

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

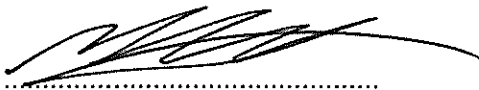
**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013**

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

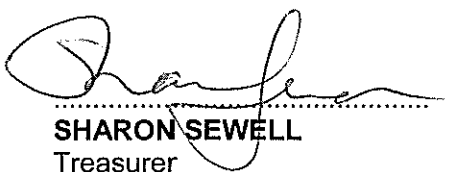
STATE EXECUTIVE'S CERTIFICATE

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 2013.
- (ii) In the opinion of the State Executive, meetings of the Executive were held during the year ended 31 December 2013, 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 2013 and the Auditors' Report, thereon.



STEPHEN BIRNEY
President



SHARON SEWELL
Treasurer

5th May 2014

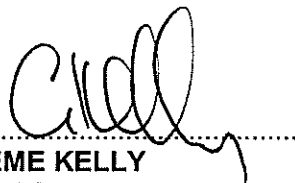
**NEW SOUTH WALES LOCAL GOVERNMENT, CLERICAL,
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

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 2013, the number of members of the Union was 32,146.

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 2013.
- (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

5th May 2014

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

**STATEMENT OF COMPREHENSIVE INCOME FOR THE
YEAR ENDED 31 DECEMBER 2013**

	NOTE	2013 \$	2012 \$
INCOME			
Contributions		12,867,130	12,412,994
Accommodation and Rent	4(a)	747,688	772,732
Distributions from Available-for-Sale Financial Assets		95,911	209,239
Dividends		174,447	148,767
Government Grants		2,500	-
Interest		476,013	607,723
Picnic Income		146,145	139,723
Rent		57,275	61,933
Superannuation Directors' Fees		227,676	200,312
Sundry Income		79,211	60,029
TOTAL INCOME		14,873,996	14,613,452
LESS EXPENDITURE			
DEPRECIATION		1,038,904	965,931
EMPLOYEE BENEFITS EXPENSE			
Accrued Annual Leave		52,735	89,715
Sick Leave		30,827	193,640
Fringe Benefits Tax		99,408	104,864
Long Service Leave		64,949	63,863
Salaries - Officers and Staff	17	5,815,791	5,986,308
Superannuation		680,915	691,054
		6,744,625	7,129,444
OTHER EXPENSES			
Advertising Expense		18,845	5,815
Affiliation Fees		303,350	329,760
Annual Conference Expenses		59,347	244,639
Attendance Allowance - Other Organisations		2,289	3,129
Payment to AMACSU NSW Branch re National AMACSU Capitation Fees		791,526	791,798
Auditors Remuneration	16	44,472	49,550
Computer Expenses		91,673	71,602
Delegates, Executive and Organising Expenses		909,791	641,519
Donations		151,635	161,756
Electricity and Gas		151,877	152,106
Employee Assistance Expenses		45,917	53,492
General Administration Expenses		532,699	546,476
Honoraria		86,567	100,584
Carried Forward		3,189,988	3,152,226

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

**STATEMENT OF COMPREHENSIVE INCOME FOR THE
YEAR ENDED 31 DECEMBER 2013 (Cont'd)**

	NOTE	2013 \$	2012 \$
Brought Forward		3,189,988	3,152,226
Insurance		201,158	205,927
Land Tax		121,171	112,845
Lease of Office Equipment and Property		309,208	315,110
Legal and Professional Expenses		173,780	330,922
Marketing and Promotions		506,680	376,426
Mortality Benefit		79,546	70,910
Motor Vehicle Expenses		340,169	332,205
OH & S Costs		52,595	21,724
Payroll Tax		324,161	310,929
Postage		139,431	153,869
Printing and Stationery		114,528	131,601
Property Expenses		319,894	260,384
Picnic Expenses		140,990	147,967
Telephones (including Mobiles)		264,724	306,022
Training Expenses		115,923	112,034
Union Magazines		126,304	138,896
Women's Committee and Conference		25,464	16,329
		<u>6,545,714</u>	<u>6,496,326</u>
TOTAL EXPENDITURE		<u>14,329,243</u>	<u>14,591,701</u>
OPERATING SURPLUS FOR THE YEAR – GENERAL FUND		544,753	21,751
(Loss)/Surplus on disposal of fixed assets		(16,264)	-
Surplus/(Loss) on Disposal of Available for Sale Assets – realised		<u>30,088</u>	<u>(189,464)</u>
NET SURPLUS/(DEFICIT) FOR THE YEAR		<u>558,577</u>	<u>(167,713)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Net Increase/(Decrease) in Available-for-Sale Assets		<u>929,143</u>	<u>657,104</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,487,720</u>	<u>489,391</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 2013

	NOTE	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	6	586,664	698,589
Trade and Other Receivables	7	482,801	306,919
Other Financial Assets	10	19,387,403	17,221,543
Total Current Assets		<u>20,456,868</u>	<u>18,227,051</u>
Non-Current Assets			
Property, Plant and Equipment	5	<u>8,981,915</u>	<u>9,653,771</u>
Total Non-Current Assets		<u>8,981,915</u>	<u>9,653,771</u>
TOTAL ASSETS		<u>29,438,783</u>	<u>27,880,822</u>
LIABILITIES			
Current Liabilities			
Trade and Other Payables	8	822,271	804,516
Employee Benefits	9	3,252,589	3,167,640
Total Current Liabilities		<u>4,074,860</u>	<u>3,972,156</u>
Non-Current Liabilities			
Employee Benefits	9	<u>42,870</u>	<u>75,332</u>
TOTAL NON-CURRENT LIABILITIES		<u>42,870</u>	<u>75,332</u>
TOTAL LIABILITIES		<u>4,117,730</u>	<u>4,047,488</u>
NET ASSETS		<u>25,321,053</u>	<u>23,833,333</u>
ACCUMULATED FUNDS AND RESERVES			
Accumulated Funds		24,190,259	23,631,682
Available-for-Sale Investment Reserve	18	<u>1,130,794</u>	<u>201,651</u>
ACCUMULATED FUNDS AND RESERVES		<u>25,321,053</u>	<u>23,833,333</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 2013**

	Accumulated Funds	Available- for-Sale Investment Reserve	Total
	\$	\$	\$
Balance at 1 January 2012	23,799,395	(455,453)	23,343,942
Net increase/(decrease) in value of Available-for-sale assets	-	657,104	657,104
Net surplus/(deficit) for the Year	(167,713)	-	(167,713)
Balance at 31 December 2012	23,631,682	201,651	23,833,333
Net increase/(decrease) in value of Available-for-sale assets	-	929,143	929,143
Net surplus/(deficit) for the Year	558,577	-	558,577
Balance at 31 December 2013	<u>24,190,259</u>	<u>1,130,794</u>	<u>25,321,053</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 2013**

	NOTE	2013 \$	2012 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Contributions and Levies from Members		14,153,843	12,412,994
Receipts from Customers		831,945	783,052
Payments to Suppliers and Employees		(14,758,321)	(13,601,531)
Interest Received		569,021	557,012
Rent Received		57,275	61,933
Other Receipts		<u>621,227</u>	<u>538,511</u>
NET CASH (UTILISED)/GENERATED BY OPERATING ACTIVITIES	22(b)	<u>1,474,990</u>	<u>751,971</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net Payment for Property, Plant and Equipment		(336,961)	(2,145,472)
Net Received/(Payment) for Investments		<u>(1,249,954)</u>	<u>1,284,492</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(1,586,915)</u>	<u>(860,980)</u>
NET DECREASE IN CASH HELD		(111,925)	(109,009)
Cash and cash equivalents at beginning of year		<u>698,589</u>	<u>807,599</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	22(a)	<u>586,664</u>	<u>698,589</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 2013**

1. SIGNIFICANT ACCOUNTING POLICIES

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 2013 was authorised for issue in accordance with a resolution of the State Executive Committee on 5 May 2014.

Basis of Preparation

The financial report has been prepared in accordance with the New South Wales Industrial Relations Act, 1996 and the significant accounting policies described below.

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.

(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.

(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.

**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 2013 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) 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.

(d) 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.

(e) 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.

**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 2013 (Cont'd)**

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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.

(f) 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.

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

(g) 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.

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.

(h) 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.

**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 2013 (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,
ADMINISTRATIVE, ENERGY, AIRLINES & UTILITIES UNION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (Cont'd)**

	2013 \$	2012 \$
4. AQUATIC COMPLEX		
(a) STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013		
INCOME		
Accommodation and Rent	772,877	800,974
Interest	70	367
Catering (Motel)	2,881	4,123
Telephone (Motel)	84	40
Laundry Commission and Linen	5,661	6,157
Sundry	12,180	-
TOTAL INCOME	<u>793,754</u>	<u>811,661</u>
LESS EXPENDITURE		
Depreciation	<u>83,202</u>	<u>88,733</u>
Employee Benefits Expense		
Accrued Annual Leave	-	363
Fringe Benefits Tax	10,800	10,800
Long Service Leave	-	5,883
Salaries – Staff	281,954	267,468
Sick Leave	-	5,618
Superannuation	<u>23,402</u>	<u>23,741</u>
	<u>316,156</u>	<u>313,873</u>
Other Expenses		
Austar	8,077	7,807
Auditors Remuneration	-	6,300
Bank Charges	3,806	3,577
Catering (Motel)	5,311	5,498
Domestic Supplies	9,985	13,224
Discount - Non Members	14,289	12,256
Electricity and Gas	63,847	62,831
Land Tax	56,163	52,304
Payroll Tax	19,227	14,934
Printing, Stationery and Advertising	5,674	5,230
Rates and Taxes (Council and Water)	41,233	39,796
Repairs, Replacements and Maintenance	21,993	23,156
Sundries and Other Expenditure	25,103	17,630
Telephone (Other)	<u>28,189</u>	<u>22,740</u>
	<u>302,895</u>	<u>287,284</u>
TOTAL EXPENDITURE	<u>702,253</u>	<u>689,890</u>
OPERATING SURPLUS FOR THE YEAR	<u>91,500</u>	<u>121,771</u>

**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 2013 (Cont'd)**

	Note	2013 \$	2012 \$
4. AQUATIC COMPLEX (cont'd)			
(b) STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013			
ASSETS			
Current Assets			
Cash and Cash Equivalents	(e)	86,629	222,408
Receivables	(f)	147,864	10,094
Total Current Assets		<u>234,493</u>	<u>232,502</u>
Non-Current Assets			
Land and Buildings (At Cost)		3,234,804	3,234,804
Less Accumulated Depreciation on Buildings		(1,484,547)	(1,445,993)
Equipment (At Cost)		530,375	524,046
Less Accumulated Depreciation		(426,693)	(382,044)
Total Non-Current Assets	(c)	<u>1,853,939</u>	<u>1,930,813</u>
TOTAL ASSETS		<u>2,088,433</u>	<u>2,163,315</u>
LIABILITIES			
Current Liabilities			
Provision for Accrued Annual Leave		-	11,538
Provision for Long Service Leave		-	47,433
Payables	(g)	177,523	163,031
Sick Leave		-	49,236
Total Current Liabilities		<u>177,523</u>	<u>271,238</u>
TOTAL LIABILITIES		<u>177,523</u>	<u>271,238</u>
NET ASSETS		<u>1,910,910</u>	<u>1,892,077</u>

(c) MOVEMENTS IN CARRYING AMOUNTS - NON CURRENT ASSETS

	Land and Buildings \$	Equipment \$	Total \$
Balance at 1 January 2013	1,788,811	142,002	1,930,813
Additions	-	6,329	6,329
Disposals	-	-	-
Depreciation	(38,554)	(44,649)	(83,203)
Balance at 31 December 2013	<u>1,750,257</u>	<u>103,682</u>	<u>1,853,939</u>

**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 2013 (Cont'd)**

	Note	2013 \$	2012 \$
4. AQUATIC COMPLEX (Cont'd)			
(d) STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013			
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Customers		831,945	783,052
Payments to Suppliers and Employees		(913,987)	(576,181)
Interest Received		70	367
Rent Received		<u>25,189</u>	<u>28,242</u>
NET CASH (UTILISED)/GENERATED BY OPERATING ACTIVITIES	(d)(ii)	<u>(56,782)</u>	<u>235,480</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for Property, Plant and Equipment		<u>(6,328)</u>	<u>(9,275)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(6,328)</u>	<u>(9,275)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Net Payments to General Fund		<u>(72,668)</u>	<u>(89,952)</u>
NET CASH USED IN FINANCING ACTIVITIES		<u>(72,668)</u>	<u>(89,952)</u>
NET (DECREASE) IN CASH HELD		(135,778)	136,253
Cash at 1 January 2013		<u>222,408</u>	<u>86,155</u>
CASH AT 31 DECEMBER 2013	(d)(i)	<u>86,629</u>	<u>222,408</u>

**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 2013 (Cont'd)**

	2013 \$	2012 \$
4. AQUATIC COMPLEX (Cont'd)		
(d) NOTES TO THE STATEMENT OF CASH FLOWS		
(i) 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	900
Cash at Bank	85,629	221,508
	<u>86,629</u>	<u>222,408</u>
(ii) RECONCILIATION OF CASH FLOW FROM OPERATING ACTIVITIES WITH NET SURPLUS		
Net Surplus	91,500	121,771
Non-Cash Flows In Net Surplus		
Depreciation	83,202	88,733
Changes in Assets and Liabilities		
Increase / (Decrease) in Debtors	(137,770)	(652)
Increase/(Decrease) in Employee Entitlements Provision	(108,205)	11,865
Increase in Creditors & Accruals	13,857	15,046
Increase/(Decrease) in GST Payable	634	(1,283)
NET CASH (UTILISED)/GENERATED BY OPERATING ACTIVITIES	<u>(56,782)</u>	<u>235,480</u>
(e) CASH AND CASH EQUIVALENTS		
Cash on Hand	1,000	900
Cash at Bank	85,629	221,508
	<u>86,629</u>	<u>222,408</u>
(f) RECEIVABLES		
Sundry Debtors	147,864	10,094
	<u>147,864</u>	<u>10,094</u>
(g) PAYABLES		
Sundry Creditors and Accruals	161,555	147,697
GST Payable	15,968	15,334
	<u>177,523</u>	<u>163,031</u>

**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 2013 (Cont'd)**

	2013 \$	2012 \$
5. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
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	(3,372,777)	(3,047,818)
Total Land and Buildings	<u>6,879,485</u>	<u>7,204,444</u>
Office Furniture and Equipment		
At Cost	3,112,008	2,921,492
Less: Accumulated Depreciation	(1,844,104)	(1,539,899)
Total Office Furniture and Equipment	<u>1,267,904</u>	<u>1,381,593</u>
Motor Vehicles		
At Cost	1,354,189	1,825,103
Less: Accumulated Depreciation	(519,663)	(757,369)
Total Motor Vehicles	<u>834,526</u>	<u>1,067,734</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>8,981,915</u>	<u>9,653,771</u>

During 2012, 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 \$12,845,000 and \$14,065,000 (depending on how the properties are parcelled). Fair values are determined by the valuer using market information, including prices for similar properties in comparable locations.

**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 2013 (Cont'd)**

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

MOVEMENTS IN CARRYING AMOUNTS

	Land and Buildings	Office Furniture and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Balance at 1 January 2013	7,204,444	1,381,593	1,067,734	9,653,771
Additions	-	563,795	670,170	1,233,965
Disposals	-	(276,806)	(590,110)	(866,916)
Depreciation	(324,959)	(400,678)	(313,268)	(1,038,905)
Balance at 31 December 2013	<u>6,879,485</u>	<u>1,267,904</u>	<u>834,526</u>	<u>8,981,915</u>

2013
\$

2012
\$

6. CASH AND CASH EQUIVALENTS

Cash on Hand	1,700	1,700
Cash at Bank	341,998	283,657
Cash Held by Branches	156,337	190,824
Cash Held by Aquatic Complex	86,629	222,408
	<u>586,664</u>	<u>698,589</u>

7. Trade and Other Receivable

Current

Trade Debtors	7,000	43,310
Prepayments	302,122	164,868
Sundry Debtors	25,815	88,647
Sundry Debtors – Aquatic Complex	147,864	10,094
	<u>482,801</u>	<u>306,919</u>

8. PAYABLES

Sundry Creditors and Accruals	482,083	506,066
Sundry Creditors – Aquatic Complex	177,521	163,031
GST Payable	162,667	135,419
	<u>822,271</u>	<u>804,516</u>

**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 2013 (Cont'd)**

		2013 \$	2012 \$
9. EMPLOYEE BENEFITS			
Current			
Provision for Sick Leave		904,293	922,702
Provision for Annual Leave		680,309	639,112
Provision for Long Service Leave		1,667,987	1,605,826
		<u>3,252,589</u>	<u>3,167,640</u>
Non-Current			
Provision for Long Service Leave		42,870	75,332
		<u>42,870</u>	<u>75,332</u>
10. Other Financial Assets			
Investment General Fund	11	17,165,767	13,241,502
Building Fund	12	-	1,778,754
Long Service Leave Fund	13	1,885,728	1,780,406
Mortality Fund	14	272,044	264,008
Other Investments		63,864	156,873
		<u>19,387,403</u>	<u>17,221,543</u>
11. INVESTMENT – GENERAL FUND CURRENT			
Cash and Cash Equivalents			
Cash Deposits		1,740,136	955,837
Term Deposit		8,881,328	4,986,898
Available-For-Sale Financial Assets			
Shares in Listed Companies (at fair value)	15	3,412,979	2,535,788
Managed Funds (at fair value)	15	664,051	2,323,859
Investments in Bonds (at fair value)	15	2,467,273	2,439,120
		<u>17,165,767</u>	<u>13,241,502</u>
12. INVESTMENTS - BUILDING FUND CURRENT			
Available-For-Sale Financial Assets			
Managed Funds (at fair value)	15	-	1,778,754
13. INVESTMENTS – LONG SERVICE LEAVE FUND CURRENT			
Cash and Cash Equivalents			
Cash Deposit		1,885,728	1,780,406

**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 2013 (Cont'd)**

14. INVESTMENTS - MORTALITY FUND

CURRENT

Cash and Cash Equivalents

Cash Deposits	272,044	264,008
---------------	---------	---------

15. AVAILABLE - FOR - SALE FINANCIAL ASSETS

At Fair Value

Shares in Listed companies	3,412,979	2,535,788
General Fund Managed Funds	664,051	2,323,859
Building Fund Managed Funds	-	1,778,754
Investment in Bonds	2,467,273	2,439,120
	<u>6,544,303</u>	<u>9,077,521</u>

16. AUDITORS' REMUNERATION

Auditing the Financial Statements	40,000	40,000
Other Services	472	1,250
Prior Year Audit Fee	4,000	2,000
Aquatic Complex Audit Fee	-	6,300
	<u>44,472</u>	<u>49,550</u>

17. SALARIES - OFFICERS AND STAFF

Elected Officers	137,694	125,969
Officials	3,946,203	4,289,773
Administration Staff	1,449,940	1,303,098
Aquatic Complex Staff	281,954	267,468
	<u>5,815,791</u>	<u>5,986,308</u>

18. RESERVES

Available-for-Sale

Investment Reserve

Opening Balance	201,651	(455,453)
Change in fair value during the year	929,143	657,104
	<u>1,130,794</u>	<u>201,651</u>

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

**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 2013 (Cont'd)**

	2013 \$	2012 \$
19. OPERATING LEASE COMMITMENTS		
In respect of office equipment and property, payable:		
- not later than 1 year	276,553	276,553
- later than 1 year but not later than 5 years	821,506	887,110
	<u>1,098,059</u>	<u>1,163,663</u>

20. 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.

21. 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 \$25,461 (2012: \$23,592).
- (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.

**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 2013 (Cont'd)**

	2013	2012
	\$	\$
22. CASH FLOW INFORMATION		
(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	341,998	283,657
Cash Held by Branches	156,337	190,824
Cash on Hand – Aquatic Complex	1,000	900
Cash at Bank – Aquatic Complex	85,629	221,508
	<u>586,664</u>	<u>698,589</u>
(b) Reconciliation of cash flow from operations with operating results:		
Net (Deficit)/Surplus - General Fund	558,452	(167,713)
Non-Cash Flows in Operating Results		
Depreciation	1,038,904	965,931
(Surplus)/Loss on Sale of Assets	(13,824)	189,464
Reinvestment of income from managed funds	(95,911)	(209,239)
Changes in Assets and Liabilities		
Decrease/(Increase) in Sundry Debtors and Prepayments	(237,738)	(45,089)
Increase in Accrued Interest	93,008	(50,711)
Increase in Employee Entitlement Provisions	52,487	353,515
Decrease in Sundry Creditors & GST Payable	79,612	(284,186)
CASH FLOW (UTILISED)/GENERATED FROM OPERATIONS	<u>1,474,990</u>	<u>751,971</u>

**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 2013 (Cont'd)**

23. FINANCIAL RISK MANAGEMENT

a) Fair value estimation

For details regarding the fair value of available-for-sale assets and assets carried at fair value, refer to Notes 9 to 13. The carrying value of receivables, net of impairment provisions, and payables are assumed to approximate their fair values due to their short-term nature.

Units in managed funds are carried at the current unit price for redemption of those units with the funds.

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

	2013	2012
	\$	\$
Estimate of the maximum amount of contingent liabilities that may become payable:		
	17,250	-
The Union does not have any other contingencies at 31 December 2013		

26. 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 2013, 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 2013 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Industrial Relations Act 1996*.

Bentleys NSW Audit Pty Ltd



Robert Evett
Director
Sydney

Date: 5 May 2014