



Australian Government
Australian Industrial Registry

17 June 2009

Mr Allan Fazldeen
Secretary
Australian Community Services Employers Association, Queensland Union of Employers
email: info@acsea.org

Dear Mr Fazldeen

Re: Financial Report for the Australian Community Services Employers Association, Queensland Union of Employers for year ended 31 December 2008

I acknowledge receipt of the financial report for the Australian Community Services Employers Association, Queensland Union of Employers for the year ended 31 December 2008. The report was lodged with the Registry on 1 June 2009.

Provision of a financial report prior to an organisation becoming registered

The Australian Community Services Employers Association, Queensland Union of Employers (ACSEU) have provided a copy of the annual report for the year ended 31 December 2008. Section 239 of Schedule 1 of the Workplace Relations Act 1996 (Schedule 1) provides:

"239 Part only applies to financial years starting after registration

This Part does not apply, in relation to an association that becomes registered as an organisation under this Schedule, in relation to any financial year before the first financial year of the organisation that begins after the date of registration."

The ACSEU was registered as an organisation under Schedule 1 on 16 February 2009. The first financial year that begins for the ACSEU for the purposes of Part 3 of Schedule 1 is the year 1 January 2010 to 31 December 2010. The financial report will be placed on an appropriate file.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Donnellan', with a long horizontal flourish extending to the right.

Kevin Donnellan
Statutory Services Branch
Principal Registry
Email: kevin.donnellan@airc.gov.au

28th May 2009

Australian Industrial Registry
Principal Registry
GPO Box 1994S
MELBOURNE VIC 3001

Dear Principal Registrar,

Attached is the Australian Community Services Employers Association Annual Report for 2008.

Yours sincerely,



Charles Hardy
Executive Officer



**Australian Community Services Employer's Association
Queensland Union of Employers
A.B.N 68 150 310 815**

Annual Report

For the Year Ended
31st December 2008

Presented at the
36th Annual General Meeting

ACSEA Office Address
"Rockton"
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Annual Report

For the Year ended 31st December 2008

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Registered Office: "Rockton"
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Bowen Hills Qld 4006

Telephone: (07) 3852 5177

Fax: (07) 3852 5188

Email: info@acsea.org

Registration: The Association is registered as an Industrial Union of Employers under the provisions of the Industrial Relations Act 1999.

Board of Management 2008

President	Kim Teague
Vice President	Deborah Ponting
Secretary	Allan Fazldeen
Treasurer	Jennifer O'Brien
Board Members	Barry Bicknell
	Laurie Moloney (Appointed 13.09.2008)
	Valerie Arnold (Resigned 23.06.2008)
	Carolyn Martin (Resigned 23.06.2008)

PRESIDENT'S REPORT

2008

Many of you may not be aware that the ACSEA has been operating for some 35 years as a membership based organisation. We, the Board, would very much like to thank you, our members, for your continuing and ongoing support.

As you are aware, the latter part of 2008 saw the world economic climate dramatically change. These changes have an impact on all of us.

In addition to the economic climate, ACSEA has seen other changes such as:

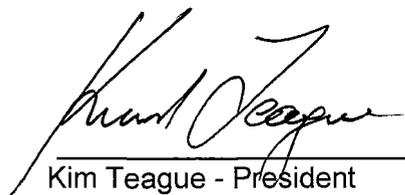
- Australia's largest childcare provider has disappeared, leaving the available skilled workforce in the Child Care Industry more flushed with choice than it has previously been.
- Early 2009 saw the ACSEA gaining its Queensland Federal Registration in the Australian Industrial Relations Commission. This was achieved after much hard work by Charles, Catherine, Susan, Rebecca and our external experts.

The 2009 year will create its own opportunities in this current economic climate and on behalf of the Board we would like to thank Charles and his team for the work they have provided during the last year.

Whilst the outlook in some industry sectors is not overly favourable, current trends indicate the ACSEA will be busier than ever, assisting our members with a range of matters. 2009 / 2010 will also see some of Australia's greatest changes in the Industrial Relations landscape (particularly with the Award Modernisation process) which will have an impact on every area of business that our members deal with.

The ACSEA believes that we provide an excellent service and great value for money and we look forward to helping our member organisations meet the different challenges that confront us going forward. Please visit our website to see what services we can offer and contact us if we can be of any further service to you.

Finally, can I, on behalf of the Board, sincerely thank the immediate past president, Ms Deborah Ponting for her hard work and dedication to ACSEA not only for the years of her presidency but for the many, many years she has served (and still serves) on the Board.



Kim Teague - President

Treasurer's Report 2008

The operating result for 2008 was a \$243,442 loss (2007: \$133,668 profit). These results include an unrealised gain of \$111,316 in 2007 and an unrealised loss of \$164,083 in 2008 on the value of investments held at year end. The results, adjusted for these unrealised investment values are as follows:

2008: \$79,359 loss

2007: \$22,352 profit

The 2008 adjusted loss is largely a result of the following:

- A 74% decline in investment income largely due to fewer sales in the second half of the year following the significant decline in the Australian stock market
- Lower than expected revenue from services to members
- Higher than expected set-up and running costs in relation to the new bookkeeping and payroll services being offered to members
- WHS expenses totaling \$20,502, the grant income for which was received in the 2007 year
- A 36% increase in legal and consulting fees due to our application for Federal Registration

Our cash position improved from \$263,726 at 31 December 2007 to \$349,450 at 31 December 2008. This was mainly due to increased membership fees received in advance, and a reallocation of funds previously invested in the stock market back into cash. \$100,000 was withdrawn early in 2009 to repay interest bearing debt, with the aim of reducing finance costs in 2009. The debt has a redraw facility in place which may be called upon in the 2009 year.

Looking forward

The 2009 budget shows a forecast profit of \$10,500. This is expected to be achieved by controlling expenditure, namely reducing the payroll and bookkeeping service costs and the legal and consulting fees. Careful monitoring of expenditure and continued investigation into new ways of generating revenues to meet the needs of members will be required to ensure that ACSEA meets this forecast profit.

In closing, I thank Charles Hardy and his staff for their continued efforts in managing the finances of ACSEA.



Jennifer O'Brien
Treasurer

Income Statement

For the Year Ended 31 December 2008

	Note	2008 \$	2007 \$
Revenues			
Member fees		429,965	372,835
Interest & investment income	2	19,169	74,381
Training services		2,164	1,962
Services rendered income		47,919	18,579
Manuals & awards sales income		28,787	27,337
Unrealised gain on financial assets held for trading		-	111,316
Grant income		76,100	120,300
Other income		462	12,119
Total Revenue		<u>604,566</u>	<u>738,829</u>
Expenses			
Auditor's remuneration – audit services		13,720	11,380
Payroll and Bookkeeping Service costs		35,799	-
Finance costs		22,040	19,228
Brokerage & stamp duty – shares		7,657	20,879
Depreciation expense		25,846	25,675
Employee benefit expenses		292,904	253,198
Insurance expense		8,092	6,969
Operating lease expenses		8,443	6,312
Occupancy costs		14,678	13,328
WHS Project costs		66,220	62,786
Legal and consulting fees		76,782	56,320
Membership & subscriptions		27,716	29,508
Other expenses		21,964	35,462
Unrealised loss on financial assets held for trading		164,083	-
Postage, printing, stationery & office supplies		62,064	64,116
Total Expenses		<u>848,008</u>	<u>605,161</u>
Net profit / (loss) before income tax		(243,442)	133,668
Income tax expense		-	-
Net profit / (loss) after income tax		<u>(243,442)</u>	<u>133,668</u>

The accompanying notes form part of this financial report.

Balance Sheet

As at 31 December 2008

	Note	2008 \$	2007 \$
Assets			
Current Assets			
Cash and cash equivalents	3	349,450	263,726
Trade and other receivables	4	160,267	153,583
Financial assets	5	178,635	459,088
Other current assets	6	13,302	11,302
Total Current Assets		<u>701,654</u>	<u>887,699</u>
Non-Current Assets			
Property, plant and equipment	7	368,594	379,565
Total Non-Current Assets		<u>368,594</u>	<u>379,965</u>
Total Assets		<u>1,070,248</u>	<u>1,265,264</u>
Current Liabilities			
Trade and other payables	8	73,292	65,635
Short term borrowings	9	11,167	9,678
Short term provisions	10	18,629	11,047
Other current liabilities	11	473,712	433,604
Total Current Liabilities		<u>576,800</u>	<u>519,964</u>
Non-Current Liabilities			
Long term borrowings	9	208,859	219,483
Long term provisions	10	12,399	10,185
Total Non-Current Liabilities		<u>221,258</u>	<u>229,668</u>
Total Liabilities		<u>798,058</u>	<u>749,632</u>
NET ASSETS		<u>272,190</u>	<u>515,632</u>
EQUITY			
Retained profits		272,190	515,632
TOTAL EQUITY		<u>272,190</u>	<u>515,632</u>

The accompanying notes form part of this financial report.

Statement of Changes in Equity

For the Year Ended 31 December 2008

	Retained Profits \$	Total \$
31 December 2007		
BALANCE AT 1 JANUARY 2007	381,964	381,964
Profit/ (Loss) for the year	133,668	133,668
BALANCE AT 31 DECEMBER 2007	<u>515,632</u>	<u>515,632</u>
 31 December 2008		
BALANCE AT 1 JANUARY 2008	515,632	515,632
Profit/ (Loss) for the year	<u>(243,442)</u>	<u>(243,442)</u>
BALANCE AT 31 DECEMBER 2008	<u>272,190</u>	<u>272,190</u>

The accompanying notes form part of this financial report.

Cash Flow Statement

For the Year Ended 31 December 2008

	Note	2008 \$ Inflows (Outflows)	2007 \$ Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		683,056	694,370
Dividends received		9,374	8,651
Interest received		4,187	2,302
Payment to suppliers and employees		(654,283)	(668,601)
Finance costs paid		(22,040)	(19,228)
GST recovered/ (paid)		<u>(32,371)</u>	<u>(25,214)</u>
<i>Net cash provided/ (used) in operating activities</i>	20	<u>(12,077)</u>	<u>(7,720)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of plant & equipment		(15,105)	(20,977)
Proceeds from sales of plant & equipment		63	45
Purchase of investments		(331,359)	(1,111,528)
Redemption of investments		<u>453,332</u>	<u>1,098,637</u>
<i>Net cash provided/ (used) in investing activities</i>		<u>106,931</u>	<u>(33,823)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		<u>(9,130)</u>	<u>(9,822)</u>
<i>Net cash provided/ (used) in financing activities</i>		<u>(9,130)</u>	<u>(9,822)</u>
Net increase/ (decrease) in cash held		85,724	(51,365)
Cash at the beginning of the financial year		<u>263,726</u>	<u>315,091</u>
Cash held at the end of the financial year	3	<u><u>349,450</u></u>	<u><u>263,726</u></u>

The accompanying notes form part of this financial report.

Notes to Financial Statements

For the Year Ended 31 December 2008

NOTE 1: Statement of Significant Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Industrial Relations Act 1999. The financial report covers Australian Community Services Employer's Association Queensland Union of Employers as an individual entity. The Australian Community Services Employer's Association Queensland Union of Employers is an association incorporated in Queensland, Australia under the Queensland Industrial Relations Act 1999. The association is also registered under the Workplace Relations Act 1996 Federally (in the State of Queensland).

The financial report complies with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety.

The financial report was authorised for issue by Jennifer O'Brien on the 13th May 2009

Basis of Preparation

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

a. Property, Furniture and Equipment

Each class of property, furniture and equipment is carried at cost, less any accumulated depreciation and impairment losses where applicable.

Furniture and Equipment

Furniture and equipment are measured on the cost basis, less depreciation and impairment.

The carrying amount of furniture and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the year in which they are incurred.

Depreciation

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

The depreciation rates used for each class of depreciable assets are:

Class of Assets	Depreciation Rate
Strata Title Office	2.5%
Furniture, Fittings and Equipment	10-25%
Computer Equipment	25%

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

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes to Financial Statements

For the Year Ended 31 December 2008

NOTE 1: Statement of Significant Accounting Policies (Continued)

b. Property, Furniture and Equipment (continued)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

c. Employee Entitlements

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages, salaries and annual leave which will be settled after one year, have been measured at their nominal amount.

Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

d. Cash and Cash Equivalents

For the purposes of the Cash Flow Statement cash comprises cash and cash equivalents which includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

e. Revenue

Membership Revenue

The Association recognises membership revenue on an accruals basis. Members who do not renew their registration are removed from the association's register.

Interest Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial asset.

Dividend Revenue

Dividend revenue is recognised when the Association has established that it has a right to receive a dividend.

Service Revenue

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of GST.

f. Trade & Other Receivables

Sales made on credit and members fees in arrears are included in "Trade Debtors" and are recorded at the balance due less any provision for impairment for amounts estimated to be un-collectable. Trade debtor amounts are due within 30 days of invoice.

The organisation by its nature and location has a concentration of credit risk in that all of its trade debtors are due from customers in Queensland who operate in the education and child care industry.

g. Trade & Other Payables

A liability is recorded for goods and services received prior to balance date, whether invoiced to the Association or not. Sundry creditors are normally settled within 30 days.

Notes to Financial Statements

For the Year Ended 31 December 2008

NOTE 1: Statement of Significant Accounting Policies (Continued)

h. Impairment of Assets

At each reporting date, the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

i. Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which include transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loan and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Association assesses whether there is objective that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

j. Goods and Services Tax (GST)

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 Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

k. Finance Costs

All finance costs are recognised in the income statement in the period in which they are incurred.

Notes to Financial Statements

For the Year Ended 31 December 2008

l. Income Tax

The Association is incorporated under the Industrial Relations Act 1999 and such as such is exempt from Income Tax under section 50-15 of the Income Tax Assessment Act 1997.

m. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

n. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

o. Critical Accounting Estimates and Judgments

The board evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group. There were no key adjustments during the year which required accounting estimates or judgments.

p. Change in Accounting Policy

Certain new accounting standards and interpretations have been published with some mandatory disclosures for reporting periods beginning 1 January 2007. The Association's assessment of the impact of these new standards and interpretations is set out below:

- (i) "AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023, AASB 1038]. AASB 2007-3 is applicable to annual reporting periods beginning on or after 1 January 2009. The association has not adopted the standard early. AASB 2007-3 consequentially amends a number of standards arising from the issue of AASB 8. These amendments result from the change of name to AASB 8. AASB 8 is a disclosure standard and will therefore have no impacts on the reported position and performance."
- (ii) AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101. AASB 2007-8 is applicable to annual reporting periods beginning on or after 1 January 2009. The entity has not adopted the standard early. AASB 2007-8 consequentially amends a number of standards arising from the revision of AASB 101. This amending Standard also changes the term 'general purpose financial report' to 'general purpose financial statements' and the term 'financial report' to 'financial statements' in application paragraphs, where relevant, of Australian Accounting Standards (including interpretations) to better align with IFRS terminology. Revised AASB 101 introduces as a financial statement (formerly 'primary statement') the "statement of comprehensive income". The revised standard does not change the recognition, measurement or disclosure of transactions and events that are required by AASBs. The association has not yet determined the potential effect of the revised standard on the disclosures in the financial report.
- (iii) Revised AASB 123 Borrowing costs are applicable to annual reporting periods beginning on or after 1 January 2009. The revised statement removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset. The revised standard is not expected to have any impact on the associations' financial report.

The above amendments are not expected to have any impact on the Association's financial report.

Notes to Financial Statements

For the Year Ended 31 December 2008

	2008 \$	2007 \$
NOTE 2: Interest and investment income		
Interest	4,187	2,302
Dividends	9,374	8,651
Net gain on disposal of investments	5,608	63,428
	19,169	74,381
 NOTE 3: Cash and cash equivalents		
Cash at bank	349,300	263,576
Cash on hand	150	150
	349,450	263,726
 Reconciliation of cash		
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	349,450	263,726
Bank overdrafts	-	-
	349,450	263,726
 NOTE 4: Trade and other receivables		
Trade debtors	160,267	153,583
 NOTE 5: Financial assets		
Financial assets held for trading		
- Shares in listed companies at market value	178,635	459,088
 NOTE 6: Other current assets		
Prepayments	1,313	1,352
Sundry receivables	11,989	9,950
	13,302	11,302

Notes to Financial Statements

For the Year Ended 31 December 2008

	2008 \$	2007 \$
NOTE 7: Property, plant and equipment		
Strata title office (at cost)	387,139	387,207
Less accumulated depreciation	(55,716)	(44,502)
	331,423	342,705
Furniture and equipment (at cost)	48,705	41,509
Less accumulated depreciation	(26,542)	(20,294)
	22,163	21,215
Computer equipment (at cost)	42,148	34,572
Less accumulated depreciation	(27,140)	(18,927)
	15,008	15,645
Total property plant and equipment	368,594	379,565

Movements in carrying amounts

	Opening Balance	Additions	Disposals at Written down Value	Depreciation	Closing Balance
	\$	\$	\$	\$	\$
Strata title office	342,705	-	-	(11,282)	331,423
Furniture and equipment	21,215	7,511	(230)	(6,333)	22,163
Computer equipment	15,645	7,594	-	(8,231)	15,008
	379,565	15,105	(230)	(25,846)	368,594

Note 8: Trade and other payables

Trade Creditors	73,292	65,635
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Notes to Financial Statements

For the Year Ended 31 December 2008

	2008 \$	2007 \$
Note 9: Borrowings - secured		
Current		
Bank loan	<u>11,167</u>	<u>9,678</u>
Non-current		
Bank Loan	<u>208,859</u>	<u>219,483</u>

As at 31 December 2008 the facility is fully utilised. Under the terms of the loan repayments of \$2607.86 are made monthly, representing principal and interest. Interest is calculated on a variable rate which is currently 8.5%. The loan is expected to be repaid in January 2021.

The Facility is secured by:

- Registered Mortgage over Unit 11 39 and Unit 12 37 Jeays Street, Bowen Hills.
- Standard Goods and other Property Mortgage over all present and future assets given by the Association.

Note 10: Provisions

Current		
Employee entitlements	<u>18,629</u>	<u>11,047</u>
Non-current		
Employee entitlements	<u>12,399</u>	<u>10,185</u>

Note 11: Other current liabilities

Membership fees billed in advance	<u>473,712</u>	<u>433,604</u>
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Note 12: Related party disclosures

a. Related party transactions

Mr B. Bicknell is a Director of Wilson HTM (Stockbrokers) which was engaged in investing activities for the Association. The total of the brokerage fees for the year ended 31 December 2008 amounted to \$7,657 (2007: \$20,879). All transactions were carried on normal commercial terms and conditions.

Mr K Teague is principal of Bain Gasteen Lawyers who act on behalf of the association. Total fees invoiced in respect of 2008 were \$568 (2007:\$2,305).

Mr L Maloney is associated with Livingstones Australia who act on behalf of the association. Total fees invoiced in respect of 2008 were \$59,102 (2007:\$Nil).

b. Board Members

The following members held office during the financial year:

Mrs D. Ponting	Mrs V. Arnold (Resigned 23.6.08)
Mr A. Fazldeen	Mr B. Bicknell
Mrs C. Martin (Resigned 23.6.08)	Mrs J O'Brien
Mr K Teague	Mr Laurie Maloney (Appointed 13.9.08)

No Board Member directly or indirectly received or is due to receive remuneration from the organisation or any related party in connection with the management of the Association.

Notes to Financial Statements For the Year Ended 31 December 2008

	2008	2007
Note 14: Membership	No	No
Number of Members at 31 December	749	870
Note 15: Capital and leasing commitments	2008	2007
a. Operating lease commitments	\$	\$
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable – minimum lease payments		
- not later than 12 months	9,184	4,634
- between 12 months and 5 years	22,417	9,487
	31,601	14,121

The operating leases are for office related equipment including a photocopier, telephone system and printer with lease terms ranging from 3 to 5 years.

Note 16: Contingent liabilities and contingent assets

There are no contingent assets or contingent liabilities at the date of this report.

Note 17: Events after the balance sheet date

No events have occurred subsequent to balance date that require disclosure in this financial report.

Note 18: Auditors' remuneration

Amounts paid to auditors for:

- audit of financial report	13,500	12,500
- other services	940	895
	14,440	13,395

Note 19: Segment reporting

The Association operates predominantly in one business segment providing services to its members in areas including;

- Industrial Relations;
- Human Resources;
- Workplace Health and Safety;
- Bookkeeping and Payroll services and;
- Management and Restructuring services.

These services are provided to the community based sector in Queensland.

Notes to Financial Statements

For the Year Ended 31 December 2008

	2008 \$	2007 \$
Note 20: Notes to the cash flow statement		
a. Reconciliation of net cash from operating activities		
to net profit/ (loss) after income tax		
Net Profit/ (Loss) after income tax	(243,442)	133,668
<i>Non-cash flows in profit</i>		
Loss on disposal of plant & equipment	167	(13)
Depreciation	25,846	25,675
Gain on sale of investments	(5,608)	(63,428)
Movements in provision for bad debts	-	(23,355)
Unrealised (gain)/loss on financial assets held for trading	164,083	(111,316)
<i>Changes in assets and liabilities:</i>		
Trade debtors	(6,683)	(9,886)
Other current assets	(3,536)	(8,351)
Trade and other payables	44,606	37,200
Provisions	9,795	3,010
GST clearing	2,695	9,076
Net Cash provided/ (used) in operating activities	(12,077)	(7,720)

NOTE 21: Financial risk management

(a) Financial risk management

The Association's financial instruments consist mainly of deposits with banks, accounts receivable and payable, external borrowings and shares in companies listed on the Australian Stock Exchange.

The Association does not have any derivative instruments at 31 December 2008.

Significant accounting policies

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis for measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

Financial risk management

The main risks the Association is exposed to through its financial assets and liabilities are interest rate risk, liquidity risk and credit risk. The Association's risk management program focuses on the unpredictability of the financial markets and seeks to minimise the potential adverse effects of the financial performance of the Association, by way of various measures detailed below. There have been no changes in the Financial Risk Management Strategies from 2007.

Notes to Financial Statements

For the Year Ended 31 December 2008

NOTE 21: Financial risk management

(a) Financial risk management (continued)

The Board of the Association analyses interest rate exposure and evaluates treasury management strategies in the context of the most recent economic conditions and forecasts.

Risk management is carried out by the board and key management personnel.

(i) Market risk

Interest rate risk

The Association is exposed to interest rate risk through its variable rate borrowings and through its cash and cash equivalents.

Cash flow sensitivity analysis for variable rate instruments

The Board of the Association have considered the impact of the disclosure requirements of AASB 7 "Financial Instruments Disclosures", most specifically paragraphs 40 – 41 and does not consider that these disclosures are necessary given the impact of any variations in the interest rates and the required disclosure thereof is not considered material.

Price Risk

The Association is not exposed to any material commodity price risk.

Foreign Currency Risk

The Association does not have any exposures to foreign currencies at the reporting date.

(ii) Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Association. The Association does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Association's maximum exposure to credit risk without taking account of the value of any collateral obtained.

The ageing of the company's trade and other receivables at the reporting date was:

	31 December 2008		31 December 2007	
	Gross \$	Impairment \$	Gross \$	Impairment \$
Not past due – current	14,643	-	25,552	-
Past due 0-30 Days (30 Day ageing)	440	-	2,359	-
Past due 31-60 Days (60 Day ageing)	144,854	-	125,092	-
Past due more than 60 days (+90 day aging)	330	-	580	-
	160,267	-	153,583	-

The balance of the past due receivables at 31 December is not impaired because it is expected that these amounts will be received in full in the normal course of business.

Notes to Financial Statements

For the Year Ended 31 December 2008

(iii) Liquidity Risk

The Association manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities and ensuring that adequate funds are maintained.

Trade payables are short-term in nature.

The Association is not exposed to any significant liquidity risk.

The table below analyses the Association's trade and other payables and borrowings into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash-flows.

As at 31 December 2008

	Carrying Amount	Contractual Cashflows	<1 year	1 – 5 Years
	\$	\$	\$	\$
Payables	73,292	73,292	73,292	-
Borrowings	220,026	352,832	29,199	323,633
	293,318	426,124	102,491	323,633

As at 31 December 2007

	Carrying Amount	Contractual Cashflows	<1 year	1 – 5 Years
	\$	\$	\$	\$
Payables	65,635	65,635	65,635	-
Borrowings	229,161	389,853	29,798	360,055
	294,796	455,488	95,433	360,055

Notes to Financial Statements

For the Year Ended 31 December 2008

(a) **Financial risk management (continued)**

(iv) Interest Rate Risk

The Associations 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 financial liabilities, is as follows:

As at 31 December 2008

	Weighted Average Interest rate	Fixed interest rate	Floating interest rate			Non Interest Bearing	Total
			0 - 1 Year	1 - 5 Years	> 5 Years		
	%	\$	\$	\$	\$	\$	
Financial Assets							
Cash and cash equivalents	1.9	123,554	225,746	-	-	150	349,450
Receivables	-	-	-	-	-	160,267	160,267
Listed Shares	-	-	-	-	-	178,635	178,635
Total financial assets		123,554	225,746	-	-	339,052	668,352
Financial Liabilities							
Payables	-	-	-	-	-	73,292	73,292
Borrowings	8.5	-	10,060	54,307	155,659	-	220,026
Total financial liabilities		-	10,060	54,307	155,659	73,292	293,318

As at 31 December 2007

	Weighted Average Interest rate	Fixed interest rate	Floating interest rate			Non Interest Bearing	Total
			0 - 1 Year	1 - 5 Years	> 5 Years		
	%	\$	\$	\$	\$	\$	
Financial Assets							
Cash and cash equivalents	2.29	-	263,576	-	-	150	263,726
Receivables	-	-	-	-	-	153,583	153,583
Listed Shares	-	-	-	-	-	459,088	459,088
Total financial assets		-	263,576	-	-	612,821	876,397
Financial Liabilities							
Payables	-	-	-	-	-	65,635	65,635
Borrowings	8.95	-	9,678	63,737	155,746	-	229,161
Total financial liabilities		-	9,678	63,737	155,746	65,635	294,796

Notes to Financial Statements

For the Year Ended 31 December 2008

(b) Net Fair Values

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

(c) Capital risk management

The Association manages its capital to ensure that it will be able to continue as a going concern and maximise the return to the Association to enable it to provide its ongoing services to its members. The maximisation of the return is achieved through the optimisation of its financial assets, debt and equity.

The capital structure consists of debt, cash and cash equivalents, investments in companies listed on the Australian Stock Exchange and retained earnings. The association's board reviews the composition of the capital structure on a regular basis to ensure that an optimal return is generated.

This strategy remains unchanged from 31 December 2007.

Note 22: Association Details

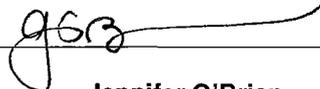
The registered office and principal place of business of the Association is:

Australian Community Services Employers Association Qld
Union of Employers
"Rockton"
Suite 11/39 Jeays Street
Bowen Hills Qld 4006

Certificate of Accounting Officer

I, the undersigned, being the Officer responsible for keeping the accounting records of the above-named Union hereby certify that as at 31 December 2008 the number of members of the Association was 749 and that in my opinion.

1. The accounts show a true and fair view of the financial affairs of the Australian Community Services Employer's Association as at the end of the financial year; and
2. A record has been kept of all moneys paid by, or collected from, members of the industrial organisation and all moneys so paid or collected have been credited to the bank accounts to which those moneys are to be credited, in accordance with the rules of the Australian Community Services Employers Association;
3. Before any expenditure was incurred by the Australian Community Services Employers Association of Employers, approval of the incurring of the expenditure was obtained in accordance with the rules of the Australian Community Services Employers Association; and
4. No payment was made from a special account for a purpose other than the purpose for which the account was operated and, if any such payment was so made, it was approved under the rules of the Australian Community Services Employers Association; and
5. All loans or other financial benefits granted to persons holding office or employees in the Australian Community Services Employers Association were allowed under the rules of the industrial organisation;
6. The register of members of the Australian Community Services Employers Association, Union of Employers was kept under the Act.

Signed at Brisbane this 13th Day of May 2009 

Jennifer O'Brien
Treasurer

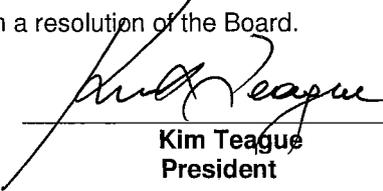
Statement by Board of Management

We the undersigned, being two members of the Board of the above named Association do state on behalf of the Board and in accordance with a resolution of the Board, that in our opinion,

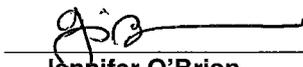
- (a) The accompanying financial statements are drawn up so as to give a true and fair view of the state of its result and cash flows for the financial year ended on that date;
- (b) The Accounts were prepared under the Act, and the Association was solvent during the whole of the year,
- (c) During the year, meetings of the Board were held in accordance with the rules of the Association.
- (d) During the year, there have been no instances where records of the Association or other documents (not being documents containing information made available to a member of the Association under Section 201 of the Industrial Organisation Act), or copies of those records or other documents, or copies of the rules of the Association, have not been furnished, or made available, to members of the Association in accordance with the Industrial Regulations and rules of the Association as the case may be; and
- (e) A copy of the financial statements of the Association for the year ended 31 December 2008, and the auditors' report thereon was provided free of charge to members and presented to an annual general meeting of members of the Association within the time required by section 209 of the Industrial Organisation Act.
- (f) In the Boards opinion there is reasonable grounds to believe the Association will be able to pay its debts when they become due and payable.

This statement is made and signed in accordance with a resolution of the Board.

Signed at Brisbane this 13th day of May 2009



Kim Teague
President



Jennifer O'Brien
Treasurer

Information to be Provided to Members

The accounts have been prepared under Part 12 of the Industrial Relations Act 1999:

1. Application may be made to the Association by a member of the Association or by the Industrial Registrar at the request of a member of the Association for such prescribed information in relation to the Association as is specified in the application in such manner and within such time as is prescribed.
2. On application under (1) above, the Association is to make available to the applicant such prescribed information as is specified in the application in such manner and within such time as is prescribed.
3. If the Industrial Registrar is an applicant, the Registrar is to provide to the member at whose requests the application was made all information made available to the Registrar pursuant to the application.

AUSTRALIAN COMMUNITY SERVICES EMPLOYMENT ASSOCIATION

To the members of the Australian Community Services Employers Association Queensland Union of Employers

Report on the Financial Report

We have audited the accompanying financial report of Australian Community Services Employers Association Queensland Union of Employees, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and statement by Board of Management.

Board Members Responsibility for the Financial Report

The Board Members are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility 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. In Note 1, the Board Members also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 the directors, as well as evaluating the overall presentation of the financial report.

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 Australian professional ethical pronouncements.

Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects:

- (a) The financial position of Australian Community Services Employment Association Queensland Union of Employers as of 31 December 2008, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).
- (b) The Financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on Other Legal and Regulatory Requirements

In our opinion, Australian Community Services Employers Association Queensland Union of Employers:

- (a) Maintained satisfactory accounting records for the financial year, including records of the sources and nature of the organisation's income (including income from members), and records of the nature and reasons of the expenditure; and
- (b) The accounts for the year were properly drawn to give a true and fair view of the organisations financial affairs at the end of the year and income and expenditure and surplus or deficit for the year; and
- (c) The accounts for the year were prepared under the Australian Accounting Standards given effect by regulation under Section 200 and this Act; and
- (d) Information and explanations required from the organisations officers or employers were given; and
- (e) The organisations accounting records were prepared in a way that readily enabled the auditor to identify a contravention of section 227.

WHK Horwath

WHK HORWATH

Vanessa De Waal

**VANESSA DE WAAL
PRINCIPAL**

Dated this 20 day of May 2009