

**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 2004 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 financial report is properly drawn up so as to present fairly the financial position of the Union as at 30th June 2004 and its performance for the year ended on that date; and
- (b) the financial report is in accordance with the provisions of the Workplace Relations Act 1996 and Australian Accounting Standards.

Signed at Melbourne, this 11th day of November, 2004.

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EDDY PARTNERS,
Certified Practising Accountants.

David James Eddy, CPA.
Registered Company Auditor.

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

COMMITTEE OF MANAGEMENT STATEMENT

On 18th October 2004 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 2004:

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 including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) where the organisation consists of 2 or more reporting units, 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.

For Committee of Management: Paul Slape

Title of Office held: National Secretary

Date: 18th October 2004

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

**FINANCIAL REPORT
FOR THE YEAR ENDED
30TH JUNE 2004**

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

**FINANCIAL REPORT
FOR THE YEAR ENDED
30TH JUNE 2004**

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National Secretary: Paul Slape

National Executive President: Michael O'Sullivan

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE 2004**

	Note	2004 \$	2003 \$
INCOME			
Capitation Income	2	2,390,432	2,358,878
Investment Income	3	178,462	63,839
Rental Income	4	49,790	88,782
Reimbursements Received	5	92,691	131,886
Other Income		3,727	7,126
Total Income		2,715,102	2,650,511
LESS EXPENDITURE			
Accounting & Audit		11,364	13,000
Affiliation Fees		345,677	344,619
Bad Debts		-	12,190
Bank Charges		6,469	3,719
Borrowing Expenses		227	500
Computer Expenses		78,167	49,520
Depreciation	6	67,238	63,590
Donations		268	748
Electricity & Gas		8,192	9,918
Insurance		12,435	9,579
Interest on Borrowings		50,752	76,715
Legal Costs		65,630	65,733
Meeting and Conference Expenses		92,722	60,215
Motor Vehicle Expenses	7	69,876	87,097
Northern Territory Expenses		5,640	5,640
Occupancy Expenses		11,059	9,460
Overseas Fund Expenses		7,584	3,895
Office Expenses		5,635	6,178
Penalties & Infringements		-	272
Postage & Despatch		12,194	10,625
Printing & Stationery		48,832	44,922
Projects - Special		9,000	10,529
Property Expenses		29,175	33,704
Publicity Expenses		27,522	15,065
Rent - Sydney Office		20,000	20,000
Repairs & Maintenance		9,094	7,099
Resources/Library		22,656	22,125
Salaries, Wages & On-Costs	8	1,401,919	1,310,921
Staff Training		3,358	10,564
Telephone & Teleconferencing		80,076	92,471
Travelling Expenses		69,908	115,319
Total Expenditure		2,572,669	2,515,932
SURPLUS FOR THE YEAR		142,433	134,579

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 2004**

	Note	2004 \$	2003 \$
Accumulated Funds - Beginning of Year		3,117,705	2,979,231
Transfers from Reserves	9	7,584	3,895
ACCUMULATED FUNDS 30TH JUNE 2004		3,267,722	3,117,705

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 2004**

	Note	2004 \$	2003 \$
CURRENT ASSETS			
Cash assets	11	203,658	444,763
Receivables	12	642,251	692,035
Investments	13	1,026,206	788,343
Other assets	14	19,036	27,348
TOTAL CURRENT ASSETS		1,891,151	1,952,489
NON-CURRENT ASSETS			
Receivables	12	1,636,640	1,746,653
Investments	13	1,216,542	1,095,935
Property, plant and equipment	15	1,541,238	1,591,793
Other assets	14	11,032	15,063
TOTAL NON-CURRENT ASSETS		4,405,452	4,449,444
TOTAL ASSETS		6,296,603	6,401,933
CURRENT LIABILITIES			
Payables	16	298,995	313,977
Other liabilities	17	118,983	117,265
Provisions	18	531,498	489,999
TOTAL CURRENT LIABILITIES		949,476	921,241
NON-CURRENT LIABILITIES			
Other liabilities	17	1,973,661	2,251,510
Provisions	18	11,914	10,063
TOTAL NON-CURRENT LIABILITIES		1,985,575	2,261,573
TOTAL LIABILITIES		2,935,051	3,182,814
NET ASSETS		3,361,552	3,219,119
MEMBERS FUNDS			
Reserves	9	93,830	101,414
Accumulated Funds	10	3,267,722	3,117,705
TOTAL EQUITY		3,361,552	3,219,119

The accompanying notes form part of these financial statements.

**AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2004**

	2004 \$	2003 \$
Cash Flows From Operating Activities		
Capitation Fee Receipts	2,447,608	2,167,214
Interest Received	65,389	62,342
Rental Receipts	49,768	86,879
Trust Distribution	35,084	38,628
Net GST Collected	259,379	262,564
Other Receipts	96,418	139,012
Salaries & Related Payments	(1,384,681)	(1,155,760)
Interest Paid	(49,515)	(72,321)
GST Paid	(253,243)	(132,556)
Other Operating Payments	(1,009,392)	(1,293,349)
Net cash provided by (used in) operating activities	256,815	102,653
Cash Flows from Investing Activities		
Proceeds from Disposal of Assets	-	475,000
Payment for Plant & Equipment	(23,402)	(28,911)
Investment in Managed Funds	(35,084)	(38,628)
Investment in AFI Pte Ltd	(8,108)	-
Advances to Branches	-	(16,263)
Loans to Branches	-	(350,000)
Branch Trust Monies Repaid	-	(25,136)
Net cash provided by (used in) investing activities	(66,594)	16,062
Cash Flows From Financing Activities		
Proceeds from Bank Loans	-	350,000
Proceeds from Branch Loans	84,386	561,240
Trust Monies Received	-	1,611
Repayment of Loans	(270,000)	(1,001,986)
Branches Repaid	(7,849)	(10,000)
Net cash provided by (used in) financing activities	(193,463)	(99,135)
Net increase (decrease) in cash held	(3,242)	19,580
Cash Held 1st July 2003	1,233,106	1,213,526
Cash Held 30th June 2004	1,229,864	1,233,106

The accompanying notes form part of these financial statements.

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2004**

	Note	2004 \$	2003 \$
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		1,500	1,140
Cash at Bank - General Account		106,614	140,671
Cash at Bank - Cash Management A/c		49,247	265,174
Cash at Bank - National Airlines A/c		23,909	15,771
Cash at Bank - Sydney General A/c		922	1,144
Cash at Bank - Airlines Stabilisation A/c		21,466	20,863
Term Deposit		70,000	70,000
Commonwealth Bank Bill		240,224	229,676
Commonwealth Bank Bill - Leave Entitlements		513,462	488,667
Members Equity Savings Account		202,520	-
		1,229,864	1,233,106
Reconciliation of Net Cash provided by Operating Activities to the Surplus/(Deficit) for the Year			
Operating Surplus/(Deficit) for Year		142,433	134,579
Add Non-Cash Items:			
Investment Market Value Increase		(77,415)	39,314
Depreciation & Amortisation		75,861	79,937
Doubtful Debts		-	(53,013)
Accrued Leave		41,499	67,330
Other Items		(53)	-
Changes in Assets and Liabilities:			
Decrease (Increase) in Debtors		75,411	(103,958)
Decrease (Increase) in Prepayments		12,343	(13,936)
Increase (Decrease) in Payables		(14,982)	(23,105)
Increase (Decrease) in Unexpended Funds		1,718	(24,495)
Cash flows from operations		256,815	102,653

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

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	Varying Rates, using both prime cost and diminishing value methods
Motor Vehicles	22.5% Diminishing Value

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(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.

(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

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.

2. 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.

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FOR THE YEAR ENDED 30TH JUNE 2004**

(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 2004**

	2004 \$	2003 \$
2 Capitation Income		
Airlines Branch	-	25,461
C&S Qld C&A Branch	165,457	164,764
Nth Qld C&A Branch	19,031	16,699
NSW C&A Branch	-	137,042
NSW MEU Branch	-	492,854
NSW Services Branch	289,061	296,590
Queensland Services Branch	259,056	258,401
SA & NT Branch	155,999	151,052
Tasmanian Branch	57,864	56,798
Tax Officers Branch	12,786	10,781
Victorian MEU/Private Sector Branch	-	150,898
Victorian Private Sector Branch	131,019	63,863
Victorian Authorities & Services Branch	436,926	201,472
Western Australian Branch	119,312	115,020
WA MEU Branch	-	12,190
Victorian Services & Energy Branch	-	123,812
NSW LGCAEAU Branch	743,921	81,181
Total Capitation Income	<u>2,390,432</u>	<u>2,358,878</u>
3 Investment Income		
Bank/Bill Interest Received	49,426	48,262
Interest - Tasmanian Branch Loan	16,537	16,263
Distribution from Managed Funds	35,084	38,628
Increase in Unit Market Values	77,415	(39,314)
Total Investment Income	<u>178,462</u>	<u>63,839</u>
4 Rental Income		
Queensland Property	-	36,845
Carlton Property	20,178	20,084
ACT Property	29,612	31,853
Rental Income	<u>49,790</u>	<u>88,782</u>
5 Reimbursements Received		
Carlton Property Reimbursement	32,112	31,056
Workcover Reimbursement	34,575	35,737
Legal Expenses Reimbursement	26,004	65,093
Reimbursements Received	<u>92,691</u>	<u>131,886</u>
6 Depreciation Expense		
Furniture & Equipment	36,865	33,123
Building	28,589	28,589
Library	1,784	1,878
Total Depreciation	<u>67,238</u>	<u>63,590</u>
7 Motor Vehicle Expenses		
Running Costs	18,664	27,620
Operating Lease Rentals	42,589	43,130
Depreciation/Amortisation Expense	8,623	16,347
Total Motor Vehicle Expenses	<u>69,876</u>	<u>87,097</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

	2004	2003
	\$	\$
8 Salaries, Wages & On-Costs		
Elected Officers:		
Salaries & Salary-Sacrifice Benefits	344,619	330,948
Employer Superannuation	47,726	45,835
Other Officers:		
Salaries & Salary-Sacrifice Benefits	719,946	652,507
Temporary Staff, Reception, etc	16,680	22,211
Employer Superannuation	97,060	86,769
Other Costs:		
Fringe Benefits Tax - Elected Officers	23,300	22,421
Fringe Benefits Tax - Staff	21,755	12,868
Payroll Tax	67,997	58,025
Workers Compensation	19,487	16,160
Leave Accrued	43,349	63,177
Total Salaries, Wages & On-Costs	1,401,919	1,310,921

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

	2004	2003
	\$	\$
9 Reserves		
Grant Project Reserve	1,630	1,630
International Aid Assistance Reserve	47,609	47,609
Overseas Fund Reserve	44,591	52,175
	93,830	101,414
 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	52,175	56,070
Transfer to Accum. Funds	(7,584)	(3,895)
	44,591	52,175
 10 Accumulated Funds		
Accumulated Funds 1st July 2003	3,117,705	2,979,231
Surplus/(Deficit) for Year	142,433	134,579
Transfer from/(to) Reserves	7,584	3,895
	3,267,722	3,117,705
 11 Cash Assets		
Cash on Hand	1,500	1,140
Cash at Bank - General Account	106,614	140,671
Cash at Bank - Cash Management A/c	49,247	265,174
Cash at Bank - National Airlines A/c	23,909	15,771
Cash at Bank - Sydney General A/c	922	1,144
Cash at Bank - Airlines Stabilisation A/c	21,466	20,863
	203,658	444,763

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

	2004	2003
	\$	\$
12 Receivables		
CURRENT		
Debtors - Other	21,292	26,574
Debtors - Branches	497,432	567,561
Loan - Qld Services Branch	35,000	35,000
Loan - SA / NT Branch	20,000	20,000
Loan - Tasmanian Branch	68,527	42,900
	642,251	692,035
NON-CURRENT		
Loan - Victorian Authorities & Services Branch	970,245	970,245
Loan - Queensland Services Branch	265,000	315,000
Loan - SA/NT Branch	105,000	125,000
Other Loan - Tasmanian Branch	100,000	100,000
Loan - Tasmanian Branch	196,395	236,408
	1,636,640	1,746,653
13 Investments		
CURRENT		
Term Deposit	70,000	70,000
Commonwealth Bank Bill	240,224	229,676
Commonwealth Bank Bill - Leave Entitlements	513,462	488,667
Members Equity Savings Account	202,520	-
	1,026,206	788,343
NON-CURRENT		
Unlisted Shares & Units:-		
AFI Pte Ltd at Cost (60,000 Ord Shares of S\$1 FP)	41,334	33,226
ACTU Member Connect at Cost (67,308 \$1 Units Pd to \$0.40)	13,462	13,462
Managed Funds:-		
Units in Commonwealth Balanced/Growth Funds at Cost	1,250,537	1,215,453
Less Provision for Diminution	(88,791)	(166,206)
	1,216,542	1,095,935
14 Other Assets		
CURRENT		
Prepayments	19,036	27,348
NON-CURRENT		
Prepayments	11,032	15,063

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

	2004	2003
	\$	\$
15 Property, Plant and Equipment		
Land and Buildings		
Land & Building at Cost	1,619,648	1,619,648
Less: Accumulated Depreciation	(443,099)	(414,510)
	1,176,549	1,205,138
Investment Property at Cost	260,829	260,829
	260,829	260,829
	260,829	260,829
Total Land and Buildings	1,437,378	1,465,967
Motor Vehicles at Cost	26,128	26,128
Less: Accumulated Depreciation	10,310	5,718
	15,818	20,410
Furniture & Equipment at Cost	231,768	210,493
Less: Accumulated Depreciation	177,621	140,756
	54,147	69,737
Resource Library	33,895	35,679
	33,895	35,679
	33,895	35,679
Total Plant and Equipment	103,860	125,826
Total Property, Plant and Equipment	1,541,238	1,591,793

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 \$4,550,000 including \$2,050,000 for the land on 20th June 2003 by Colliers International Consultancy & Valuation Pty Ltd, and the current market value was based on both a capitalisation approach and a direct comparison approach. The National Office share is \$1,516,667.

Investment Property - Unit 6, ACTU Building, Canberra

National Office has a one-half share in office premises known as Unit 6, ACTU Building, Canberra and is stated in the accounts at historical cost. Municipal council valuation of the Unit for 2004/05 was \$840,000 of which National Office's share is \$420,000. The property is held for long-term investment purposes for which National Office receives rental income and the benefit of capital growth, accordingly, it is not required to be depreciated.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

	2004	2003
	\$	\$
16 Payables		
CURRENT		
Legal Fees Payable	6,978	36,244
Creditor - Branches	26,158	44,403
GST Payable	77,794	72,170
Other Sundry Creditors & Accruals	188,065	161,160
	298,995	313,977
17 Other Liabilities		
CURRENT		
Commercial Bill Borrowings	55,000	55,000
Loan - NSW LGCAEAU	10,000	10,000
Unexpended Branch Funds/Provisions	53,983	52,265
	118,983	117,265
NON-CURRENT		
Loan - NSW LGCAEAU	33,661	41,510
Commercial Bill Borrowings	1,940,000	2,210,000
	1,973,661	2,251,510
Bank bills are expected to be settled:		
within 12 months	55,000	55,000
12 months or more	1,940,000	2,210,000
	1,995,000	2,265,000
Total current and non-current secured liabilities:		
Bank bills	1,995,000	2,265,000
The carrying amount of non-current assets pledged as security are:		
116-124 Queensberry St Carlton South (First Reg'd Mortgage)	1,176,549	1,205,138
Units in Commonwealth Balanced/Growth Funds (Equit. Charge)	1,161,746	1,049,247
	2,338,295	2,254,385

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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NATIONAL EXECUTIVE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

	2004	2003
	\$	\$
18 Provisions		
CURRENT		
Provision for Annual Leave - Elected Officers	80,256	79,762
Provision for Annual Leave - Staff	81,867	67,659
Provision for Long Service Leave - Elected Officers	156,936	142,604
Provision for Long Service Leave - Staff	212,439	199,974
	531,498	489,999
NON-CURRENT		
Provision for Long Service Leave - Staff	11,914	10,063
	543,412	500,062
Aggregate employee entitlement liability	543,412	500,062
	18	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	105,314	135,611
Later than one year but not later than five years	60,044	129,220
	165,358	264,831
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 &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

	2004	2003
	\$	\$

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	43.2%
Victoria	23.7%
Queensland	18.6%
South Australia	
& Northern Territory	6.5%
Western Australia	5.0%
Tasmania	2.4%
Other	0.6%
Total	100.0%

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

	2004	2003
	\$	\$

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:-

H Moran, W McManus, J Bignell, A McEwen, P Slape, M O'Sullivan, L White, G McLean, K Thompson, M O'Neill, M Dale, J Moran, S McManus, M Want, B Harris, D Smith, A Dennard, R Ralph, S Kelly, J Lapidos, P Chaplin, D Cochrane, I Stitt, H Svendsen, P Burlinson, and D Taylor.

(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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

		2004		2003
		\$		\$
25 Financial Instruments				
Interest Rate Risk				
<p>The organisation's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate on those financial assets and financial liabilities, is as follows:</p>				
	Weighted Average Effective Interest Rate	Floating Interest Rate		
	2004 2003	2004	2003	
	% %	\$	\$	
Financial Assets				
Cash	1.00 1.00	202,158	443,623	
Managed Funds	3.00 3.00	1,161,746	1,049,247	
Loans to Branches	6.00 6.00	264,922	279,308	
Investments	5.00 4.00	-	-	
Total Financial Assets		1,628,826	1,772,178	
Financial Liabilities				
Commercial Bill Borrowings	6.00 6.00	-	-	
	Fixed Interest Rate Maturing	1 - 5 Years		
	Within Year	1 - 5 Years		
	2004 2003	2004	2003	
	\$ \$	\$	\$	
Financial Assets				
Loans to Branches	1,395,245 1,465,245	-	-	
Investments	1,026,206 788,343	-	-	
Total Financial Assets	2,421,451 2,253,588	-	-	
Financial Liabilities				
Commercial Bill Borrowings	1,995,000 2,265,000	-	-	

**AUSTRALIAN MUNICIPAL, ADMINISTRATIVE CLERICAL &
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004**

	2004		2003	
	\$		\$	
	Fixed Interest Rate Maturing Over 5 Years		Non-Interest Bearing	
	2004	2003	2004	2003
	\$	\$	\$	\$
Financial Assets				
Cash	-	-	1,500	1,140
Receivables	-	-	518,724	594,135
Loans to Branches	-	-	100,000	100,000
	-	-	620,224	695,275
Total Financial Assets	-	-	620,224	695,275
Financial Liabilities				
Payables	-	-	298,995	313,976
Branch Loans	-	-	43,661	51,510
	-	-	342,656	365,486
Total Financial Liabilities	-	-	342,656	365,486

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 statement of financial position and notes to and forming part of the financial statements.

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

Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the organisation intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

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

**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2004**

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

Principal Activities

The principal activity of the organisation during the year was that of a registered trade union. No significant change occurred in the nature of those activities during the year.

Operating Result

The operating result of the organisation for the year ended 30th June 2004 was a surplus of \$142,433. 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

Subject to the rules of the organisation and sec. 174 of the Act, members have the right to resign from membership of the organisation by written notice addressed to and delivered to the Secretary of the organisation.

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
Linda White	L.I.S. Pty Ltd	Legal Industry Superannuation Scheme	Director
Darrell Cochrane	Vision Super Pty Ltd	Vision Super	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 119,769 across eleven Branches;

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

**OPERATING REPORT
FOR THE YEAR ENDED 30TH JUNE 2004 (CONTINUED)**

Other Prescribed Information (continued)

- (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 15.89;
- (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:	Period:
Henrietta Moran	1/7/03 to 30/6/04
Anne McEwen	1/7/03 to 30/6/04
Paul Slape	1/7/03 to 30/6/04
Michael O'Sullivan	1/7/03 to 30/6/04
Linda White	1/7/03 to 30/6/04
Greg McLean	1/7/03 to 30/6/04
Julie Bignell	1/7/03 to 30/6/04
Mary-Anne O'Neill	1/7/03 to 30/6/04
Margaret Dale	1/7/03 to 30/6/04
Justine Moran	1/7/03 to 30/6/04
Kristyn Thompson	1/7/03 to 30/6/04
Sally McManus	1/7/03 to 30/6/04
Brian Harris	1/7/03 to 30/6/04
Michael Want	1/7/03 to 30/6/04
David Smith	1/7/03 to 30/6/04
Andrew Dennard	1/7/03 to 30/6/04
Jeff Lapidos	1/7/03 to 30/6/04
Peter Chaplin	1/7/03 to 30/6/04
Darrell Cochrane	1/7/03 to 30/6/04
Wendy McManus	1/7/03 to 30/6/04
Ingrid Stitt	1/7/03 to 30/6/04
Helga Svendsen	1/7/03 to 30/6/04
Paul Burlinson	1/7/03 to 30/6/04
David Taylor	1/7/03 to 30/6/04
Sean Kelly	1/7/03 to 30/6/04
Robert Ralph	1/7/03 to 30/6/04

Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management –

Date: 18th October 2004
Paul Slape, National Secretary