

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

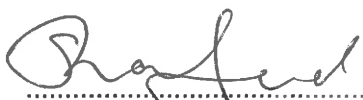
**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

**STATE EXECUTIVE'S CERTIFICATE**

We, **STEPHEN BIRNEY** and **SHARON SEWELL**, being two members of the State Executive of the New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union, do state on behalf of the State Executive, and in accordance with a resolution passed by the State Executive that:

- (i) In the opinion of the State Executive, the attached financial report shows a true and fair view of the financial affairs of the Union as at 31 December 2015.
- (ii) In the opinion of the State Executive, meetings of the Executive were held during the year ended 31 December 2015, in accordance with the rules of the Union.
- (iii) To the knowledge of any member of the State Executive, there have been no instances where records of the Union or other documents (not being documents containing information made available to a member of the Union under Sub-Section 512 (2) of the Industrial Relations Act, 1991 as applied by Sub-Section 282(3) of the Industrial Relations Act, 1996), or copies of those records or documents, or copies of the rules of the Union, have not been furnished, or made available to members in accordance with the requirements of the Industrial Relations Act, 1991, the Regulations thereto, or the rules of the Union.
- (iv) The Union has complied with Sub-Sections 517(1) and (5) of the Industrial Relations Act, 1991, in relation to the financial report in respect of the year ended 31 December 2015 and the Auditors' Report, thereon.

  
.....  
**STEPHEN BIRNEY**  
President  
.....  
**SHARON SEWELL**  
Treasurer

2<sup>nd</sup> May 2016

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

**ACCOUNTING OFFICER'S CERTIFICATE**

I, **GRAEME KELLY**, being the Officer responsible for keeping the accounting records of the New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union, certify that as at 31 December 2015, the number of members of the Union was 30,738.

In my opinion:

- (i) The attached financial report shows a true and fair view of the financial affairs of the Union as at 31 December 2015.
- (ii) A record has been kept of all monies paid by or collected from members, by duly authorised representatives of the Union and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the Union.
- (iii) Approval for expenditure incurred by the Union, was obtained in accordance with the rules of the Union.
- (iv) With regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- (v) No loans or other financial benefits, other than remuneration in respect of their full time employment with the Union, were made to persons holding office in the Union.
- (vi) The register of members of the Union was maintained in accordance with the Industrial Relations Act, 1996.



.....  
**GRAEME KELLY**  
General Secretary

2<sup>nd</sup> May 2016

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE  
YEAR ENDED 31 DECEMBER 2015**

	NOTE	2015 \$	2014 \$
<b>INCOME</b>			
Contributions		13,074,986	13,107,568
Accommodation		896,718	807,249
Distributions from Available-for-Sale Financial Assets		18,938	20,664
Dividends		201,958	188,843
Government Grants		-	-
Interest		529,427	709,441
Picnic Income		156,465	157,846
Rent		86,964	72,611
Superannuation Directors' Fees		88,684	260,182
Sundry Income		137,101	104,147
<b>TOTAL INCOME</b>		<b>15,191,241</b>	<b>15,428,551</b>
<b>LESS EXPENDITURE</b>			
<b>DEPRECIATION</b>		<b>934,098</b>	<b>980,821</b>
<b>EMPLOYEE BENEFITS EXPENSE</b>			
Accrued Annual Leave		87,781	(28,144)
Sick Leave		98,820	85,081
Fringe Benefits Tax		139,609	140,470
Long Service Leave		110,685	176,456
Salaries - Officers and Staff	16	6,250,897	6,046,831
Superannuation		757,862	714,169
Employment sundry		70	-
		<b>7,445,724</b>	<b>7,134,863</b>
<b>OTHER EXPENSES</b>			
Advertising Expense		11,304	32,132
Affiliation Fees		542,349	355,631
Annual Conference Expenses		63,357	298,120
Attendance Allowance – Other Organisations		1,470	1,722
Payment to AMACSU NSW Branch re National AMACSU Capitation Fees		808,896	822,172
Auditors Remuneration	15	62,167	55,163
Computer Expenses		94,446	74,860
Delegates, Executive and Organising Expenses		974,324	918,616
Donations		12,101	35,439
Electricity and Gas		149,007	148,295
Employee Assistance Expenses		41,447	61,639
General Administration Expenses		536,415	530,940
Honoraria		97,409	102,876
<b>Carried Forward</b>		<b>3,394,692</b>	<b>3,437,605</b>

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE  
YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

	<b>NOTE</b>	<b>2015</b>	<b>2014</b>
		<b>\$</b>	<b>\$</b>
Brought Forward		3,394,692	3,437,605
Insurance		181,335	164,130
Land Tax		131,950	144,405
Lease of Office Equipment and Property		256,287	259,720
Legal and Professional Expenses		302,448	347,732
Marketing and Promotions		458,458	443,664
Mortality Benefit		86,818	68,409
Motor Vehicle Expenses		325,451	308,304
OH & S Costs		38,981	25,056
Payroll Tax		361,174	347,450
Postage		148,684	132,640
Printing and Stationery		127,591	109,768
Property Expenses		299,626	276,905
Picnic Expenses		140,850	148,460
Telephones (including Mobiles)		231,218	237,547
Training Expenses		22,176	60,891
Union Magazines		136,646	134,783
Women's Committee and Conference		15,420	24,449
		<u>6,659,805</u>	<u>6,671,918</u>
<b>TOTAL EXPENDITURE</b>		<u>15,039,627</u>	<u>14,787,602</u>
<b>OPERATING SURPLUS FOR THE YEAR – GENERAL FUND</b>		151,614	640,949
Surplus on disposal of fixed assets		55,656	3,082
Surplus/(Loss) on Disposal of Available for Sale Assets – realised		<u>-</u>	<u>39,122</u>
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<u>207,270</u>	<u>683,153</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>			
Net Increase/(Decrease) in Available-for-Sale Assets		<u>(158,223)</u>	<u>145,252</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>49,047</u>	<u>828,405</u>

(The attached notes form part of these financial statements)

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015**

	<b>NOTE</b>	<b>2015</b> \$	<b>2014</b> \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	6	710,696	850,117
Trade and Other Receivables	7	455,024	539,408
Other Financial Assets	10	<u>21,521,961</u>	<u>20,779,885</u>
<b>Total Current Assets</b>		<u>22,687,681</u>	<u>22,169,410</u>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	<u>7,985,085</u>	<u>8,216,801</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>7,985,085</u>	<u>8,216,801</u>
<b>TOTAL ASSETS</b>		<u>30,672,766</u>	<u>30,386,211</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	8	1,078,003	929,102
Employee Benefits	9	<u>3,375,356</u>	<u>3,287,607</u>
<b>Total Current Liabilities</b>		<u>4,453,359</u>	<u>4,216,709</u>
<b>Non-Current Liabilities</b>			
Employee Benefits	9	<u>20,902</u>	<u>20,044</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>20,902</u>	<u>20,044</u>
<b>TOTAL LIABILITIES</b>		<u>4,474,261</u>	<u>4,236,753</u>
<b>NET ASSETS</b>		<u>26,198,505</u>	<u>26,149,458</u>
<b>ACCUMULATED FUNDS AND RESERVES</b>			
Accumulated Funds		25,080,682	24,873,412
Available-for-Sale Investment Reserve	17	<u>1,117,823</u>	<u>1,276,046</u>
<b>ACCUMULATED FUNDS AND RESERVES</b>		<u>26,198,505</u>	<u>26,149,458</u>

(The attached notes form part of these financial statements)

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>Accumulated Funds</b>	<b>Available- for-Sale Investment Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2014</b>	24,190,259	1,130,794	25,321,053
Net increase in value of			
Available-for-sale assets	-	145,252	145,252
Net surplus for the Year	683,153	-	683,153
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2014</b>	24,873,412	1,276,046	26,149,458
Net reduction in value of			
Available-for-sale assets	-	(158,223)	(158,223)
Net surplus for the Year	207,270	-	207,270
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2015</b>	<u>25,080,682</u>	<u>1,117,823</u>	<u>26,198,505</u>

(The attached notes form part of these financial statements)

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

**STATEMENT OF CASH FLOWS FOR THE  
YEAR ENDED 31 DECEMBER 2015**

	<b>NOTE</b>	<b>2015</b> \$	<b>2014</b> \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Contributions and Levies from Members		14,382,484	14,401,280
Receipts from Customers		986,390	887,974
Payments to Suppliers and Employees		(15,119,583)	(15,118,803)
Interest Received		537,790	702,507
Rent Received		86,964	72,611
Other Receipts		584,208	711,018
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	21(b)	<u>1,458,253</u>	<u>1,656,587</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net Payment for Property, Plant and Equipment		(707,950)	(173,501)
Net Received/(Payment) for Investments		<u>(889,724)</u>	<u>(1,219,633)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<u>(1,597,674)</u>	<u>(1,393,134)</u>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		(139,421)	263,453
Cash and cash equivalents at beginning of year		<u>850,117</u>	<u>586,664</u>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	21(a)	<u>710,696</u>	<u>850,117</u>

(The attached notes form part of these financial statements)



**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations and the New South Wales Industrial Relations Act 1996.

**Basis of Preparation**

The financial report is for the entity New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union, as an individual entity ("Union"). The New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union is an organisation registered under the New South Wales Industrial Relations Act, 1996. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union is not subject to the Corporations Act 2001.

The financial report of New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union for the year ended 31 December 2015 was authorised for issue in accordance with a resolution of the State Executive Committee on 2<sup>nd</sup> May 2016.

The financial report has been prepared on the basis of historical costs modified by the revaluation of selected financial assets and liabilities for which the fair value basis of accounting has been applied. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the economic entity in the preparation of the financial statements

**(a) Revenue**

The Union recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union's activities as discussed below.

Contributions and Government Grants are accounted for on a cash receipts basis. Otherwise, the concept of accruals accounting has been adopted in the preparation of the financial statements.

Distributions from managed funds are recognised as income when declared and are then reinvested.

Interest is accounted for on an accruals basis.

All revenue is stated net of the amount of goods and services tax (GST).

**(b) Income Tax**

No provision for Income Tax is necessary as the Union is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997. The Union still has an obligation for Fringe Benefit Tax (FBT) and the Goods and Services Tax (GST).

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**(c) Capitation fees and levies**

Capitation fees and levies are recognised on an accrual basis and recorded as an expenses in the year to which it relates to.

**(d) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and any impairment in value.

Freehold land and buildings are measured on a cost basis.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the asset.

*Depreciation*

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

The depreciation rates used for each class of asset are:

Buildings	2.5%
Office Furniture and Equipment	5% - 33.33%
Motor Vehicles	22.5%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the statement of comprehensive income in the year that the item is disposed off.

**(e) Impairment of Non-Financial Assets**

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the statement of comprehensive income for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. For the purpose of assessing value in use of assets not held primarily to generate cash, this represents depreciated current replacement cost, as the Union is a not-for-profit organisation.

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**(f) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables on the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(g) Employee Benefits**

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on-costs.

Other employee benefits payable later than one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. In the case of Long Service Leave this results in an amount not materially different to that achieved by discounting future cash flows.

Employee benefits are presented as current liabilities in the statement of financial position if the Union does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Contributions are made by the Union to employee superannuation funds and are charged as expenses when incurred.

**(h) Investments**

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date, which is the date on which the entity commits to purchase, or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

*Available-for-sale financial assets*

Investments, which are classified as available-for-sale, are measured at fair value. Unrealised gains or losses on these investments are recognised directly to equity in the Available-for-Sale Investment Reserve until the investment is sold or until, based on objective evidence, an available-for-sale financial asset is determined to be impaired at which time the cumulative gain or loss previously reported for that asset is included in the statement of comprehensive income.

*Receivables*

Receivables are non-derivative financial assets with a fixed or determinable payment that are not quoted on an active market. They are recognised at amortised cost.

Collectability of receivables is assessed on an ongoing basis. Receivables which are known to be uncollectable are written off. An allowance is made for doubtful debts where there is objective evidence (such as significant financial difficulty or delay in payment) that the Union will not be able to collect all amounts according to original terms.

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**(h) Investments (Cont'd)**

*Aquatic Complex*

The assets and liabilities and the income and expenses of the aquatic complex in Port Macquarie has been disclosed on a consolidated basis in the financial statements.

**(i) Cash**

Cash and cash equivalents comprise cash on hand, cash at bank and deposits held at-call with bank

**(j) Adoption of new and revised accounting standards**

During the current year, the following standards became mandatory:

Standard Name	Impact
AASB 1055 - Budgetary Reporting AASB 2013-1 Amendments to AASB 1049 - Relocation of Budgetary Reporting Requirements	There has been no impact to the entity.
AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132]	There will be no impact to the entity as there are no offsetting arrangements currently in place.

**(k) New Accounting Standards and Interpretations**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Union has decided against early adoption of these Standards. The Union's assessment of the new and amended pronouncements that are relevant to the Union but applicable in future reporting periods is set out below:

AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Union on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

The adoption of AASB 9 is not expected to have a material effect on the financial statements of the Union.

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**(k) New Accounting Standards and Interpretations (Cont'd)**

AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2017).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The adoption of this standard is not expected to impact on the Union's financial statements.

**(l) Accounting Standards Issued But Not Yet Effective**

A number of Australian Accounting Standards and Interpretations are in issue but not yet for the current year end. The results and position of the Union will not change on adoption of these pronouncements as they do not result in any changes to the Union's existing accounting policies. The Union has decided not to early adopt any of the new and amended pronouncements.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

**2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Industrial Relations Act, 1991 (NSW), the attention of members is drawn to the provisions of sub-sections (1) and (2) of section 512 which read as follows:

- (1) A member of an organisation, or the Industrial Registrar, may apply to the organisation for specified information prescribed by the regulations in relation to the organisation.
- (2) An organisation must, on the making of such an application, make the specified information available to the member or the Industrial Registrar in the manner, and within the time, prescribed by the regulations.

**3. ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical accounting estimates and assumptions**

The Union makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

**(b) Critical judgements in applying the Union's accounting principles**

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>4. AQUATIC COMPLEX</b>		
<b>(a) STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015</b>		
<b>INCOME</b>		
Accommodation and Rent	923,863	849,111
Interest	44	8
Catering (Motel)	30,588	9,575
Telephone (Motel)	118	-
Laundry Commission and Linen	7,977	8,746
Sundry	18	-
	<u>962,608</u>	<u>867,440</u>
<b>TOTAL INCOME</b>		
<b>LESS EXPENDITURE</b>		
Depreciation	<u>65,871</u>	<u>69,463</u>
<b>Employee Benefits Expense</b>		
Fringe Benefits Tax	10,800	-
Long Service Leave	3,753	1,946
Salaries – Staff	393,962	363,137
Superannuation	29,788	22,343
	<u>438,303</u>	<u>387,426</u>
<b>Other Expenses</b>		
Austar	8,386	8,234
Bank Charges	4,761	4,070
Catering (Motel)	24,333	9,480
Domestic Supplies	15,675	16,260
Discount - Non Members	-	2,915
Electricity and Gas	64,558	62,983
Land Tax	68,424	80,900
Payroll Tax	17,108	14,522
Printing, Stationery and Advertising	6,045	6,040
Rates and Taxes (Council and Water)	52,202	46,409
Repairs, Replacements and Maintenance	55,349	31,944
Sundries and Other Expenditure	8,577	30,969
Telephone (Other)	15,842	21,634
	<u>341,260</u>	<u>336,360</u>
<b>TOTAL EXPENDITURE</b>	<u>845,434</u>	<u>793,249</u>
<b>OPERATING SURPLUS FOR THE YEAR</b>	<u>117,174</u>	<u>74,191</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

	<b>Note</b>	<b>2015</b> \$	<b>2014</b> \$
<b>4. AQUATIC COMPLEX (cont'd)</b>			
<b>(b) STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	(e)	106,090	152,515
Receivables	(f)	7,523	12,411
<b>Total Current Assets</b>		<u>113,613</u>	<u>164,926</u>
<b>Non-Current Assets</b>			
Land and Buildings (At Cost)		3,234,804	3,234,804
Less Accumulated Depreciation on Buildings		(1,557,355)	(1,523,100)
Equipment (At Cost)		595,199	584,925
Less Accumulated Depreciation		(489,218)	(457,602)
<b>Total Non-Current Assets</b>	(c)	<u>1,783,430</u>	<u>1,839,027</u>
<b>TOTAL ASSETS</b>		<u>1,897,043</u>	<u>2,003,953</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	(g)	232,447	186,457
<b>Total Current Liabilities</b>		<u>232,447</u>	<u>186,457</u>
<b>NON Current Liabilities</b>			
Provision for Long Service Leave		5,699	1,946
<b>TOTAL LIABILITIES</b>		<u>238,146</u>	<u>188,403</u>
<b>NET ASSETS</b>		<u>1,658,897</u>	<u>1,815,550</u>

**(c) MOVEMENTS IN CARRYING AMOUNTS - NON CURRENT ASSETS**

	<b>Land and Buildings</b> \$	<b>Equipment</b> \$	<b>Total</b> \$
Balance at 1 January 2015	1,711,704	127,323	1,839,027
Additions	-	10,274	10,274
Disposals	-	-	-
Depreciation	(34,255)	(31,616)	(65,871)
Balance at 31 December 2015	<u>1,677,449</u>	<u>105,981</u>	<u>1,783,430</u>



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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

	<b>Note</b>	<b>2015 \$</b>	<b>2014 \$</b>
<b>4. AQUATIC COMPLEX (Cont'd)</b>			
<b>(d) STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2015</b>			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from Customers		935,419	825,570
Payments to Suppliers and Employees		(713,001)	(577,451)
Interest Received		44	8
Rent Received		<u>27,145</u>	<u>41,861</u>
<b>NET CASH GENERATED/(UTILISED) BY OPERATING ACTIVITIES</b>	<b>(d)(ii)</b>	<u>249,607</u>	<u>289,988</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for Property, Plant and Equipment		<u>(10,274)</u>	<u>(54,551)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<u>(10,274)</u>	<u>(54,551)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Net Payments to General Fund		<u>(285,758)</u>	<u>(169,551)</u>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<u>(285,758)</u>	<u>(169,551)</u>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>(46,425)</b>	<b>65,886</b>
Cash and Cash Equivalents at beginning of financial year		<u>152,515</u>	<u>86,629</u>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<b>(d)(i)</b>	<u>106,090</u>	<u>152,515</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>4. AQUATIC COMPLEX (Cont'd)</b>		
<b>(d) NOTES TO THE STATEMENT OF CASH FLOWS</b>		
<b>(i)</b> For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions.		
Cash on Hand	1,000	1,000
Cash at Bank	105,090	151,515
	<u>106,090</u>	<u>152,515</u>
<b>(ii) RECONCILIATION OF CASH FLOW FROM OPERATING ACTIVITIES WITH NET SURPLUS</b>		
<b>Net Surplus</b>	117,174	74,191
<b>Non-Cash Flows In Net Surplus</b>		
Depreciation	65,871	69,463
<b>Changes in Assets and Liabilities</b>		
Decrease/(Increase) in Debtors	4,888	135,453
Increase/(Decrease) in Employee Entitlements Provision	3,753	1,946
Increase in Creditors & Accruals	59,259	23,466
Increase/(Decrease) in GST Payable	(1,338)	(14,531)
<b>NET CASH (UTILISED)/GENERATED BY OPERATING ACTIVITIES</b>	<u>249,607</u>	<u>289,988</u>
<b>(e) CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	1,000	1,000
Cash at Bank	105,090	151,515
	<u>106,090</u>	<u>152,515</u>
<b>(f) RECEIVABLES</b>		
Sundry Debtors	7,523	12,411
	<u>7,523</u>	<u>12,411</u>
<b>(g) PAYABLES</b>		
Sundry Creditors and Accruals	232,349	185,021
GST Payable	98	1,436
	<u>232,447</u>	<u>186,457</u>

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FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Land and Buildings</b>		
At cost		
Level 7, 321 Pitt St. Sydney	2,438,147	2,438,147
Level 8, 321 Pitt St Sydney	1,916,120	1,916,120
Levels 7 & 8, 321 Pitt St Sydney - Building		
Improvements	746,635	746,635
86 Lawson St Newcastle	590,995	590,995
2 & 3/100 Market St. Wollongong	359,524	359,524
1/157 Gordon St Port Macquarie	94,697	94,697
Shop 3, 4-12 Queen Elizabeth Drive Armidale	71,476	71,476
Shops 11 & 12, 142 William St Bathurst	95,934	95,934
55-61 Prince St Grafton	61,804	61,804
2/46 Church St Dubbo	180,558	180,558
7/56 Fitzmaurice St, Wagga Wagga	60,638	60,638
1/100 Market St. Wollongong	400,930	400,930
Aquatic Complex – Port Macquarie	3,234,804	3,234,804
	<u>10,252,262</u>	<u>10,252,262</u>
Less: Accumulated Depreciation	(4,061,335)	(3,719,205)
<b>Total Land and Buildings</b>	<u>6,190,927</u>	<u>6,533,057</u>
<b>Office Furniture and Equipment</b>		
At Cost	3,371,198	3,244,498
Less: Accumulated Depreciation	(2,456,273)	(2,153,505)
<b>Total Office Furniture and Equipment</b>	<u>914,925</u>	<u>1,090,993</u>
<b>Motor Vehicles</b>		
At Cost	1,505,045	1,437,406
Less: Accumulated Depreciation	(625,812)	(844,655)
<b>Total Motor Vehicles</b>	<u>879,233</u>	<u>592,751</u>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<u>7,985,085</u>	<u>8,216,801</u>

During 2015, the land and buildings owned by the Union were valued by an independent valuer. The fair value of the properties was determined to be between \$75,000 and \$6,000,000 (depending on how the properties are parcelled). The total fair value of all properties was \$15,830,000. Fair values are determined by the valuer using market information, including prices for similar properties in comparable locations.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

**5. PROPERTY, PLANT AND EQUIPMENT (Cont'd)**

**MOVEMENTS IN CARRYING AMOUNTS**

	<b>Land and Buildings \$</b>	<b>Office Furniture and Equipment \$</b>	<b>Motor Vehicles \$</b>	<b>Total \$</b>
<b>Balance at 1 January 2015</b>	6,533,057	1,090,993	592,751	8,216,801
Additions	-	193,386	663,883	857,269
Disposals	-	(65,320)	(89,567)	(154,887)
Depreciation	(342,130)	(304,134)	(287,834)	(934,098)
<b>Balance at 31 December 2015</b>	<u>6,190,927</u>	<u>914,925</u>	<u>879,233</u>	<u>7,985,085</u>

	<b>2015 \$</b>	<b>2014 \$</b>
<b>6. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	1,700	1,700
Cash at Bank	442,699	496,238
Cash Held by Branches	160,207	199,664
Cash Held by Aquatic Complex	106,090	152,515
	<u>710,696</u>	<u>850,117</u>

**7. Trade and Other Receivable**

**Current**

Trade Debtors	59,437	7,000
Prepayments	386,487	514,379
Sundry Debtors	1,577	5,618
Sundry Debtors – Aquatic Complex	7,523	12,411
	<u>455,024</u>	<u>539,408</u>

**8. PAYABLES**

Sundry Creditors and Accruals	623,268	532,626
Sundry Creditors – Aquatic Complex	232,447	186,457
GST Payable	222,288	210,019
	<u>1,078,003</u>	<u>929,102</u>

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FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

		2015 \$	2014 \$
<b>9. EMPLOYEE BENEFITS</b>			
<b>Current</b>			
Provision for Sick Leave		929,878	906,563
Provision for Annual Leave		682,500	631,417
Provision for Long Service Leave		1,762,978	1,749,627
		<u>3,375,356</u>	<u>3,287,607</u>
<b>Non-Current</b>			
Provision for Long Service Leave		20,902	20,044
		<u>20,902</u>	<u>20,044</u>
<b>10. Other Financial Assets</b>			
Investment General Fund	11	19,157,494	18,475,857
Long Service Leave Fund	12	2,018,252	1,955,014
Mortality Fund	13	283,781	278,217
Other Investments		62,434	70,797
		<u>21,521,961</u>	<u>20,779,885</u>
<b>11. INVESTMENT – GENERAL FUND CURRENT</b>			
<b>Cash and Cash Equivalents</b>			
Cash Deposits		2,809,894	2,411,328
Term Deposit		9,471,137	9,204,741
<b>Available-For-Sale Financial Assets</b>			
Shares in Listed Companies (at fair value)	14	3,663,317	3,661,362
Managed Funds (at fair value)	14	735,796	726,883
Investments in Bonds (at fair value)	14	2,477,350	2,471,543
		<u>19,157,494</u>	<u>18,475,857</u>
<b>12. INVESTMENTS – LONG SERVICE LEAVE FUND CURRENT</b>			
<b>Cash and Cash Equivalents</b>			
Cash Deposit		2,018,252	1,955,014

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**13. INVESTMENTS - MORTALITY FUND  
CURRENT**

**Cash and Cash Equivalents**

Cash Deposits	283,781	278,217
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**14. AVAILABLE - FOR - SALE FINANCIAL ASSETS**

At Fair Value

Shares in Listed companies	3,663,317	3,661,362
General Fund Managed Funds	735,796	726,883
Investment in Bonds	2,477,350	2,471,543
	<u>6,876,463</u>	<u>6,859,788</u>

**15 AUDITORS' REMUNERATION**

Auditing the Financial Statements	50,000	45,000
Other Services	8,242	5,163
Prior Year Audit Fee	3,925	5,000
	<u>62,167</u>	<u>55,163</u>

**16. SALARIES - OFFICERS AND STAFF**

Elected Officers	152,570	138,892
Officials	3,916,016	3,913,663
Administration Staff	1,788,349	1,631,139
Aquatic Complex Staff	393,962	363,137
	<u>6,250,897</u>	<u>6,046,831</u>

**17. RESERVES**

**Available-for-Sale**

**Investment Reserve**

Opening Balance	1,276,046	1,130,794
Change in fair value during the year	<u>(158,223)</u>	<u>145,252</u>
	<u>1,117,823</u>	<u>1,276,046</u>

This reserve records unrealised gains and losses on Available-for-Sale Investments which are measured at fair value.

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FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

	2015 \$	2014 \$
<b>18. OPERATING LEASE COMMITMENTS</b>		
In respect of office equipment and property, payable:		
- not later than 1 year	207,540	207,540
- later than 1 year but not later than 5 years	480,584	689,205
	<u>688,124</u>	<u>896,745</u>

**19. SUPERANNUATION**

Employees of the Union are entitled to benefits from superannuation plans on retirement, disability or death. The Union participated in four employer sponsored superannuation plans, one of which, the Local Government Superannuation Scheme is a defined benefit plan. The Scheme has advised that the assets and liabilities of the Union's employees are pooled with those of other employers. The Scheme has further advised that it is impractical to separate employers without additional cost to the employer. As a consequence the Union has elected to take the exemption allowed under AASB 119 and treat the Scheme for financial reporting purposes as a defined contribution scheme.

The other superannuation plans are defined contribution plans. The benefits provided under these plans are based on accumulated contributions and earnings for each employee. The Union's liability is limited to paying the contributions to the plans.

**20. RELATED PARTY TRANSACTIONS**

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officers is \$20,720 (2014: \$26,100).
- (c) There have been no other transactions between the officers and the Union other than those relating to their membership of the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

	2015	2014
	\$	\$
<b>21. CASH FLOW INFORMATION</b>		
(a) For the purposes of the statement of cash flows, cash includes:		
Cash on hand and at call deposits with banks and financial institutions.		
Cash is shown in the statement of financial position as:		
Cash on Hand	1,700	1,700
Cash at Bank	442,699	496,238
Cash Held by Branches	160,207	199,664
Cash on Hand – Aquatic Complex	1,000	1,000
Cash at Bank – Aquatic Complex	105,090	151,515
	<u>710,696</u>	<u>850,117</u>
(b) Reconciliation of cash flow from operations with operating results:		
<b>Net Surplus - General Fund</b>	207,270	683,153
<b>Non-Cash Flows in Operating Results</b>		
Depreciation	934,098	980,821
(Surplus)/Loss on Sale of Assets	(55,656)	(42,204)
Reinvestment of income from managed funds	(18,938)	(20,664)
Loss on disposal of assets	66,000	-
<b>Changes in Assets and Liabilities</b>		
(increase)/Decrease in Sundry Debtors and Prepayments	84,384	(71,425)
(Increase)/Decrease in Accrued Interest	8,363	(6,933)
Increase in Employee Entitlement Provisions	88,607	12,193
Increase in Sundry Creditors & GST Payable	144,125	121,646
<b>CASH FLOW GENERATED/(UTILISED) FROM OPERATIONS</b>	<u>1,458,253</u>	<u>1,656,587</u>



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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 20145(Cont'd)**

**22. FINANCIAL RISK MANAGEMENT**

*a) General objectives, policies and processes*

The Union is exposed to risks that arise from its use of financial instruments. This note describes the Union's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the Union's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Union's financial instruments consist mainly of deposits with banks, local money market instruments, investments, trade receivables and payables. The main risks the Union is exposed to through its financial instruments are credit risk, liquidity risk and market risk (interest rate risk, other price risk and foreign currency risk).

The State Executive has overall responsibility for the determination of the Union's risk management objectives and policies and whilst retaining ultimate responsibility for them, the State Executive makes investment decisions after considering advice received from advisors.

*(b) Credit Risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Union incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Union.

There is no concentration of credit risk with respect to current and non-current receivables.

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 provision for doubtful debts, as disclosed below:

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Cash at Bank	707,996	847,417
Cash Deposit	2,809,894	2,411,328
Term Deposit	9,471,137	9,204,741
	<u>12,989,027</u>	<u>12,463,486</u>

The cash and cash equivalents are held in high quality Australian financial institutions.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**22. FINANCIAL RISK MANAGEMENT (Continued)**

*(c) Liquidity Risk*

Liquidity risk is the risk that the Union may encounter difficulties raising funds to meet commitments associated with financial liabilities.

The Union is not significantly exposed to this risk, as at 31 December 2015, it had \$12,989,027 (\$12,463,486 - 2014) of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31st December, 2015 totalled \$1,078,003 (\$929,102 - 2014).

*(d) Market Risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

*(e) Interest Rate Risk*

The Union'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 rates on those financial assets and liabilities are summarised below:

<b>31 December 2015</b>	<b>Floating interest rate</b>	<b>Non interest bearing</b>	<b>Total</b>
<b>Financial Assets</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash	707,996	2,700	710,696
Cash Deposits	14,583,064	-	14,583,064
Investments	3,216,586	-	3,216,586
<b>Total Financial Assets</b>	<b>18,507,646</b>	<b>2,700</b>	<b>18,510,346</b>
Weighted Average Interest Rate	2.52%		
<b>Financial Liabilities</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Payables	-	1,078,003	1,078,003
<b>Total Financial Liabilities</b>	<b>-</b>	<b>1,078,003</b>	<b>1,078,003</b>
<b>Net Financial Assets/(Liabilities)</b>	<b>18,507,646</b>	<b>(1,075,303)</b>	<b>17,432,343</b>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**22. FINANCIAL RISK MANAGEMENT (Continued)**

<b>31 December 2014</b>	<b>Floating interest rate</b>	<b>Non interest bearing</b>	<b>Total</b>
<b>Financial Assets</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash	847,417	2,700	850,117
Cash Deposits	13,849,300	-	13,849,300
Investments	3,201,866	-	3,201,866
<b>Total Financial Assets</b>	<b>17,898,583</b>	<b>2,700</b>	<b>17,901,283</b>
Weighted Average Interest Rate	3.27%		
<b>Financial Liabilities</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Shares in Listed Companies	-	929,102	929,102
<b>Total Financial Liabilities</b>	<b>-</b>	<b>929,102</b>	<b>929,102</b>
<b>Net Financial Assets/(Liabilities)</b>	<b>17,898,583</b>	<b>(926,402)</b>	<b>16,972,181</b>

*(e) Interest Rate Risk*

**Sensitivity Analysis**

<b>2015</b>	<b>Carrying Amount</b>	<b>+1% (100 basis points) Profit</b>	<b>-1% (100 basis points) Loss</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash & Cash Equivalents	18,507,646	185,076	(185,076)
<b>2014</b>	<b>Carrying Amount</b>	<b>+1% (100 basis points) Profit</b>	<b>-1% (100 basis points) Loss</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash & Cash Equivalents	17,898,583	178,985	(178,985)

*(f) Price Risks*

The union is exposed to equity securities price risk. This arises from investments held by the Union and classified on the Statement of Financial Position either as available-for-sale or at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Union only maintains a small portfolio.

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**22. FINANCIAL RISK MANAGEMENT (Continued)**

The Union is not exposed to commodity price risk.

The Union's equity investments are publicly traded and are listed on the ASX.

The table below summarises the impact of increase/decrease of the indexes on the Union's surplus for the year and on equity. The analysis is based on the assumption that the equity indexes had increase/(decrease) by 10%(2014 -10%) with all other variables held constant and all the Union's equity instruments moved according to the historical correlation with the index.

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Effect on equity		
Increase of equity index by 10%	687,646	685,978
Decrease of equity index by 10%	(687,646)	(685,978)

*(g) Foreign Exchange Risks*

The Union is not exposed to foreign exchange risk

**23. FAIR VALUE MEASUREMENT**

The Union measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Available-for-sale financial assets

**(a) Fair Value Hierarchy**

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted price (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2), and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

**23. FAIR VALUE MEASUREMENT (continued)**

**(1) Recognised fair value measurements**

The following table presents the Union's assets and liabilities measured and recognised at fair value at 31 December 2015.

	<b>Level 1</b>		<b>Level 2</b>		<b>Level 3</b>		<b>Total</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>								
Available-for-sale financial assets	6,876,463	6,859,788	-	-	-	-	6,876,463	6,859,788
Financial assets through profit and loss	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>6,876,463</b>	<b>6,859,788</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,876,463</b>	<b>6,859,788</b>

There were no transfers between Level 1, Level 2 and Level 3 in 2015 or 2014.

The carrying amounts of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

**24. EVENTS AFTER THE END OF THE REPORTING PERIOD**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations or the state of affairs of the Union in future financial years.

**25. CONTINGENT LIABILITIES**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Estimate of the maximum amount of contingent liabilities that may become payable:		
Fees in relation to ongoing legal matters	20,000	-

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

**26. Section 272 Fair Work (Registered Organisations) Act 2009**

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

- (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).

**27. UNION DETAILS**

The Registered Office of the Union is:

Level 7  
321 Pitt Street  
SYDNEY NSW 2000

## **Independent Audit Report to the members of New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union**

### **Report on the Financial Report**

We have audited the accompanying financial report of New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union ('the Union'), which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in accumulated funds and reserves and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the state executive's certificate and accounting officer's certificate.

#### *State Executive and General Secretary's Responsibility for the Financial Report*

The State Executive and General Secretary of the Union are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in note 1 of the financial report are appropriate to meet the requirements of the *Industrial Relations Act 1996* and are appropriate to meet the needs of members. This responsibility also 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control 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 on 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 management, as well as evaluating the overall presentation of the financial report.

## **Independent Audit Report to the members of New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union**

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 accounting bodies and the *Industrial Relations Act 1996*.

### *Opinion*

In our opinion, the financial report of New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Union is in accordance with Australian Accounting Standards and the *Industrial Relations Act 1996*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Industrial Relations Act 1996*.



ROBERT EVETT  
Director  
Sydney

Date: 2 May 2016



BENTLEYS NSW AUDIT PTY LTD  
Chartered Accountants