax (GST)
Revenues, expenses and assets are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of the asset or the expense. Receivables and payables in the balance sheet are shown exclusive of GST.
- i. Critical accounting estimates and judgments
The Executive Council evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events based on current trends and economic data.

	30-6-2010 \$	30-6-2009 \$
Note 4- Trade and other receivables		
Sundry Debtors and prepayments	24,117	13,171
Potential amount to be offset against a possible future claim against liabilities included in trade and other creditors	18,595	18,595
	<u>42,712</u>	<u>31,766</u>

The amount of \$18,595 includes an amount of \$6,595, being the written down value of vehicles and furniture unaccounted for in February 2005. In addition to the amount of \$18,595 shown above, the Union have an additional substantial portfolio of evidence to put forward as counter-claims in the event of any possible future claim becoming a reality. Part of this evidence relates to an amount of \$26,309 written off in the year ended 31 December 2004 and described in the financial statements of that year as "Unidentified expenses". The amounts arose from cheques drawn during the year for which no subsequent accounting or explanations were received.

Note 5 – Property, furniture and equipment

Freehold land and buildings at independent sworn valuation dated 15 April 2010	410,000	370,000
Less accumulated depreciation	7,615	4,427
	<u>402,385</u>	<u>365,573</u>
Furniture and equipment at cost	2,384	2,384
Less accumulated depreciation	574	332
	<u>1,810</u>	<u>1,408</u>
	<u>404,195</u>	<u>366,981</u>

The title to the property is currently registered in the name of the Australian Municipal, Administrative, Clerical and Services Union. The Federal Court, pursuant to its Order No W108 issued on 14 November 2002, has ordered this organisation to lodge a Transfer of Land in our favour. At the date of preparation of these financial statements, this transfer has not been effected. The Union's solicitors are handling the matter. The property has been used as collateral security for an overdraft in the name of the Federal Body.

WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC AUTHORITIES WATER BOARDS UNION - W.A. DIVISION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

	12 months to 30-6-2010 \$	6 months to 30-6-2009 \$
Note 6 – Trade and other payables		
Trade creditors and accruals	271,399	277,357
Owing to Perth Union	652,617	642,060
Owing to Federal Body	241,777	202,528
	<u>1,165,793</u>	<u>1,121,945</u>
Note 7 – Asset revaluation reserve		
Balance at beginning of year	286,348	286,348
Add		
Revaluation of Denmark property	40,000	-
Balance at end of year	<u>326,348</u>	<u>286,348</u>
<p>The Asset Revaluation Reserve records unrealised increments and decrements arising from differences between sworn valuations of freehold property from time to time, and the book value of the property as at the date of valuation.</p>		
Note 8 – Accumulated losses		
Balance at beginning of year	1,090,780	1,079,595
Add		
Deficit (Surplus) for the year	48,183	11,185
Balance at end of year	<u>1,138,963</u>	<u>1,090,780</u>

Note 9 – Key Management personnel

Executive Council Members

President – David James

Vice President – Stuart Barron

Secretary – Andrew Johnson

Treasurer – Andrea Ballantyne

Note 10 – Segment reporting

The Union operates in the one business and geographical segment being the industrial relations sector providing services to members of their organisations throughout Western Australia

Note 11 – Financial instruments

Credit Risk

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

Net Fair Values

The net fair value of assets and liabilities approximates their carrying value.

Note 12 – Organisation details

The registered office and principal place of business is

112 Charles Street

West Perth Western Australia 6005

**WA SHIRE COUNCILS, MUNICIPAL ROAD BOARDS, HEALTH
BOARDS, PARKS, CEMETERIES AND RACECOURSES, PUBLIC
AUTHORITIES WATER BOARDS UNION - W.A. DIVISION**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Note 13 – Use of “LGRCEU” in Union activities.

- a. These initials stand for "Local Government, Racecourses and Cemeteries Employees' Union", which the Executive Committee believes, is a generic description of the activities of the Union. These initials are used extensively in the day to day activities including stationery used by the Union.
- b. Neither the initials "LGRCEU" nor the name "Local Government, Racecourses and Cemeteries Employees' Union" are registered under the Business Names Act 1962 of Western Australia.

Note 14 – Information to be provided to Members or Registrar

In accordance with the requirements of the Registration and Accountability of Organisations Schedule (RAO) (Schedule 1 to the Workplace Relations Act 1996), the attention of Members is drawn to Section 272 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; and
3. A reporting unit must comply with an application made under subsection 1.