

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

OPERATING REPORT

The Branch Executive, being the Committee of Management for the purposes of the Workplace Relations Act 1996, presents its operating report of the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch for the financial year ended 30 June 2006.

1. Review of principal activities during the year: the principal operating activities of the Branch continued to be those of industrial activities that are normally carried out by the Trade Union, there are no significant changes in the principal operating activities.
2. Financial affairs: during the year there were no other significant changes to the financial affairs of the Union.
3. All members have a right to resign from the branch in accordance with Rule 32 and Section 174(1) of the Workplace Relations Act 1996. In accordance with Section 174(1) of the Workplace Relations Act a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.
4. Members holding positions on Superannuation Boards:
 - Members Mr Barry Keith Mason and John Ernst hold the positions as directors on the Board of Local Government Superannuation Scheme; member Paul Marzato holds the position as director on the Board of Energy Industry Superannuation Scheme; member Michael Want holds the position as director on the Board of CARE Superannuation Fund.
 - Member Michael Want is a trustee/director of CARE Superannuation Fund.
5. At the end of the financial year the total registered members were 36,431.
6. The Branch does not employ any staff members.
7. The names of the Executive Governing body members during the year ending 30 June 2006 were;

Name	Period of Appointment
Brian Harris	1.7.05 to 30.6.06
Steven Birney	1.7.05 to 30.6.06
Michael Want	1.7.05 to 30.6.06
Peter Anderson-Smith	1.7.05 to 30.6.06
Halim Assoni	1.7.05 to 30.6.06
Rhonda Barton	1.7.05 to 30.6.06
Ray Bourke	1.7.05 to 30.6.06
Phil Bowering	1.7.05 to 30.6.06
Les Coyle	1.7.05 to 30.6.06
Libby Cumming	1.7.05 to 30.6.06
Tony Dean	1.7.05 to 30.6.06


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**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,
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OPERATING REPORT (Cont'd)

Name	Period of Appointment
Diane Fahey	1.7.05 to 30.6.06
Mark Gill	1.7.05 to 30.6.06
Chris Gorman	1.7.05 to 30.6.06
Joanne Jamieson	1.7.05 to 30.6.06
Chris Osborne	1.7.05 to 30.6.06
Harry Pittman	1.7.05 to 30.6.06
Val Rietdyk	1.7.05 to 30.6.06
Maryanne Stuart	1.7.05 to 30.6.06
Jim Taylor	1.7.05 to 30.6.06
Marilyn Timmins	1.7.05 to 30.6.06
Melissa Williams	1.7.05 to 30.6.06
Craig Wilson	1.7.05 to 30.6.06
Martin Wynne	1.7.05 to 30.6.06
Paul Strutt	1.7.05 to 30.6.06

Signed in accordance with a resolution of the Branch Executive.



.....
BEN KRUSE



.....
STEVEN BIRNEY

10 December 2006

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

BRANCH EXECUTIVE'S STATEMENT

On 10 December 2006 the Branch Executive of the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical, Administrative, Energy, Airlines & Utilities Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the branch for the year ended 30 June 2006.

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

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the branch for the financial year ended 30 June 2006;
- (d) there are reasonable grounds to believe that the branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 June 2006 and since the end of the financial year:
 - (i) meetings of the Branch Executive were held in accordance with the rules of the organisation and the rules of the branch; and
 - (ii) the financial affairs of the branch have been managed in accordance with the rules of the organisation and the rules of the branch; and
 - (iii) the financial records of the branch have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and national office of the organisation; and
 - (v) no information has been sought in any request of a member of the branch or a Registrar under section 272 of the RAO Schedule; and
 - (vi) no order for inspection of the financial records has been made by the Commission under section 273 of the RAO Schedule.
- f) during the financial year ended 30 June 2006 the branch did not participate in any recovery of wages activity.

For the Branch Executive;


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BEN KRUSE

10 December 2006

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2006 \$	2005 \$
INCOME			
Contributions		74,159	86,559
Less Service Fee United Services Union		(74,159)	(86,559)
Contributions prior years		-	4,543
Distributions from Available for Sale Financial Assets		115,668	147,214
Interest Income		3,920	7,799
Rent Received		22,504	24,904
Shipping Mortality Fee		2,000	7,500
Surplus on Disposal of Motor Vehicle		1,679	-
		<u>145,771</u>	<u>191,960</u>
Significant item - Surplus on Disposal of Property		-	577,818
TOTAL INCOME		<u>145,771</u>	<u>769,778</u>
EXPENDITURE			
Depreciation		<u>9,581</u>	<u>25,359</u>
Other Expenses			
ASU National Office – Capitation Fees		753,492	749,405
Bank Charges		1,235	1,271
Campaign		163,905	-
Deficit on Disposal of Motor Vehicles		-	5,471
Donations		3,026	-
General		-	1,658
Professional Services	9	19,000	11,000
Repairs & Maintenance		-	21,922
		<u>940,658</u>	<u>790,727</u>
TOTAL EXPENDITURE		<u>950,239</u>	<u>816,086</u>
DEFICIT FOR YEAR		<u>(804,468)</u>	<u>(46,308)</u>

(The attached Notes form part of the financial report)

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,
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BALANCE SHEET AS AT 30 JUNE 2006

	Note	2006 \$	2005 \$
ACCUMULATED FUNDS AND RESERVES			
Accumulated Funds		665,506	1,561,922
Available-for-Sale Investment Reserve	14	<u>112,760</u>	<u>-</u>
Accumulated Funds and Reserves		<u>778,266</u>	<u>1,561,922</u>
<u>Represented by Net Assets as follows:</u>			
ASSETS			
Current Assets			
Cash and cash equivalents	5	18,392	10,701
Receivables	6	93,756	133,112
Investments	7	<u>804,550</u>	<u>1,283,392</u>
Total Current Assets		<u>916,698</u>	<u>1,427,205</u>
Non Current Assets			
Property, Plant and Equipment	8	<u>190,633</u>	<u>206,717</u>
Total Non Current Assets		<u>190,633</u>	<u>206,717</u>
TOTAL ASSETS		<u>1,107,331</u>	<u>1,633,922</u>
LIABILITIES			
Current Liabilities			
Payables	10	299,223	12,000
Provision for Recording Union History		<u>29,842</u>	<u>60,000</u>
Total Current Liabilities		<u>329,065</u>	<u>72,000</u>
TOTAL LIABILITIES		<u>329,065</u>	<u>72,000</u>
NET ASSETS		<u>778,266</u>	<u>1,561,922</u>

(The attached Notes form part of the financial report)

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL ADMINISTRATIVE, ENERGY,
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**STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES
FOR THE YEAR ENDED 30 JUNE 2006**

	Accumulated Funds	Available- for-Sale Investment Reserve	Total
	\$	\$	\$
Balance at 1 July 2004	1,608,230	-	1,608,230
Net (Deficit) for the Year	(46,308)	-	(46,308)
Balance at 30 June 2005	1,561,922	-	1,561,922
Adjustment on adoption of AASB 132 and AASB 139	(91,948)	91,948	-
Net increase in value of Available-for-sale financial assets	-	20,812	20,812
Net (Deficit) for the Year	(804,468)	-	(804,468)
Balance at 30 June 2006	665,506	112,760	778,266

**CASH FLOW STATEMENT FOR THE
YEAR ENDED 30 JUNE 2006**

	Note	2006 \$	2005 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		74,159	86,559
Payment of ASU National Office Capitation Fees		(565,213)	(937,005)
Payments to Suppliers and Employees		(201,085)	(633,811)
Interest Received		3,920	7,799
Rent Received		22,504	29,318
Other Receipts		49,902	-
NET CASH USED IN OPERATING ACTIVITIES	12(b)	(615,813)	(1,447,140)
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for Purchase of Investments		(1,678)	(748,013)
Proceeds from Sale of Investments		617,000	-
Proceeds from Sale of Motor Vehicles, Plant & Equipment, Furniture & Fittings		8,182	16,073
Proceeds from Sale of Property		-	1,914,063
NET CASH PROVIDED BY INVESTING ACTIVITIES		623,504	1,182,123
NET INCREASE (DECREASE) IN CASH		7,691	(265,017)
CASH AT BEGINNING OF YEAR		10,701	275,718
CASH AT END OF YEAR	12(a)	18,392	10,701

(The attached Notes form part of the financial report)

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2006

1. SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Workplace Relations Act 1996.

Compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS) except for:

- Segment reporting because AASB 114 "Segment Reporting" does not apply to not-for-profit organisations.
- Impairment of assets under AASB 136 "Impairment of assets"

BASIS OF PREPARATION

The financial report is for the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical Administrative, Energy, Airlines & Utilities Branch and in accordance with the Workplace Relations Act, 1996 the Branch is a reporting unit. The Australian Municipal, Administrative, Clerical and Services Union is an organisation registered under the Workplace Relations Act. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Branch are not subject to the Corporations Act 2001.

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.

This is the first financial report prepared under AIFRS and AASB 1 First-Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these statements. Comparatives for the year ended 30 June 2005, with the exception of financial instruments, have been restated accordingly. The Union has taken the exemption available under AASB 1 to apply AASB 132 and AASB 139 from 1 July 2005.

Reconciliations of the impact of the adoption of AIFRS on the Union's Accumulated Funds and Reserves and Net Deficit are detailed in Note 4.

The following is a summary of the significant accounting policies adopted by the Branch in the preparation of the financial report.

(a) Revenue

Contributions are accounted for on a cash receipts basis. Otherwise the concept of accrual accounting has been adopted in the preparation of the accounts.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2006 (Cont'd)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Income tax

No provision for Income Tax is necessary as Industrial Trade Unions are exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997.

(c) Property, Plant and Equipment

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Branch commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Buildings	2%
Motor Vehicles	25%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet 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 income statement in the year that the item is derecognised.

(d) Impairment

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 income statement 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 Branch is a not-for profit organisation.

(e) 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.

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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2006 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Investments (cont'd)

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 the investment is determined to be impaired, at which time the cumulative gain or loss previously reported for that asset is included in the income statement.

(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 balance sheet are shown inclusive of GST.

(g) Accounting Standards Issued But Not Yet Effective

There have been no accounting standards issued which will impact the financial report in future periods and which are not yet effective.

2. 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 Branch 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 amount of asset and liabilities.

(b) Critical judgments in applying the Branch's accounting principles

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

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2006 (Cont'd)

3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Sections 272 of Schedule 1B which read as follows:

1. A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
2. The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
3. A Reporting unit must comply with an application made under subsection (1).

4. IMPACT OF ADOPTION OF AIFRS

The impact of adopting AIFRS on the accumulated funds and surplus reported under previous Australian Generally Accepted Accounting Principles ("AGAAP") is set out below.

	\$
(a) Total Accumulated Funds under previous AGAAP at 1 July 2005	1,561,922
Transfer to Available-for-Sale Investment Reserve	<u>(91,948)</u>
Total Accumulated Funds under AIFRS at 1 July 2005	<u>1,469,974</u>
(b) Available-for-Sale Investment Reserve under previous AGAAP at 1 July 2005	-
Change in value of financial assets	<u>91,948</u>
Available-for-Sale Investment Reserve under AIFRS at 1 July 2005	<u>91,948</u>
(c) The Union has elected to take the exemption available under AASB 1 to apply AASB 132 and AASB 139 from 1 July 2005. There are no other adjustments required to assets, liabilities or accumulated funds and reserves as a result of the introduction of AIFRS.	
(d) There are no material differences between the Cash Flow Statement presented under AIFRS and the Cash Flow Statement presented under AGAAP.	
(e) There was no impact on the previously reported 2005 deficit.	

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2006 [Cont'd]**

	2006 \$	2005 \$
5. CASH AND CASH EQUIVALENTS		
Cash in Hand	-	149
Cash at Bank	<u>18,392</u>	<u>10,552</u>
	<u>18,392</u>	<u>10,701</u>
6. RECEIVABLES		
Current		
Sundry Deposits	7,500	7,500
Sundry Debtors	<u>86,256</u>	<u>125,612</u>
	<u>93,756</u>	<u>133,112</u>
7. INVESTMENTS		
Cash and Cash Equivalents		
Cash at Call Account	<u>23,938</u>	<u>42,260</u>
Wholesale Funds at Call		
Challenger Australian Share Fund (at fair value)	326,919	258,883
Chifley Investment Fund (at fair value)	207,255	764,960
Kaplin Master Trust Equities Fund (at fair value)	<u>246,438</u>	<u>217,289</u>
	<u>780,612</u>	<u>1,241,132</u>
Total Investments	<u>804,550</u>	<u>1,283,392</u>
8. PROPERTY, PLANT AND EQUIPMENT		
Property		
Property – Unit 6, ACTU Building, Canberra		
At Cost	286,665	286,665
Less Accumulated Depreciation	<u>96,032</u>	<u>90,298</u>
	<u>190,633</u>	<u>196,367</u>
Motor Vehicles		
At Cost	-	28,513
Less Accumulated Depreciation	<u>-</u>	<u>18,163</u>
	<u>-</u>	<u>10,350</u>
TOTAL PROPERTY PLANT AND EQUIPMENT	<u>190,633</u>	<u>206,717</u>

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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2006 [Cont'd]**

8. PROPERTY, PLANT AND EQUIPMENT (cont'd)

MOVEMENTS IN CARRYING AMOUNTS

	Land and Buildings	Motor Vehicles	Total
Balance at 1 July 2005	196,367	10,350	206,717
Additions	-	-	-
Disposals	-	6,503	6,503
Depreciation	5,734	3,847	9,581
Balance at 30 June 2005	190,633	-	190,633

9. PROFESSIONAL SERVICES

	2006 \$	2005 \$
Remuneration of Auditors for:		
- Audit of the Financial Report	11,500	11,000
- Audit of the Financial Report - Prior Years	7,500	-
	19,000	11,000

10. PAYABLES

ASU National Office Capitation Fees	207,107	-
United Services Union	80,060	-
Other	12,056	12,000
	299,223	12,000

11. RELATED PARTY TRANSACTIONS

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

The ultimate controlling entity of the Branch is the Australian Municipal, Administrative, Clerical and Services Union - National Office. (ASU National Office)

Transactions with Ultimate Controlling Entity

(a) ASU National Office Capitation Fees are disclosed as an expense in the Income Statement and as a payment in the Cash Flow Statement.

(b) ASU National Office Capitation Fees payable are disclosed at Note 10 of the accounts.

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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2006 [Cont'd]**

	2006 \$	2005 \$
12. CASH FLOW INFORMATION		
a) For the purposes of the Cash Flow Statement, cash at the end of the year is reconciled to the following items in the balance sheet:		
Cash on Hand	-	149
Cash at Bank	18,392	10,552
	<u>18,392</u>	<u>10,701</u>
b) RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH DEFICIT FOR YEAR		
Deficit for year	(804,468)	(46,308)
Non-cash flows in deficit		
Depreciation	9,581	25,359
Reinvestment of income from managed funds	(115,668)	(147,214)
(Surplus) Deficit on disposal of motor vehicles	(1,679)	5,471
Surplus on disposal of property	-	(577,818)
Changes in Assets and Liabilities		
(Decrease) in Provision for Union History	(30,158)	-
Increase (Decrease) in Creditors	287,223	(593,430)
Decrease in Sundry Deposits	-	157
Decrease (Increase) in Sundry Debtors	39,356	(113,462)
Decrease in Inventory - Theatre Tickets	-	105
NET CASH USED IN OPERATING ACTIVITIES	<u>(615,813)</u>	<u>(1,447,140)</u>

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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2006 [Cont'd]**

13. FINANCIAL INSTRUMENTS

Interest Rate Risk

The Branch's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:

30 June 2006	Floating interest rate \$	Variable interest rate \$	Non- interest bearing \$	Total \$
Financial Assets				
Cash Assets	18,392	-	-	18,392
Receivables	-	-	86,256	86,256
Investments (less than 1 year)	-	804,550	-	804,550
	<u>18,392</u>	<u>804,550</u>	<u>86,256</u>	<u>909,198</u>
Weighted average Interest rate	1.85%	12.55%		
Financial Liabilities				
Payables	-	-	299,223	299,223
Net financial assets/(liabilities)	<u>18,392</u>	<u>804,550</u>	<u>(212,967)</u>	<u>609,975</u>
30 June 2005				
Financial Assets				
Cash Assets	10,552	-	149	10,701
Receivables	-	-	125,612	125,612
Investments (less than 1 year)	-	1,283,392	-	1,283,392
	<u>10,552</u>	<u>1,283,392</u>	<u>125,761</u>	<u>1,419,705</u>
Weighted average Interest rate	1.75%	6.28%		
Financial Liabilities				
Payables	-	-	12,000	12,000
Net financial assets/(liabilities)	<u>10,552</u>	<u>1,283,392</u>	<u>113,761</u>	<u>1,407,705</u>

Credit Risk Exposure

Credit risk is the risk that counter-parties to a financial asset will fail to discharge their obligations, causing the Branch to incur a financial loss.

The credit risk exposure of the Branch to financial assets which have been recognised in the Balance Sheet is generally the carrying amounts, net of any provisions for doubtful debts.

The carrying amounts of cash and non-interest bearing monetary financial assets and liabilities (eg receivables and payables) approximate net fair values.

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**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2006 [Cont'd]**

	2006 \$	2005 \$
14. RESERVES		
Available-for-Sale Investment Reserve		
Balance at 1 July 2005	91,948	-
Change in fair value during the year	<u>20,812</u>	<u>-</u>
Balance at 30 June 2006	<u>112,760</u>	<u>-</u>

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

15. REGISTERED OFFICE

The registered office and principal place of business of the Branch is;
Level 8
321 Pitt Street
Sydney NSW 2000

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

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

INDEPENDENT AUDIT REPORT

To the members of the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical Administrative, Energy, Airlines & Utilities Branch

Scope

The Financial Report and Responsibility of the Branch Executive and Branch Secretary

The financial report comprises the income statement, balance sheet, statement of changes in accumulated funds and reserves, cash flow statement, accompanying notes to the financial statements and the branch executive's statement for the Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical Administrative, Energy, Airlines & Utilities Branch, for the year ended 30 June 2006.

The branch executive and branch secretary are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Branch's financial position and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the branch executive and branch secretary.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION

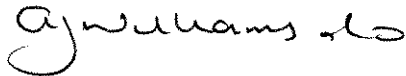
**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL ADMINISTRATIVE,
ENERGY, AIRLINES & UTILITIES BRANCH**

INDEPENDENT AUDIT REPORT

Audit Opinion

In our opinion the financial report of Australian Municipal, Administrative, Clerical and Services Union, New South Wales Local Government, Clerical Administrative, Energy, Airlines & Utilities Branch is in accordance with the Workplace Relations Act 1996, including:

- (i) giving a true and fair view of the branch's financial position as at 30 June 2006 and its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and other mandatory professional reporting requirements in Australia; and
- (iii) complying with any other requirements of the RAO.



A J Williams & Co
Chartered Accountants



David McLean
Registered Company Auditor.
SYDNEY NSW 2000

11 December 2006