

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE
ABN 28 519 971 998**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30TH JUNE 2007**

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE
ABN 28 519 971 998**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30TH JUNE 2007**

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**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE 2007**

| | Note | 2007 \$ | 2006 \$ |
|---------------------------------|------|------------|------------|
| INCOME | | | |
| Capitation Income | 2 | 2,516,961 | 2,434,164 |
| Investment Income | 3 | 295,938 | 234,153 |
| Rental Income | 4 | 52,111 | 51,926 |
| Reimbursements Received | 5 | 36,278 | 49,892 |
| Sale of Promotional Goods | | 22,342 | 23,469 |
| Conference Sponsorship | | 39,100 | - |
| Other Income | | 173 | 6 |
| Total Income | | 2,962,903 | 2,793,610 |
| LESS EXPENDITURE | | | |
| Accounting & Audit | | 13,705 | 14,700 |
| Affiliation Fees | | 361,012 | 348,470 |
| Bank Charges | | 2,711 | 2,080 |
| Computer Expenses | | 43,347 | 58,996 |
| Depreciation | 6 | 57,251 | 58,512 |
| Donations | | 2,864 | 6,776 |
| Electricity & Gas | | 9,854 | 9,881 |
| Loss on Disposal of Equipment | | 1,307 | 1,150 |
| Insurance | | 8,806 | 14,281 |
| Interest on Borrowings | | 44,005 | 41,170 |
| Legal Costs | | 28,119 | 49,487 |
| Meeting and Conference Expenses | | 96,277 | 103,093 |
| Motor Vehicle Expenses | 7 | 60,398 | 59,182 |
| Northern Territory Expenses | | 5,640 | 5,640 |
| Occupancy Expenses | | 10,005 | 7,916 |
| Overseas Fund Expenses | | 21,792 | 21,726 |
| Office Expenses | | 7,075 | 6,080 |
| Penalties & Infringements | | - | 386 |
| Postage & Despatch | | 13,642 | 10,736 |
| Printing & Stationery | | 46,897 | 46,853 |
| Projects - Special | | 5,636 | 15,090 |
| Property Expenses | | 31,671 | 32,627 |
| Publicity & Promotional Goods | | 39,107 | 50,152 |
| Rent - Sydney Office | | 29,750 | 20,000 |
| Repairs & Maintenance | | 5,559 | 4,712 |
| Resources/Library | | 34,865 | 28,515 |
| Salaries, Wages & On-Costs | 8 | 1,462,211 | 1,397,008 |
| Staff Training | | 14,674 | 8,294 |
| Telephone & Teleconferencing | | 69,407 | 58,845 |
| Travelling Expenses | | 82,142 | 78,150 |
| Total Expenditure | | 2,609,729 | 2,560,508 |
| SURPLUS FOR THE YEAR | | 353,174 | 233,102 |

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE 2007**

| | Note | 2007 \$ | 2006 \$ |
|---|------|------------------|------------------|
| Accumulated Funds - Beginning of Year | | 3,636,544 | 3,381,717 |
| Transfers from Reserves | 9 | <u>21,792</u> | <u>21,726</u> |
| ACCUMULATED FUNDS 30TH JUNE 2007 | | <u>4,011,510</u> | <u>3,636,545</u> |

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2007**

| | Note | 2007 \$ | 2006 \$ |
|--------------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash assets | 11 | 573,767 | 566,088 |
| Receivables | 12 | 1,119,847 | 830,059 |
| Investments | 13 | 1,056,129 | 802,367 |
| Other assets | 14 | 330,031 | 50,021 |
| TOTAL CURRENT ASSETS | | 3,079,774 | 2,248,535 |
| NON-CURRENT ASSETS | | | |
| Receivables | 12 | 265,148 | 405,393 |
| Investments | 13 | 1,773,062 | 1,548,073 |
| Property, plant and equipment | 15 | 1,470,396 | 1,520,656 |
| Other assets | 14 | - | 1,219 |
| TOTAL NON-CURRENT ASSETS | | 3,508,606 | 3,475,341 |
| TOTAL ASSETS | | 6,588,380 | 5,723,876 |
| CURRENT LIABILITIES | | | |
| Payables | 16 | 1,225,974 | 558,906 |
| Other liabilities | 17 | 54,486 | 118,316 |
| Provisions | 18 | 589,279 | 528,294 |
| TOTAL CURRENT LIABILITIES | | 1,869,739 | 1,205,516 |
| NON-CURRENT LIABILITIES | | | |
| Other liabilities | 17 | 648,427 | 803,661 |
| Provisions | 18 | 9,877 | 7,535 |
| TOTAL NON-CURRENT LIABILITIES | | 658,304 | 811,196 |
| TOTAL LIABILITIES | | 2,528,043 | 2,016,712 |
| NET ASSETS | | 4,060,337 | 3,707,164 |
| MEMBERS FUNDS | | | |
| Reserves | 9 | 48,827 | 70,619 |
| Accumulated Funds | 10 | 4,011,510 | 3,636,545 |
| TOTAL EQUITY | | 4,060,337 | 3,707,164 |

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2007**

| | 2007 | 2006 |
|--|------------------|------------------|
| | \$ | \$ |
| Cash Flows From Operating Activities | | |
| Operating Receipts less Payments | 491,107 | 149,816 |
| Net cash provided by (used in) operating activities | 491,107 | 149,816 |
| Cash Flows from Investing Activities | | |
| Proceeds from Disposal of Assets | 910 | - |
| Payment for Plant & Equipment | (12,820) | (62,729) |
| Investment in Managed Funds | (237,743) | (98,587) |
| Net cash provided by (used in) investing activities | (249,653) | (161,316) |
| Cash Flows From Financing Activities | | |
| Proceeds from Branch Loans | 195,221 | 389,349 |
| Repayment of Loans | (160,234) | (340,000) |
| Branches Repaid | (15,000) | (7,500) |
| Net cash provided by (used in) financing activities | 19,987 | 41,849 |
| Net increase (decrease) in cash held | 261,441 | 30,349 |
| Cash Held 1st July 2006 | 1,368,455 | 1,338,106 |
| Cash Held 30th June 2007 | 1,629,896 | 1,368,455 |

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2007**

| | Note | 2007 \$ | 2006 \$ |
|---|------|------------|------------|
| Notes to the Statement of Cash Flows | | | |
| Reconciliation of Cash | | | |
| Cash at the end of financial period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows: | | | |
| Cash on Hand | | 5,049 | 3,072 |
| Cash at Bank - General Account | | 416,282 | 351,252 |
| Cash at Bank - Cash Management A/c | | 83,042 | 119,994 |
| Cash at Bank - National Airlines A/c | | 19,696 | 53,039 |
| Cash at Bank - Sydney General A/c | | 1,264 | 1,563 |
| Cash at Bank - Airlines Stabilisation | | 23,218 | 22,723 |
| Cash at Bank - Retail A/c | | 25,216 | 14,445 |
| CBA Deposit - Leave Entitlements | | 566,128 | 534,284 |
| Members Equity Savings Account | | 490,001 | 268,083 |
| | | 1,629,896 | 1,368,455 |
| Reconciliation of Net Cash provided by Operating Activities to the Surplus/(Deficit) for the Year | | | |
| Operating Surplus/(Deficit) for Year | | 353,174 | 233,102 |
| Add Non-Cash Items: | | | |
| Investment Market Value Increase | | 12,755 | (81,815) |
| Depreciation & Amortisation | | 72,790 | 66,072 |
| Accrued Leave | | 63,328 | 43,529 |
| Other Items | | 1,307 | - |
| Changes in Assets and Liabilities: | | | |
| Decrease (Increase) in Debtors | | (341,264) | (350,622) |
| Decrease (Increase) in Prepayments | | (294,221) | (8,640) |
| Increase (Decrease) in Payables | | 667,068 | 227,219 |
| Increase (Decrease) in Unexpended Funds | | (43,830) | 20,971 |
| | | 491,107 | 149,816 |
| Cash flows from operations | | 491,107 | 149,816 |

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

1 Statement of Significant Accounting Policies

The accounts have been prepared in accordance with the Australian Accounting Standards and the Workplace Relations Act 1996. The following is a summary of significant accounting policies adopted by the Union in the preparation of the accounts which, unless otherwise stated, have been consistently applied:-

(a) Basis of Accounting

The accounts have been prepared on the basis of historical costs and do not take into account changing money values or, except where otherwise stated, current valuations of non-current assets.

Income and expenditure of the Union has been brought to account on an accruals basis of accounting so as to match income for the period with the expenditure incurred in earning that income.

(b) Provisions for Accrued Annual Leave and Long Service Leave

Provision for employee benefits in the form of Accrued Annual Leave and Accrued Long Service Leave has been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.

In the case of Long Service Leave, the accrual has been measured by reference to periods of service and current salary rates as it is considered that this results in an amount not materially different to that achieved by discounting estimated future cash flows.

(c) Income Tax

No provision has been made in the accounts for income tax on the basis that the Union is exempt under Section 50-15 of the Income Tax Assessment Act 1997.

(d) Property, Plant & Equipment

Each class of property, plant and equipment is carried at historical cost less, where applicable any accumulated depreciation. With the exception of income-producing properties which are held for investment purposes, and freehold land, the following assets have been depreciated over their estimated effective lives at the following rates -

| | |
|------------------------------|--|
| Buildings | 2.5% Prime Cost |
| Office Furniture & Equipment | 10% to 100% Prime Cost & Diminishing Value |
| Motor Vehicles | Pre 1/7/2002 22.5% DV, Post 1/7/2002 18.75% DV |

(e) Unexpended Branch Funds

Funds raised by levies collected from members are held in trust by the National Office and allocated to the selected activities and projects as provided for by their respective resolutions by the National Executive. As levies are collected by the National Office they are transferred to the respective provision account and held in trust for future allocation.

(f) Interest on Borrowings

Interest expense brought to account in the Statement of Financial Performance represents National Executive's share of the commercial bill borrowing. Interest expense pertaining to that part of bank bill borrowings on lent to ASU branches is not brought to account on the basis that each branch assumes liability for this. Accordingly loans to branches brought to account as an asset of National Executive are interest free.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

(g) Leased Assets

Leases of assets, where substantially all the risk and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to National Office are classified as finance leases and are brought to account as an asset of the National Office with a corresponding liability equal to the present value of the minimum lease payments, including any guaranteed residual values, with lease payments allocated between a reduction in lease liability and the lease interest for the period, and the asset amortised over its estimated effective life.

Lease payments for operating leases, where substantially all the risk and benefits remain with the lessor, are brought to account as an expense of National Office in the periods in which they are incurred.

(h) Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year information and other disclosures.

(i) Goods & Services Tax

Goods and Services Tax ("GST") collected by the Branch is brought to account as a liability with refundable input credits in respect to GST paid reducing that liability. Accordingly, all items of income and expenditure brought to account in the financial statements is after the deduction of any applicable GST.

(j) Investments

Except for units in Commonwealth Financial Services Managed Funds which are measured at their year-end market value, all non-current investments are measured at historical cost less any required provision for diminution in value. The carrying amount of investments is reviewed annually by the National Executive to ensure that it is not in excess of the recoverable amount. The recoverable amount is assessed from the quoted redemption value at balance date. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

(k) Workplace Relations Act 1996

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272, which reads -

(1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

| | 2007 \$ | 2006 \$ |
|------------------------------------|------------|------------|
| 2 Capitation Income | | |
| C&S Qld C&A Branch | 174,067 | 147,775 |
| Nth Qld C&A Branch | 17,797 | 18,478 |
| NSW & ACT Services Branch | 329,483 | 308,217 |
| Queensland Services Branch | 304,211 | 279,359 |
| SA & NT Branch | 159,854 | 158,466 |
| Tasmanian Branch | 54,690 | 58,442 |
| Tax Officers Branch | 17,900 | 16,024 |
| Victorian Private Sector Branch | 129,515 | 128,963 |
| Vic. Authorities & Services Branch | 448,439 | 447,296 |
| Western Australian Branch | 134,437 | 117,667 |
| NSW LGCAEAU Branch | 746,568 | 753,477 |
| Total Capitation Income | 2,516,961 | 2,434,164 |
| 3 Investment Income | | |
| Bank/Bill Interest Received | 61,851 | 42,223 |
| Interest - Tasmanian Branch Loan | 9,099 | 11,528 |
| Distribution from Managed Funds | 237,743 | 98,587 |
| Increase in Unit Market Values | (12,755) | 81,815 |
| Total Investment Income | 295,938 | 234,153 |
| 4 Rental Income | | |
| Carlton Property | 17,998 | 18,830 |
| ACT Property | 34,113 | 33,096 |
| Rental Income | 52,111 | 51,926 |
| 5 Reimbursements Received | | |
| Carlton Property Reimbursement | 34,546 | 33,540 |
| Workcover Reimbursement | 1,732 | 16,352 |
| Reimbursements Received | 36,278 | 49,892 |
| 6 Depreciation Expense | | |
| Furniture & Equipment | 27,132 | 28,313 |
| Building | 28,589 | 28,589 |
| Library | 1,530 | 1,610 |
| Total Depreciation | 57,251 | 58,512 |
| 7 Motor Vehicle Expenses | | |
| Running Costs | 14,663 | 18,527 |
| Operating Lease Rentals | 30,196 | 34,245 |
| Depreciation/Amortisation Expense | 15,539 | 6,410 |
| Total Motor Vehicle Expenses | 60,398 | 59,182 |

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

| | 2007 | 2006 |
|---|------------------|------------------|
| | \$ | \$ |
| 8 Salaries, Wages & On-Costs | | |
| Holders of Office: | | |
| Salaries & Salary-Sacrifice Benefits | 283,213 | 273,263 |
| Employer Superannuation | 39,195 | 37,830 |
| Employees: | | |
| Salaries & Salary-Sacrifice Benefits | 846,162 | 797,672 |
| Employer Superannuation | 110,815 | 102,055 |
| Other Costs: | | |
| Temporary Staff, Reception, etc | 15,068 | 26,049 |
| FBT - Holders of Office | 6,714 | 16,960 |
| FBT - Employees | 8,095 | 16,240 |
| Payroll Tax | 68,943 | 66,631 |
| Workers Compensation | 20,678 | 16,781 |
| Leave Accrued | 63,328 | 43,527 |
| Total Salaries, Wages & On-Costs | 1,462,211 | 1,397,008 |

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

| | 2007 \$ | 2006 \$ |
|---|------------|------------|
| 9 Reserves | | |
| Grant Project Reserve | 1,630 | 1,630 |
| International Aid Assistance Reserve | 47,609 | 47,609 |
| Overseas Fund Reserve | (412) | 21,380 |
| | 48,827 | 70,619 |
| Grant Project Reserve | | |
| Movements during the year: | | |
| Opening Balance for the year | 1,630 | 1,630 |
| | | |
| International Aid Assistance Reserve | | |
| Movements during the year: | | |
| Opening Balance for the year | 47,609 | 47,609 |
| | | |
| Overseas Fund Reserve | | |
| Movements during the year: | | |
| Opening Balance for the year | 21,380 | 43,106 |
| Transfer to Accum. Funds | (21,792) | (21,726) |
| | (412) | 21,380 |
| Closing balance | | |
| 10 Accumulated Funds | | |
| Accumulated Funds 1st July 2006 | 3,636,544 | 3,381,717 |
| Surplus/(Deficit) for Year | 353,174 | 233,102 |
| Transfer from/(to) Reserves | 21,792 | 21,726 |
| | 4,011,510 | 3,636,545 |
| Accumulated Funds 30th June 2007 | | |
| 11 Cash Assets | | |
| Cash on Hand | 5,049 | 3,072 |
| Cash at Bank - General Account | 416,282 | 351,252 |
| Cash at Bank - Cash Management A/c | 83,042 | 119,994 |
| Cash at Bank - National Airlines A/c | 19,696 | 53,039 |
| Cash at Bank - Sydney General A/c | 1,264 | 1,563 |
| Cash at Bank - Airlines | | |
| Stabilisation | 23,218 | 22,723 |
| Cash at Bank - Retail A/c | 25,216 | 14,445 |
| | 573,767 | 566,088 |
| | | |

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

| | 2007 | 2006 |
|--|-------------|-------------|
| | \$ | \$ |
| 12 Receivables | | |
| CURRENT | | |
| Debtors - Other | 56,402 | 141,647 |
| Debtors - Branches | 1,024,221 | 594,212 |
| Loan - Qld Services Branch | - | 20,000 |
| Loan - SA / NT Branch | 20,000 | 20,000 |
| Loan - Tasmanian Branch | 19,224 | 54,200 |
| | 1,119,847 | 830,059 |
| NON-CURRENT | | |
| Loan - Victorian Authorities & Services Branch | - | 120,245 |
| Loan - SA/NT Branch | 45,000 | 65,000 |
| Other Loan - Tasmanian Branch | 100,000 | 100,000 |
| Loan - Tasmanian Branch | 120,148 | 120,148 |
| | 265,148 | 405,393 |
| 13 Investments | | |
| CURRENT | | |
| CBA Deposit - Leave Entitlements | 566,128 | 534,284 |
| Members Equity Savings Account | 490,001 | 268,083 |
| | 1,056,129 | 802,367 |
| NON-CURRENT | | |
| Unlisted Shares & Units:- | | |
| AFI Pte Ltd at Cost (60,000 Ord Shares of S\$1 FP) | 41,334 | 41,334 |
| ACTU Member Connect at Cost (67,308 \$1 Units Pd to \$0.40) | 13,462 | 13,462 |
| Managed Funds:- | | |
| Units - Commonwealth Financial Services Managed Funds | 1,718,266 | 1,493,277 |
| | 1,773,062 | 1,548,073 |
| 14 Other Assets | | |
| CURRENT | | |
| Prepayments | 330,031 | 50,021 |
| NON-CURRENT | | |
| Prepayments | - | 1,219 |

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

| | 2007 | 2006 |
|--|-------------|-------------|
| | \$ | \$ |
| 15 Property, Plant and Equipment | | |
| Land and Buildings | | |
| Land & Building at Cost | 1,619,648 | 1,619,648 |
| Less: Accumulated Depreciation | 528,866 | 500,277 |
| | 1,090,782 | 1,119,371 |
| Investment Property at Cost | 282,751 | 282,751 |
| | 282,751 | 282,751 |
| | 1,373,533 | 1,402,122 |
| Total Land and Buildings | | |
| Motor Vehicles at Cost | 21,642 | 21,642 |
| Less: Accumulated Depreciation | 5,991 | 2,379 |
| | 15,651 | 19,263 |
| Furniture & Equipment at Cost | 279,781 | 279,232 |
| Less: Accumulated Depreciation | 227,629 | 210,551 |
| | 52,152 | 68,681 |
| Resource Library | 56,610 | 56,610 |
| Less: Accumulated Depreciation | 27,550 | 26,020 |
| | 29,060 | 30,590 |
| | 96,863 | 118,534 |
| Total Plant and Equipment | | |
| Total Property, Plant and Equipment | 1,470,396 | 1,520,656 |

Land & Buildings - 116-124 Queensberry Street, Carlton South

National Office has a one-third interest in office premises situated at 116-124 Queensberry St Carlton South which is stated in the accounts at historical cost, the Victorian Authorities & Services Branch having the remaining two-thirds interest. The property was independently valued at \$7,250,000 on the 24th August 2006 by WBP Property Valuers & Consultants, and the current market value was based upon the direct comparison approach. National Office's one-third interest is therefore \$2,416,667. National Office is responsible for insuring the building, the amount of cover on a replacement basis being \$5,720,000.

Investment Property - Unit 6, 40 Brisbane Avenue, Barton, ACT

National Office has a one-half share in office premises known as Unit 6, 40 Brisbane Avenue, Barton, ACT and is stated in the accounts at historical cost, the NSW LGCAEAU Branch having the other one-half share. The market value of the property was independently assessed at \$650,000 on 27th April 2005 by Independent Property Advisors Herron Todd White, National Office's share being \$325,000. As the property is held for investment purposes for which National Office is entitled to one half of the rental income and one-half any capital growth, it is not depreciated. Insurance cover on the building is the responsibility of the body corporate.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

| | 2007 \$ | 2006 \$ |
|--|------------------|------------------|
| 16 Payables | | |
| CURRENT | | |
| Legal Fees Payable | 3,398 | 371 |
| Creditor - Branches | 44,613 | 48,472 |
| GST Payable | 23,588 | 74,068 |
| Other Sundry Creditors & Accruals | 1,154,375 | 435,995 |
| | <u>1,225,974</u> | <u>558,906</u> |
| 17 Other Liabilities | | |
| CURRENT | | |
| Bank Bill Borrowings | 20,000 | 40,000 |
| Loan - NSW LGCAEAU | 10,000 | 10,000 |
| Unexpended Branch Funds/Provisions | 24,486 | 68,316 |
| | <u>54,486</u> | <u>118,316</u> |
| NON-CURRENT | | |
| Loan - NSW LGCAEAU | 3,661 | 18,661 |
| Bank Bill Borrowings | 644,766 | 785,000 |
| | <u>648,427</u> | <u>803,661</u> |
| Bank bills are expected to be settled: | | |
| within 12 months | 20,000 | 40,000 |
| 12 months or more | 644,766 | 785,000 |
| | <u>664,766</u> | <u>825,000</u> |
| Total current and non-current secured liabilities: | | |
| Bank bills | <u>664,766</u> | <u>825,000</u> |
| The carrying amount of non-current assets pledged as security are: | | |
| 116-124 Queensberry St Carlton South (First Reg'd Mortgage) | <u>1,090,782</u> | <u>1,119,371</u> |

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

| | 2007 | 2006 |
|---|-------------|-------------|
| | \$ | \$ |
| 18 Provisions | | |
| CURRENT | | |
| Provision for Annual Leave - Holders of Office | 79,959 | 65,131 |
| Provision for Annual Leave - Employees | 89,439 | 77,261 |
| Provision for Long Service Leave - Holders of Office | 165,876 | 152,391 |
| Provision for Long Service Leave - Employees | 254,005 | 233,511 |
| | 589,279 | 528,294 |
| NON-CURRENT | | |
| Provision for Long Service Leave - Employees | 9,877 | 7,535 |
| | 599,156 | 535,829 |
| Aggregate employee entitlement liability | 599,156 | 535,829 |
| | 16 | 17 |
| Number of employees at year end | 16 | 17 |
| 19 Capital and Leasing Commitments | | |
| Finance Lease and Hire Purchase Commitments | | |
| Operating Lease Commitments | | |
| Non-cancellable operating leases contracted for but not capitalised in the financial statements | | |
| Payable | | |
| Not later than one year | 112,070 | 94,058 |
| Later than one year but not later than five years | 128,492 | 191,827 |
| | 240,562 | 285,885 |
| Total Operating Lease Liability | 240,562 | 285,885 |
| 20 Contingent Liabilities | | |

A contingent liability exists in relation to debts incurred by other branches of the Union for which National Executive may become liable under the rules of the organisation. A provision for such liabilities is not brought to account on the basis that each branch is able to pay its own debts from its own resources (including current income) as and when they become due and payable.

Apart from the above, the National Executive is not aware of any contingent liability at balance date, the effect of which would be material in relation to these financial statements.

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
SERVICES UNION (AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

| | 2007 | 2006 |
|--|-------------|-------------|
| | \$ | \$ |

21 Events Subsequent to Reporting Date

No event has arisen subsequent to balance date, the effect of which may be material in relation to the financial statements.

22 Economic Dependence

The principal source of income for National Office is capitation fees from its constituent branches and, accordingly, National Office is economically dependent on the ability of those branches to continue to service the needs of its members on industrial and workplace matters.

23 Segment Reporting

The principal activity of National Executive is to service and support the needs of its state-based branches and their respective members on a range of industrial and workplace matters, these activities may be geographically segregated as follows -

| | |
|----------------------|--------|
| New South Wales | 42.7% |
| Victoria | 22.9% |
| Queensland | 19.7% |
| South Australia & NT | 6.3% |
| Western Australia | 5.3% |
| Tasmania | 2.2% |
| Other | 0.9% |
| Total | 100.0% |

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2007**

2007
\$

2006
\$

24 Related Party Transactions

(a) Office-Holders & Branches

The following persons held office in National Office for all or part of the financial year and, together with each branch of the organisation, are deemed to be a related party for financial reporting purposes:-

Henrietta Moran, Paul Slape, Linda White, Greg McLean, Julie Bignell, Mary-Anne O'Neill, Margaret Dale, Justine Moran, Sally McManus, Brian Harris, Michael Want, David Smith, Andrew Dennard, Katrine Hildyard, Jeff Lapidos, Peter Chaplin, Darrell Cochrane, Ingrid Stitt, Helga Stevenson, Paul Burlinson, David Taylor, Sean Kelly, Robert Ralph, Naomi Arrowsmith, Russell Atwood, Brian Parkinson, Jeanine Orzani, John Phillips, Jeff Williams, Ben Kruse.

(b) Office-Holder Transactions

The aggregate amount of remuneration paid by National Office during the year to elected officers entitled to be remunerated under the Rules of the organisation was the amount as set out in Note 8 of these accounts.

There were no other transactions between National Office and officers during the year other than those related to their membership of or employment with their associated Branch and on terms no more favourable than those for which it would be reasonable to expect would have been adopted by the parties dealing at arms-length.

(c) Branch Transactions

The following transactions occurred during the year between National Office and its constituent branches:-

Revenue Account: Capitation fees, interest on loans, expense and other re-charges received from the branches - the amount of which is disclosed in the Statement of Financial Performance.

Capital Account: Interest and non-interest-bearing loans and/or advances to/from the branches - the amount of which is disclosed in the Statement of Financial Position.

No other transactions occurred during the year between National Office and its constituent branches.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
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**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2007**

In accordance with sec. 254 of the Workplace Relations Act 1996 ("the Act"), your Committee of Management report as follows:

Principal Activities

The principal activities of the National Executive of the Union during the reporting period were:

1. Administration of the Union in accordance with the National Rules of the Union, including meeting reporting requirements imposed by the Workplace Relations Act with respect to registered organisations, convening of meetings of the National Executive of the Union in accordance with its Rules and implementing decisions made by the National Executive.
2. In accordance with decisions of the National Executive, developing and implementing industry work plans developed by National and Branch officials to give effect to activities considered by Branches and their members to be important in protecting and advancing the interests of members employed in all of the Union's industry sectors.
3. Maintaining the national finances and assets of the Union in accordance with the Union's rules.
4. Assisting and co-ordinating membership organising and recruitment campaigns in conjunction with Branches.
5. Maintaining Federal Awards and national agreements which affect members in more than one Branch of the Union and, in particular, maintaining the safety net of award wages and conditions in Federal Awards as allowed under the Workplace Relations Act as amended from time to time and in accordance with National wage fixing principles established by the AIRC.
6. Negotiating national enterprise agreements applying to members in more than one Branch in major industries and co-ordinating similar activities undertaken by Branches as required.
7. Providing an industrial advocacy and representation service with regard to national industrial matters and relationships with major employers.
8. Acting as national spokesperson on behalf of the Union with regard to national issues and major national employer matters.
9. Providing advice and assistance to Branches of the Union with regard to industrial matters and disputes generally, industrial relations legislation, occupational health and safety, workers compensation, superannuation and other issues of national significance.
10. Managing national campaigns on behalf of the national union, Branches and members on particular issues and in particular industry sectors.
11. Developing and delivering training for Branch officials and employees as requested, and in particular in the reporting period with regard to the new obligations with regard to the amendments to the Workplace Relations Act which took effect on 27th March 2006 including with regard to right of entry provisions of the current Act.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
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**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2007 (CONTINUED)**

Principal Activities (continued)

12. Maintaining the Union's national and international affiliations, for example to the ACTU and to international trade union federations. Attendance at meetings convened by the ACTU and at relevant international meetings.
13. Maintaining the Union's relationships with the national Government, political parties and other relevant industry and interest groups in accordance with the aims and objectives of the Union, its Branches and members.
14. Representation of the skills and training needs of members through participation in a wide range of Industry Skills Councils and in other bodies and forums with responsibility for vocational education and training.
15. Maintaining a national communications strategy including the collection and dissemination of information relevant to Branches including through the maintenance of the ASU National Net website and by other means.
16. Providing a national purchasing scheme for Branches with regard to telecommunications and other services as well as campaign and other materials through the ASU Shop.
17. Providing research and information services to Branches on request and in accordance with industry work plans.
18. Maintaining the special interest groups established by the National union and promoting and advancing their interests, e.g. women workers, gay and lesbian workers, as well as aboriginal members and young workers.
19. Operating special industry forums as determined by the Rules and decisions of the National Executive, e.g. National Airlines Division Council (NADC) as well as convening meetings of Branches, Branch Secretaries and other representative groups of officials in particular sectors, e.g. local government, energy, water, rail, SACS and private sector clerical.
20. Maintaining and amending the Union's national and Branch rules, as required, and objecting, where necessary and appropriate to changes to the Rules of other registered organisations in the interests of the Union and its members.

Changes in principal activities

There have been no changes in the principal activities of the National Executive of the Union over the reporting period other than those imposed by the terms of the Workplace Relations Act. The Union continues to seek to promote and advance the interests of members in the face of hostile legislation designed to reduce wages and working conditions of its members and to hamper the ability of employee organisations to set and maintain decent wages and working conditions or retain and recruit members.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
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**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2007 (CONTINUED)**

Operating Result

The operating result of the organisation for the year ended 30th June 2007 was a surplus of \$353,174. No provision for tax was necessary as the organisation is considered exempt.

Significant Changes

There was no significant change in the financial affairs of the organisation during the year.

Rights of Members

All members have the right to resign from the Union in accordance with National Rule 32 – Resignation, of the Union Rules (and Section 174 of the Workplace Relations Act); namely, by providing written notice addressed and delivered to the Secretary of the Branch.

Superannuation Office-holders

The following officers and/or members of the organisation are directors of companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation –

| <u>Officer / Member:</u> | <u>Trustee Company:</u> | <u>Name of Entity / Scheme:</u> | <u>Position:</u> |
|--------------------------|-------------------------|---|------------------|
| Michael O'Sullivan | CARE Super Pty Ltd | CARE Super | Director |
| Kate Wood | CARE Super Pty Ltd | CARE Super | Director |
| Michael Want | CARE Super Pty Ltd | CARE Super | Director |
| Darrell Cochrane | Vision Super Pty Ltd | Vision Super | Director |
| Linda White | L.I.S. Pty Ltd | Legal Industry Superannuation Scheme | Director |

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration & Accountability of Organisations) Regulations –

- (a) the number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the RAO Schedule and who are taken to be members of the registered organisation under sec. 244 of the RAO Schedule was 114,454 across eleven Branches;
- (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 15.19;

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
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**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2007 (CONTINUED)**

Other Prescribed Information (continued)

- (c) the names of those who have been members of the Committee of Management of the organisation at any time during the financial year and the periods for which he or she held office were –

| Name: | Position: | Period: |
|-------------------|-----------------------------------|--------------------|
| Henrietta Moran | National President | 1/7/06 to 30/6/07 |
| Paul Slape | National Secretary | 1/7/06 to 30/6/07 |
| Linda White | Assistant National Secretary | 1/7/06 to 30/6/07 |
| Greg McLean | Assistant National Secretary | 1/7/06 to 30/6/07 |
| Julie Bignell | National Vice President | 1/7/06 to 26/7/07 |
| Mary-Anne O'Neill | National Executive Representative | 1/7/06 to 30/6/07 |
| Margaret Dale | National Executive Representative | 1/7/06 to 30/6/07 |
| Justine Moran | National Executive Representative | 1/7/06 to 11/4/07 |
| Sally McManus | National Executive Representative | 1/7/06 to 30/6/07 |
| Brian Harris | National Executive Representative | 1/7/06 to 11/4/07 |
| Michael Want | National Executive Representative | 1/7/06 to 30/6/07 |
| David Smith | National Executive Representative | 1/7/06 to 30/6/07 |
| Andrew Dennard | National Executive Representative | 1/7/06 to 30/6/07 |
| Katrine Hildyard | National Executive Representative | 1/7/06 to 30/6/07 |
| Jeff Lapidos | National Executive Representative | 1/7/06 to 30/6/07 |
| Peter Chaplin | National Executive Representative | 1/7/06 to 30/6/07 |
| Darrell Cochrane | National Executive Representative | 1/7/06 to 11/4/07 |
| Ingrid Stitt | National Executive Representative | 1/7/06 to 30/6/07 |
| Helga Svendsen | National Executive Representative | 1/7/06 to 30/6/07 |
| Paul Burlinson | National Executive Representative | 1/7/06 to 30/6/07 |
| David Taylor | National Executive Representative | 1/7/06 to 11/4/07 |
| Sean Kelly | National Executive Representative | 1/7/06 to 30/6/07 |
| Robert Ralph | National Executive Representative | 1/7/06 to 11/4/07 |
| Naomi Arrowsmith | National Executive Representative | 1/7/06 to 30/6/07 |
| Russell Atwood | National Executive Representative | 1/7/06 to 30/6/07 |
| Brian Parkinson | National Executive Representative | 11/4/07 to 30/6/07 |
| Jeanine Orzani | National Executive Representative | 11/4/07 to 30/6/07 |
| John Phillips | National Executive Representative | 11/4/07 to 30/6/07 |
| Jeff Williams | National Executive Representative | 11/4/07 to 30/6/07 |
| Ben Kruse | National Executive Representative | 11/4/07 to 30/6/07 |

Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management –

Date:


.....
National Secretary

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
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NATIONAL EXECUTIVE**

COMMITTEE OF MANAGEMENT STATEMENT

On 20th November 2007 the Committee of Management of the Australian Municipal Administrative Clerical & Services Union (Australian Services Union) National Executive passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2007:

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 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; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
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COMMITTEE OF MANAGEMENT STATEMENT (CONTINUED)

(f) in relation to recovery of wages activity:

(i) there has been no such activity undertaken by the reporting unit.

For Committee of Management: Paul Slape

Title of Office Held: National Secretary

Signature:



Date:

20th November 2007

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
(AUSTRALIAN SERVICES UNION)
NATIONAL EXECUTIVE**

INDEPENDENT AUDITOR'S REPORT

Scope

We have audited the accompanying general purpose financial report of the Australian Municipal Administrative Clerical & Services Union (Australian Services Union) National Executive, for the year ended 30th June 2007 comprising Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements. The Union's National Executive is responsible for the preparation and presentation of the financial report and the information it contains. We have performed an independent audit of this financial report in order to express an opinion on it to the members of the Union.

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

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

Audit Opinion

In our opinion –

- (a) the accounts are properly drawn up so as to present fairly the financial position of the Union as at 30th June 2007 and its performance for the year ended on that date; and
- (b) the accounts are in accordance with the provisions of the Workplace Relations Act 1996 and Australian Accounting Standards.

Signed at Melbourne, this 28th day of November 2007.

Eddy Partners
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Tel: (03) 9602 5177
Fax: (03) 9602 5766

EDDY PARTNERS,
Certified Practising Accountants.



David J Eddy
Registered Company Auditor
Holder of a Current Public Practice Certificate