



12 December 2022

Jeffrey Lapidos  
Branch Secretary  
Australian Municipal, Administrative, Clerical and Services Union-Taxation Officers Branch

Sent via email: [jeff.lapidos@asutax.asn.au](mailto:jeff.lapidos@asutax.asn.au)  
CC: [DBlack@nmmaccountants.com.au](mailto:DBlack@nmmaccountants.com.au)

Dear Jeffrey Lapidos,

**Australian Municipal, Administrative, Clerical and Services Union-Taxation Officers Branch  
Financial Report for the year ended 30 June 2022 – (FR2022/45)**

I acknowledge receipt of the financial report for the year ended 30 June 2022 for the Australian Municipal, Administrative, Clerical and Services Union-Taxation Officers Branch (**the reporting unit**). The financial report was lodged with the Registered Organisations Commission (**ROC**) on 5 December 2022.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these concerns have been addressed prior to filing next year's report.

Nil activity disclosures

Item 21 of the RGs states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The notes contained nil activity information for all prescribed reporting guideline categories except the following:

- Item 19 - have another entity administer the financial affairs of the reporting unit

Please ensure in future years that the above-mentioned item is disclosed in either the financial statements, the notes or in the officer's declaration statement as per the RGs.

**Reporting Requirements**

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me (03) 9603 0988 or by email at [Madeleine.Hurrell@roc.gov.au](mailto:Madeleine.Hurrell@roc.gov.au).

Yours sincerely

*Madeleine Hurrell*

**Madeleine Hurrell**  
**Financial Reporting Officer**  
**Registered Organisations Commission**

**Australian Municipal, Administrative, Clerical & Services Union**  
**Taxation Officers' Branch**

s.268 Fair Work (Registered Organisations) Act 2009

# Certificate by prescribed designated officer<sup>1</sup>

Certificate for the year ended 30 June 2022

I Jeffrey Lapidos being the Branch Secretary of the Australian Municipal, Administrative, Clerical & Services Union Taxation Officers' Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Municipal, Administrative, Clerical & Services Union Taxation Officers' Branch for the period ended 30 June 2022 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on Monday, 28 November 2022; and
- that the full report was presented to a meeting of the committee of management<sup>2</sup> of the reporting unit on Wednesday, 30 November 2022 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



Signature of prescribed designated officer: ...

Name of prescribed designated officer: Jeffrey Lapidos.....

Title of prescribed designated officer: Branch Secretary.....

Dated: 5 December 2022.....

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<sup>1</sup> Regulation 162 of the Fair Work (Registered Organisations) Regulations 2009 defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:

- (a) the secretary; or
- (b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>2</sup> Adjust certificate as appropriate to reflect the facts.

**Australian Municipal Administrative Clerical & Services Union  
Taxation Officers' Branch**

ABN: 99 019 144 646

Financial Statements

For the year ended 30 June 2022

**Australian Municipal Administrative Clerical & Services Union Taxation  
Officers' Branch**

**ABN: 99 019 144 646**

**Financial Statements for the year ended 30 June 2022**

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**Australian Municipal Administrative Clerical & Services Union Taxation  
Officers' Branch**

**ABN: 99 019 144 646**

Report required under subsection 255(2A)

for the year ended 30 June 2022

The committee of management presents the expenditure report<sup>1</sup> as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2022.

Descriptive form

Categories of expenditures	2022 (\$)	2021 (\$)
Remuneration and other employment-related costs and expenses – employees	249,889	232,864
Advertising	-	-
Operating costs	74,945	81,525
Donations to political parties	-	-
Legal costs	628,390	76,928



Signature of designated officer:

Name and title of designated officer: Jeffrey Lavidos

Dated: 16 November 2022

**Australian Municipal Administrative Clerical & Services Union Taxation  
Officers' Branch**

**ABN: 99 019 144 646**

Operating Report

for the year ended 30 June 2022

The Committee of Management presents the operating report of the Australian Services Union Taxation Officers' Branch for the financial year ended 30 June 2022.

**Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year**

The principal activity of the Australian Services Union Taxation Officers' Branch during the 2021-22 financial year was that of a registered trade union. All employees of the Australian Taxation Office are eligible to be members. No significant change occurred in the nature of our activities during the year.

**The results of our activities over the year**

**Deficit for the year**

We made a loss of \$515,821 for the year, principally because of incurring legal and related fees of \$628,389 (after GST) which were directly connected to us running a case in the Federal Court of Australia against the ATO. Our finances are now recovering. We are able to pay our debts as they fall due. No provision for tax was necessary as the organisation is exempt from income tax.

**ASU membership fees:**

We do our best to keep our fees as low as possible to make them affordable. We consulted with our members prior to the end of the financial year and obtained their approval to increase our membership fees by between \$1.75 and \$2.20 per fortnight for members who work full time. This was a significant increase. It was necessary to offset the high cost of our Federal Court case.

**ASU Tax Litigation Fund**

The ASU Tax Litigation Fund was established to assist us in any litigation we may need to undertake to further the interests of our members. We very much appreciate the contributions our members made to the Fund. Contributions to the Fund by tax officers are tax deductible. The Fund contributed \$50,000 to the cost of running our case against the ATO in the Federal Court. A summary of the Fund's position is presented below.

Opening balance at 1 July 2021	\$39,533
Interest	178
Contributions	<u>14,625</u>
Sub-total	54,336
Legal fees paid	<u>50,000</u>
Closing balance at 30 June 2022	\$ 4,321

We paid the GST on the contributions to the ASU Litigation Fund from our General Fund.

# **Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch**

**ABN: 99 019 144 646**

## **We worked at helping ASU members every day**

We assisted our members every day with their personal enquiries and issues. We assisted members with health issues which require reasonable adjustment or a workers compensation claim. We advised how to prepare for a health assessment under the *Public Service Act 1999* or the *Safety Rehabilitation and Compensation Act 1988*.

We assisted members get the leave they need, we advised and represented members on performance and under-performance issues, we gave career advice, and engaged in consultation with the ATO in its national and group forums. We also participated in the forums of the national ASU, complied with our statutory obligations and engaged with the media in relation to matters affecting the ATO. We have set out below highlights of our work during 2021-22.

## **We sued the ATO for non-compliance with the ATO Enterprise Agreement**

The single biggest issue for our Union during the year was our case in the Federal Court against the Commonwealth, the ATO, Chief Operating Officer Jacqui Curtis, Deputy Commissioners Brad Chapman and Jeremy Geale and Assistant Commissioner Jeremy Moore for failing to comply with the ATO Enterprise Agreement 2017. The ATO objected that our case was hypothetical, so we had to call evidence from several ATO employees to disprove this. We thank each of them for assisting us in this way. The ATO chose not to cross examine their evidence, so their affidavits were accepted without challenge. Unfortunately, the need for these witnesses increased our legal costs, as did the ATO's challenge that it had no case to answer. The court heard evidence in March 2022, then took written final submissions and verbal submissions in June. The Court dismissed our case in October 2022. We are very disappointed with the outcome.

## **Impact of the COVID-19 pandemic**

We continued to closely follow the ATO's response to the pandemic and regularly raised concerns with senior management about their approach. We advised members regularly about the impact of the ATO's approach and how to best manage it.

## **Vulnerable to serious illness from COVID**

The ASU has maintained a particular concern for our members who are vulnerable to serious illness if they contract COVID. We made submissions to the ATO Executive in November 2021 about the need for exemptions from the ATO policy that its staff work at least 3 days each week on average at their site office. We said these should be in compassionate and extenuating circumstances; and that those who are vulnerable to serious illness if they contract COVID should be allowed to work at home for 100% of their working hours. The response from the ATO Executive allowed an exemption for extenuating circumstances and recognised the need for reasonable adjustment. However, we have found that the ATO is pushing hard to limit access to the extenuating circumstances exemption. So, it is being difficult in response to applications for reasonable adjustment if this means the employee needs to work at home for all their working hours. Despite this, the ASU been getting our members in this situation the support they need from the ATO, however this continues to take a lot of our time and effort.

## **Not able to work at home**

A member was caught up by the NSW stay at home orders in the Fairfield-Liverpool-Bankstown local government area in July 2021. His home was not suitable for him to be able to work at home and the orders prevented him from leaving his local government area to work at his site. So, the ASU successfully made submissions to the ATO for him to be provided miscellaneous leave with pay until Government orders changed sufficiently for him to again attend at his office.



# **Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch**

**ABN: 99 019 144 646**

## **No access to systems on a Saturday**

CAS employees at the Box Hill office reported for Saturday overtime duty at 8am, but could not log on. Managers and IT were informed. Staff were instructed to remain available. Systems access was restored at 1.15. Staff continued to work until 5pm. Managers instructed affected staff on the following Monday to apply for overtime from 45 minutes before their start time to make up for the 45 minutes they spent trying to log on. ASU members contacted the ASU advice. We said they were entitled to overtime from 8am to 5pm because they had remained available to work for the whole time. We wrote to the deputy commissioner about the situation. The ATO agreed with the ASU's view and paid overtime accordingly.

## **Presentations to new ATO employees**

We gave presentations to new ATO employees throughout the year about the benefits of joining the ASU and outlined the importance of getting through their probation.

## **How long should the ATO retain records about you?**

A member found that she was not selected for a promotion because she had been formally counselled three years earlier. The *Archives Act 1983* specifies these records should be kept for a minimum of two years. The Australian Public Service Commission said in 2017 that Agencies need to establish policies about how long different employee records should be kept. It also said that timeframes for retaining records need to be fair and reasonable. The ATO had done nothing on this issue in response. So we wrote to the ATO People deputy commissioner about our concern. He advised that the ATO could make some improvements in this area and the ATO would advise us of the changes it proposed to make. The response was unsatisfactory. It meant this type of information would remain available to the delegate indefinitely. We will continue to press this issue, including in our claims for the next ATO Enterprise Agreement.

## **Alcohol and drug policy**

The ATO refused to accept our submission to support its staff who recognise they have a problem with alcohol and/or drugs. We said the ATO should create a safe space for employees to come forward so they can get support dealing with any addiction they may have, without risking misconduct action. The ATO refused. The ATO says it has a zero tolerance approach to illicit drug and inappropriate alcohol use. Managers are expected to monitor their staff and keep notes of any conduct they suspect may constitute evidence of illicit drug or inappropriate alcohol use. The ATO can do much better.

## **Supporting our HSRs' COVID response**

The ASU believes in supporting our members who are health and safety representatives (HSRs). We put our principles into practice in helping four of our HSRs prepare provisional improvement notices (PINs) in March 2022 in response to how the ATO administered returning its employees to work at their sites instead of at home. A Comcare Inspector found one PIN was not valid because the HSR's term of office had expired on the day before he issued his PIN. Two decided to withdraw their PIN after the ATO issued new guidelines on working at home, which seemed to make sufficient provision for employees to work at home for 100% of their working hours if they are vulnerable to serious illness if they contract COVID. The fourth HSR maintained her PIN in place, so she could check whether the ATO's actions matched their words. The ASU assisted her make a submission to the Comcare Inspector who was appointed to review her PIN. When the Inspector cancelled her PIN, we assisted her apply for an internal review by Comcare. When that review supported the decision to cancel her PIN, we assisted apply for an External Review by the Fair Work Commission (FWC) under the *Work Health and Safety Act 2011*. The FWC process continues in 2022-23.

# Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch

ABN: 99 019 144 646

## Alleged under-performance

The ASU has found that ATO People is not providing appropriate advice to managers on how to respond to concerns that staff are not performing in accord with their expectations. The ASU escalated our concerns each time we found the ATO is not treating these situations appropriately. We escalated one member's situation to her deputy commissioner. She was transferred at level shortly after we explained how the ATO had not complied with the ATO Enterprise Agreement. We referred another situation to the Fair Work Commission, which is still dealing with the situation. The ASU intends ensuring the next ATO Enterprise Agreement more clearly spells out how these situations are meant to be resolved.

## Salary increases for ATO employees

The ASU worked with the ATO for it to deliver a determination in 2019 under the *Public Service Act 1999* to deliver three salary increases, each of 2%, for all employees below the SES classification level. The second increase was delivered on 4 August 2021. The last in August 2022.

## ASU Career Launchpad

We continued to offer our members access to professional development webinars, both live and recorded, through the ASU Career Launchpad facility. You need to apply to participate by emailing [asutax@asutax.asn.au](mailto:asutax@asutax.asn.au). We issue reminders about new courses from time to time.

## Remuneration Statement

All members of the ASU Tax Executive are honorary, other than the Branch Secretary. Our Industrial Officer, which is a paid position, is also our Branch Assistant Secretary. We provide the Branch President with a mobile phone and laptop computer so he can keep in touch with the Branch Secretary and our membership.

The Branch Secretary's total remuneration in 2021-22 was \$121,396. This included superannuation and a home office allowance. A 2012 Ford LPG sedan car was provided with an annual value of \$1,271.

Our Branch Assistant Secretary's total remuneration in 2021-22 was \$109,840, which included superannuation.

## Statement of loans, grants and donations exceeding \$1,000

We made no loans, grants or donations exceeding \$1,000 during 2021-22.

## Significant changes in financial affairs

There were no significant changes in our Branch's financial affairs during the year, other than the matters reported on here.

## Committee of Management members and period positions held during the financial year

Ancel Greenwood, Branch President	1 July 2021 to 30 June 2022
Neil Colebrook, Branch Vice President	1 July 2021 to 30 June 2022
Jeffrey Lapidos, Branch Secretary:	1 July 2021 to 30 June 2022
Amelia Tucker, Branch Assistant Secretary	1 July 2021 to 30 June 2022
Gisele Wood, Branch Treasurer	1 July 2021 to 30 June 2022
George Northend, Branch Executive Member	1 July 2021 to 30 June 2022
Kristen Baker, Branch Executive Member	1 July 2021 to 30 June 2022

# Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch

ABN: 99 019 144 646

## Representatives on the ASU National Executive

Jeffrey Lapidos, First Representative	1 July 2021 to 30 June 2022
Ancel Greenwood, Second Representative	1 July 2021 to 30 June 2022
Amelia Tucker, Alternate Representative	1 July 2021 to 30 June 2022

## Delegates to the ASU National Conference

Jeffrey Lapidos	1 July 2021 to 30 June 2022
Ancel Greenwood	1 July 2021 to 30 June 2022
Gisele Wood	1 July 2021 to 30 June 2022
Kristen Baker	1 July 2021 to 30 June 2022
Amelia Tucker	1 July 2021 to 30 June 2022
Geoff Southern, Alternative Delegate	1 July 2021 to 30 June 2022

## Right of members to resign

All members have the right to resign from the Union in accordance with Rule 32 of the Australian Services Union National Rules (and Section 174 of the *Fair Work (Registered Organisations) Act 2009*); namely, by providing 14 days' notice in writing addressed and delivered to the Branch Secretary, Australian Services Union Taxation Officers' Branch, 116 Queensberry Street, Carlton South, Victoria, 3053. Fax: 03) 9347 8781. Email: [Jeff.Lapidos@asutax.asn.au](mailto:Jeff.Lapidos@asutax.asn.au)

**Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position**

No officers or members of our Branch were in this position.

## Number of members

There were 1,121 members, both financial and un-financial, as at 30 June 2022.

## Number of employees

There were two full time employees throughout the 2021-22 financial year.

## Material personal interest disclosures

No member of the Committee of Management had material personal interests of theirs or a relative of theirs that relates to the affairs of our Branch of the Union.

**Australian Municipal Administrative Clerical & Services Union Taxation  
Officers' Branch**

**ABN: 99 019 144 646**

**Information required under section 255(2A) of Fair Work (Registered Organisations) Act 2009**

During 2021-22 the ASU Tax Branch did not spend any money on advertising; we made no donations to any political party. However, we did incur legal costs. They are described above under the heading Legal Expenses our income and expenditure statement.

Our expenditure on remuneration and other employment related costs for employees are set out in the Expenses section of our Statement of Comprehensive Income for the year and in the section of this Operating Report headed Remuneration statement.

A handwritten signature in blue ink, appearing to read 'J. Lapidos', is written over a faint, light blue circular stamp or watermark.

Signature of designated officer:

Name and title of designated officer: Jeffrey Lapidos, Branch Secretary...

Dated: 16 November 2022

**Australian Municipal Administrative Clerical & Services Union Taxation  
Officers' Branch**

**ABN: 99 019 144 646**

Committee of management statement

*for the year ended 30 June 2022*

On 16 November 2022 the Taxation Officers' Branch of the Australian Services Union passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2022:

The Australian Services Union Taxation Officers' Branch declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the Committee of Management.



Jeffrey Lapidos

Branch Secretary

16 November 2022

**Australian Municipal Administrative Clerical & Services Union Taxation  
Officers' Branch**

**ABN: 99 019 144 646**

Statement of Profit or loss and other comprehensive income

for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Revenue from contracts with customers</b>			
Membership fees		420,553	388,390
Capitation fees and other revenue from another reporting unit	3A	-	-
Levies	3B	-	-
Litigation Fund		13,318	11,699
<b>Total revenue from contracts with customers</b>		<b>433,871</b>	<b>400,089</b>
<b>Other revenue</b>			
Investment income	3C	2,562	5,241
Other revenue	3D	970	20,058
<b>Total other revenue</b>		<b>3,532</b>	<b>25,299</b>
<b>Total revenue</b>		<b>437,403</b>	<b>425,388</b>
<b>Other Income</b>			
Grants and/or donations	3E	-	5,923
Revenue from recovery of wages activity	3F	-	-
<b>Total other income</b>		<b>-</b>	<b>-</b>
<b>Total income</b>		<b>437,403</b>	<b>431,312</b>
<b>Expenses</b>			
Employee benefits expenses	4A	249,889	232,864
Capitation fees and other expense to another reporting unit	4B	30,164	27,778
Administration expenses	4C	19,682	13,797
Grants or donations	4D	-	10,978
Depreciation and amortisation	4E	2,318	3,755
Legal costs	4F	628,390	76,928
Auditor remuneration	13	4,600	4,600
Other expenses	4G	18,181	20,618
<b>Total expenses</b>		<b>953,224</b>	<b>391,318</b>
<b>Surplus (deficit) for the year from operating activities</b>		<b>(515,821)</b>	<b>39,994</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when conditions are met		-	-
<b>Total comprehensive income for the year</b>		<b>(515,821)</b>	<b>39,994</b>

The above statement should be read in conjunction with the notes.

**Australian Municipal Administrative Clerical & Services Union Taxation  
Officers' Branch**

**ABN: 99 019 144 646**

Statement of financial position

as at 30 June 2022

	Notes	2022 \$	2021 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	220,184	646,911
Trade and other receivables	5B	16,097	-
<b>Total current assets</b>		<b>236,281</b>	<b>646,911</b>
<b>Non-current Assets</b>			
Plant and equipment	6A	8,617	7,911
<b>Total non-current assets</b>		<b>8,617</b>	<b>7,911</b>
<b>Total assets</b>		<b>244,898</b>	<b>654,822</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	109,793	15,946
Other payables	7B	56,219	59,903
Employee provisions	8A	135,399	119,666
<b>Total current liabilities</b>		<b>301,411</b>	<b>195,514</b>
<b>Non-current Liabilities</b>			
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>301,411</b>	<b>195,514</b>
<b>Net assets</b>		<b>(56,513)</b>	<b>459,308</b>
<b>EQUITY</b>			
Litigation Fund	9A	4,322	39,533
Reserves	9A	-	-
Retained surplus (accumulated surplus)		(60,835)	419,775
<b>Total equity</b>		<b>(56,513)</b>	<b>459,308</b>

The above statement should be read in conjunction with the notes.

**Australian Municipal Administrative Clerical & Services Union Taxation  
Officers' Branch**

**ABN: 99 019 144 646**

Statement of changes in equity

for the year ended 30 June 2022

	Notes	General funds /reserves \$	Accumulated Surplus \$	Total equity \$
<b>Balance as at 1 July 2020</b>		26,464	392,851	419,315
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Surplus / (deficit)		-	39,993	39,993
Other comprehensive income		-	-	-
Transfer to/from Litigation Fund	9A	13,069	-	13,069
Transfer from retained surplus		-	(13,069)	(13,069)
<b>Closing balance as at 30 June 2021</b>		<b>39,533</b>	<b>419,775</b>	<b>459,308</b>
Adjustment for errors		-	-	-
Surplus / (deficit)		-	(515,821)	(515,821)
Other comprehensive income		-	-	-
Transfer to/from Litigation Fund	9A	(35,211)	-	(35,211)
Transfer to/from retained surplus		-	35,211	35,211
<b>Closing balance as at 30 June 2022</b>		<b>4,322</b>	<b>(60,835)</b>	<b>(56,513)</b>

The above statement should be read in conjunction with the notes.



**Australian Municipal Administrative Clerical & Services Union Taxation  
Officers' Branch**

**ABN: 99 019 144 646**

Statement of cash flows

for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units/controlled entity(s)	10B	.	.
Interest		2,562	5,241
Receipts from members and other levies		<b>441,275</b>	420,147
<b>Cash used</b>			
Payments to employees		<b>(232,497)</b>	(234,170)
Payments to suppliers		<b>(589,735)</b>	(108,276)
Payments to other reporting units/controlled entity(s)	10B	<b>(45,307)</b>	(47,148)
<b>Net cash from (used by) operating activities</b>	<b>10A</b>	<b>(423,702)</b>	35,794
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		-	-
Proceeds from sale of land and buildings		-	-
Other		-	-
<b>Cash used</b>			
Purchase of plant and equipment		<b>(3,025)</b>	(1,840)
Purchase of land and buildings		-	-
Other		-	-
<b>Net cash from (used by) investing activities</b>		<b>(3,025)</b>	(1,840)
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity		-	-
Other		-	-
<b>Cash used</b>			
Repayment of borrowings		-	-
Other		-	-
<b>Net cash from (used by) financing activities</b>		-	-
<b>Net increase (decrease) in cash held</b>		<b>(426,727)</b>	<b>33,954</b>
Cash & cash equivalents at the beginning of the reporting period		<b>646,911</b>	<b>612,957</b>
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	<b>5A</b>	<b>220,184</b>	<b>646,911</b>

The above statement should be read in conjunction with the notes.

**Australian Municipal Administrative Clerical & Services Union Taxation  
Officers' Branch**

**ABN: 99 019 144 646**

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Note 14	Financial instruments
Note 15	Section 272 Fair Work (Registered Organisations) Act 2009

# Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch

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Notes of the financial statements

for the year ended 30 June 2022

## Note 1 Summary of significant accounting policies

### 1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009 (RO Act)*. For the purpose of preparing the general purpose financial statements, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch is a not-for-profit entity.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

Except where otherwise stated, the accounting policies in the preparation of this financial report are consistent with those of the previous financial year. The financial statements were authorised for issue on the same date the statement by the Committee of Management was signed.

### 1.2 Comparative amounts

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

### 1.3 Significant accounting judgements and estimates

No significant accounting judgements or estimates have been identified which have a significant risk.

### 1.4 New Australian Accounting Standards

#### ***Adoption of New Australian Accounting Standard requirements***

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has adopted all standards which became effective for the first time at 30 June 2022. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch Office.

No accounting standard has been adopted earlier than the application date stated in the standard.

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## Future Australian Accounting Standards

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch include:

### **AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current**

This Standard amends AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted. The reporting unit does not expect the adoption of this amendment to have an impact on its financial statements.

## **1.5 Acquisition of assets and or liabilities that do not constitute a business combination**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

## **1.6 Current versus non-current classification**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;

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- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch classifies all other liabilities as non-current.

## 1.7 Revenue

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, levies, grants, and donations.

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch expects to receive in exchange for those services. Revenue is recognised by applying the following five-step model:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligation is transferred.

The timing of payment for sale of goods and rendering of services generally corresponds closely to the timing of satisfaction of the performance obligations. However, where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

When the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch receives cash consideration from grants, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch;

- Identified each performance obligation relating to the grant;
- Recognises a contract liability for its obligations under the agreement; and
- Recognises revenue as it satisfied its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch:

- Recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 & AASB 138).

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- Recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- Recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch recognises income in profit or loss when or as it satisfies its obligations under the contract.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch's accounting policies for its specific revenue items from applying AASB 15 and AASB 1058 are described below.

## **Grants**

Government grants are not recognised until there is reasonable assurance that the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch should purchase, construct, otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred for the purpose of giving immediate financial support to the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch with no future related costs are recognised in profit or loss in the period in which they become receivable.

## **Revenue from contracts with customers**

Where the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has a contract with a customer, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch recognises revenue when or as it transfers control of goods or services to the customer.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

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## **Membership subscriptions**

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch.

If there is only one distinct membership service promised in the arrangement, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch recognises revenue at the amount of the transaction price that was allocated to that performance obligation. This is consistent with the principles of AASB 15.

For member subscriptions paid annually in advance, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch at their standalone selling price, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch accounts for those sales as a separate contract with a customer.

## **Levies**

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch transfers the entitlements.

In circumstances where the criteria for a contract with a customer are not met, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch will recognise levies as income upon receipt (as specified in the income recognition policy below).



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## **Income of the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch as a Not-for-Profit Entity**

Consideration is received by the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch to enable the entity to further its objectives. The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch recognises each of these amounts of consideration as income when the consideration is received (which is when the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch's recognition of the cash contribution does not give rise to any related liabilities.

## **Income recognised from transfers to acquire or construct a non-financial asset**

Where, as part of an enforceable agreement, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch own use, a liability is recognised for the obligation to acquire or construct the asset. Income is recognised as the obligation to acquire or construct the asset is satisfied, which is typically at a point in time for acquired assets and over time for constructed assets. The asset that is being acquired or constructed is recognised in accordance with the policy on property, plant and equipment.

## **Interest income**

Interest revenue is recognised on an accrual basis using the effective interest method.

## **1.8 Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the



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Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

## **1.9 Borrowing costs**

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

No borrowing costs were incurred during the 2021/22 financial year.

## **1.10 Cash**

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

## **1.11 Financial instruments**

Financial assets and financial liabilities are recognised when the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch entity becomes a party to the contractual provisions of the instrument.

## **1.12 Financial assets**

### **Contract assets and receivables**

A contract asset is recognised when the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch's business model for managing them. With the

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exception of trade receivables that do not contain a significant financing component, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch commits to purchase or sell the asset.

## **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified into five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss.

## **Financial assets at amortised cost**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch's financial assets at amortised cost includes trade receivables and loans to related parties.

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## **Financial assets at fair value through other comprehensive income**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch measures debt instruments at fair value through other comprehensive income (**OCI**) if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch debt instruments at fair value through other comprehensive income includes investments in quoted debt instruments included under other non-current financial assets.

## **Investments in equity instruments designated at fair value through other comprehensive income**

Upon initial recognition, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under AASB 132 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch elected to classify irrevocably its listed and non-listed equity investments under this category.

## **Financial assets at fair value through profit or loss (including designated)**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and

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measured at fair value through profit or loss, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

## **Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has transferred substantially all the risks and rewards of the asset; or
  - b) The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

## **Offsetting**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **Impairment**

### **Expected credit losses**

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses (ECLs) at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

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## (i) Trade receivables

For trade receivables that do not have a significant financing component, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch applies a simplified approach in calculating ECLs which requires lifetime ECLs to be recognised from initial recognition of the receivables.

Therefore, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch recognises an allowance for ECLs using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch expects to receive, discounted at an approximation of the original EIR.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch may also consider a financial asset to be in default when internal or external information indicates that the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## 1.13 Financial Liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

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The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch financial liabilities include trade and other payables.

## **Subsequent measurement**

### **Financial liabilities at fair value through profit or loss (including designated)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 *Financial Instruments* are satisfied.

### **Financial liabilities at amortised cost**

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

## **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **1.14 Liabilities relating to contracts with customers**

### **Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch performs under the contract (i.e. transfers control of the related goods or services to the customer).

### **Refund liabilities**

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch refund liabilities arise from customers' right of



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return. The liability is measured at the amount the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch ultimately expects it will have to return to the customer. The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

## 1.15 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

## 1.16 Plant and equipment

### *Asset recognition threshold*

Purchases of plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

### *Depreciation*

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2022	2021
Plant and equipment	3 to 10 years	3 to 10 years

### *Derecognition*

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

## 1.17 Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and

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amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The useful life of Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch intangible assets are:

	2022	2021
Intangibles	2 to 4 years	2 to 4 years

## ***Derecognition***

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

### **1.18 Impairment of non-financial assets**

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than the carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

### **1.19 Taxation**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997, however still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO); and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified within operating cash flows.



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## 1.20 Fair value measurement

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch measures financial instruments, such as, financial assets as at fair value through profit or loss, financial assets at fair value through other comprehensive income, and non-financial assets at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A *Financial assets and liabilities*.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the

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Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

## 1.21 Going concern

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has not agreed to provide financial support to any reporting entity to ensure they can continue on a going concern basis.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit.

Notwithstanding the operating deficit and deficiency in current assets over current liabilities, the committee are of the opinion that going concern basis of preparation is appropriate.

The Association incurred material legal costs throughout the financial year in litigation on behalf of members which has resulted in a substantial operating deficiency and net deficiency in Assets.

These costs are not expected to be recurring and the committee is confident of returning to an operating surplus in 2023. Further, whilst the committee does not believe it will be required, financial support is available from the Australian Services Union if considered necessary.

## Note 2 Events after the reporting period

There were no events that occurred after 30 June 2022, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch.

	2022	2021
	\$	\$

## Note 3 Revenue

### Note 3A: Capitation fees and other revenue from another reporting unit

#### Capitation fees:

ASU National	-	-
<b>Subtotal capitation fees</b>	-	-

#### Other revenue from another reporting unit:

ASU National	-	-
<b>Subtotal other revenue from another reporting unit</b>	-	-
<b>Total capitation fees and another revenue from other reporting unit</b>	-	-

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**Note 3B: Levies**

Levies	-	-
<b>Total levies</b>	-	-

**Note 3C: Investment income**

Interest		
Deposits	2,562	5,241
Loans	-	-
Debt instruments at fair value through OCI	-	-
Dividends	-	-
<b>Total investment income</b>	2,562	5,241

**Note 3D: Other Income**

Government Cashflow Boost	-	19,316
Other Income	60	-
Special Fees Collected	910	742
<b>Total grants or donations</b>	970	20,058

	<b>2022</b>	<b>2021</b>
	\$	\$

**Note 3E: Grants or donations**

Grants	-	-
Donations	-	5,923
<b>Total grants or donations</b>	-	5,923

**Note 3F: Revenue from recovery of wages activity**

Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
<b>Total revenue from recovery of wages activity</b>	-	-

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**Note 4 Expenses**

**Note 4A: Employee expenses**

**Holders of office:**

Wages and salaries	198,086	202,444
Superannuation	33,762	31,929
Leave and other entitlements	15,733	(3,077)
Separation and redundancies	-	-
Other employee expenses	-	31
<b>Subtotal employee expenses holders of office</b>	<b>247,581</b>	<b>231,327</b>

**Employees other than office holders**

Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses employees other than office holders</b>	-	-
Payroll Tax	-	-
Workcover	2,308	1,537
<b>Total employee expenses</b>	<b>249,889</b>	<b>232,864</b>

	2022	2021
	\$	\$

**Note 4B: Capitation fees and other expense to another reporting unit**

**Capitation fees**

ASU National Executive	30,164	27,778
<b>Subtotal capitation fees</b>	<b>30,164</b>	<b>27,778</b>

**Affiliation Fees**

ASU National Executive	-	-
<b>Subtotal affiliation fees</b>	-	-
<b>Total capitation and affiliation fees to another reporting unit</b>	<b>30,164</b>	<b>27,778</b>

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**Note 4C: Administration expenses**

Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies		
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Contractors/consultants	-	-
Property expenses	9,970	5,669
Office expenses	1,100	881
Information communications technology	6,439	5,941
Other	2,173	1,305
<b>Subtotal administration expense</b>	<b>19,682</b>	<b>13,796</b>

Operating lease rentals:

Minimum lease payments	-	-
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<b>Total administration expenses</b>	<b>-</b>	<b>-</b>
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**Note 4D: Grants or donations**

Grants:

Total expensed that were \$1,000 or less	-	-
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Total expensed that exceeded \$1,000	-	-
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Donations:

Total expensed that were \$1,000 or less	-	55
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Total expensed that exceeded \$1,000	-	10,923
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<b>Total grants or donations</b>	<b>-</b>	<b>10,978</b>
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<b>2022</b>	2021
\$	\$

**Note 4E: Depreciation and amortisation**

Depreciation

Property, plant and equipment	2,318	3,755
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<b>Total depreciation</b>	<b>2,318</b>	<b>3,755</b>
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Amortisation

Intangibles	-	-
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<b>Total amortisation</b>	<b>-</b>	<b>-</b>
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<b>Total depreciation and amortisation</b>	<b>2,318</b>	<b>3,755</b>
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**Note 4F: Legal costs**

Litigation	628,390	-
Other legal costs	-	76,928
<b>Total legal costs</b>	<b>628,390</b>	<b>76,928</b>

**Note 4G: Other expenses**

Other expenses	18,181	20,618
Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-
<b>Total other expenses</b>	<b>18,181</b>	<b>20,618</b>

**Note 5 Current Assets**

**Note 5A: Cash and cash equivalents**

Cash at bank	220,184	646,911
Cash on hand	-	-
Short term deposits	-	-
Other	-	-
<b>Total cash and cash equivalents</b>	<b>220,184</b>	<b>646,911</b>

**Note 5B: Trade and other receivables**

**Receivables from other reporting units**

	-	-
<b>Total receivables from other reporting units</b>	-	-

**Less allowance for expected credit losses**

	-	-
<b>Total allowance for expected credit losses</b>	-	-

**Receivable from other reporting units (net)**

	-	-
	-	-

2022	2021
\$	\$

**Other receivables:**

GST receivable	16,097	-
Other	-	-
<b>Total other receivables</b>	<b>16,097</b>	-
<b>Total trade and other receivables (net)</b>	<b>16,097</b>	-

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The movement in the allowance for expected credit losses of trade and other receivables is as follows:

At 1 July	-	-
Provision for expected credit losses	-	-
Write-off	-	-
<b>At 30 June</b>	-	-

**Note 6 Non-current Assets**

**Note 6A: Plant and equipment**

Plant and equipment:		
at cost	85,742	82,717
accumulated depreciation	(77,125)	(74,806)
<b>Total plant and equipment</b>	<b>8,617</b>	7,911

**Reconciliation of opening and closing balances of plant and equipment**

<b>As at 1 July</b>		
Gross book value	82,717	80,877
Accumulated depreciation and impairment	(74,806)	(71,051)
<b>Net book value 1 July</b>	<b>7,911</b>	9,826
Additions:		
By purchase	3,025	1,840
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Depreciation expense	(2,319)	(3,755)
Other movement [ <i>give details below</i> ]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
<b>Net book value 30 June</b>	<b>8,617</b>	7,911
<b>Net book value as of 30 June represented by:</b>		
Gross book value	85,742	82,717
Accumulated depreciation and impairment	(77,125)	(74,806)
<b>Net book value 30 June</b>	<b>8,617</b>	7,911

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	2022	2021
	\$	\$
<b>Note 7 Current Liabilities</b>		
<b>Note 7A: Trade payables</b>		
Trade creditors and accruals	109,793	15,946
Operating lease rentals	-	-
<b>Subtotal trade creditors</b>	-	-
<b>Payables to other reporting units</b>	-	-
<b>Subtotal payables to other reporting units</b>	-	-
<b>Total trade payables</b>	109,793	15,946
Settlement is usually made within 30 days.		
<b>Note 7B: Other payables</b>		
Wages and salaries	-	-
Superannuation	6,035	6,687
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Other legal costs	-	-
Prepayments received/unearned revenue	45,874	39,439
GST payable	-	9,727
Other	4,310	4,050
<b>Total other payables</b>	56,219	59,903
Total other payables are expected to be settled in:		
No more than 12 months	56,219	59,903
More than 12 months	-	-
<b>Total other payables</b>	56,219	59,903



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	2022	2021
	\$	\$
<b>Note 8 Provisions</b>		
<b>Note 8A: Employee provisions</b>		
<b>Office holders:</b>		
Annual leave	67,640	58,631
Long service leave	67,759	61,035
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—office holders</b>	<b>135,399</b>	<b>119,666</b>
<b>Employees other than office holders:</b>		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—employees other than office holders</b>	<b>-</b>	<b>-</b>
<b>Total employee provisions</b>	<b>135,399</b>	<b>119,666</b>
Current	135,399	119,666
Non-current	-	-
<b>Total employee provisions</b>	<b>135,399</b>	<b>119,666</b>

**Note 9 Equity**

**Note 9A: General funds**

**Litigation Fund**

<b>Balance as at start of year</b>	39,533	26,464
Transferred to litigation fund	-	13,069
Transferred out of litigation fund	(35,211)	-
<b>Balance as at end of year</b>	<b>4,322</b>	<b>39,533</b>

**Reserves**

<b>Balance as at start of year</b>	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	<b>-</b>	<b>-</b>

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**Note 10 Cash Flow**

**Note 10A: Cash flow reconciliation**

**Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:**

**Cash and cash equivalents as per:**

Cash flow statement	<b>220,184</b>	646,911
Balance sheet	<b>220,184</b>	646,911
<b>Difference</b>	<b>-</b>	<b>-</b>

**Reconciliation of surplus/(deficit) to net cash from operating activities:**

Surplus/(deficit) for the year	<b>(515,822)</b>	39,994
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**Adjustments for non-cash items**

Depreciation/amortisation	<b>2,318</b>	3,755
Net write-down of non-financial assets	-	-
Fair value movements in investment property	-	-
Gain on disposal of assets	-	-

**Changes in assets/liabilities**

(Increase)/decrease in net receivables	-	-
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in supplier payables	<b>94,288</b>	763
Increase/(decrease) in other payables	<b>(25,564)</b>	12,777
Increase/(decrease) in employee provisions	<b>15,733</b>	(3,077)
Increase/(decrease) in other provisions	<b>5,345</b>	(18,417)
<b>Net cash from (used by) operating activities</b>	<b>(423,702)</b>	<b>35,794</b>

**Note 10B: Cash flow information**

Cash inflows		
ASU National	-	-
<b>Total cash inflows</b>	<b>-</b>	<b>-</b>

Cash outflows		
ASU National	<b>45,307</b>	<b>47,148</b>
<b>Total cash outflows</b>	<b>45,307</b>	<b>47,148</b>

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	2022	2021
	\$	\$

**Note 11      Contingent Liabilities, Assets and Commitments**

**Note 11A: Commitments and contingencies**

**Other contingent assets or liabilities (i.e. legal claims)**

Members of the committee of management are not aware of any contingent assets or liability which existed at balance date, nor the date of issue of this financial report, which would have a material effect in relation to the disclosures in this report.

	2022	2021
	\$	\$

**Note 12      Related Party Disclosures**

**Note 12A: Related party transactions for the reporting period**

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

Capitation fees are paid quarterly to ASU National Executive. Capitation fees incurred in the year are disclosed in the Income and Expenditure Statement as Capitation Fees.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

**Revenue received from ASU National Executive includes the following:**

Expense reimbursements	-	-
Other reimbursements	-	-

**Expenses paid to ASU National Executive includes the following:**

Capitation Fees	30,164	27,778
Insurance	915	750
Subscriptions	208	211
Other Reimbursement	458	74
Rent	9,970	5,669
Payroll Tax	-	-

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**Amounts owed by ASU National Executive include the following:**

**Amounts owed to ASU National Executive include the following:**

Capitation	8,548	7,985
Rent	-	-
Payroll Tax	-	-

**Loans from/to ASU National Executive includes the following:**

**Assets transferred from/to ASU National Executive includes the following:**

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2022, the Australian Municipal Clerical & Services Union Taxation Officers' Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2021: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No expected credit losses have been raised in relation to any outstanding balances, and no expense has been recognised in respect of expected credit losses due from loan to a related party (See Note 6G). There were no payments to former related parties and no asset has been acquired or disposed from such a party.

	2022	2021
	\$	\$

**Note 12B: Key management personnel remuneration for the reporting period**

**Short-term employee benefits**

Salary (including annual leave taken)	100,013	111,131
Annual leave accrued	8,167	7,444
Performance bonus	-	-
<b>Total short-term employee benefits</b>	<b>108,180</b>	<b>118,572</b>

**Post-employment benefits:**

Superannuation	22,059	21,495
<b>Total post-employment benefits</b>	<b>22,059</b>	<b>21,495</b>

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**Other long-term benefits:**

Long-service leave	3,347	2,394
<b>Total other long-term benefits</b>	<b>3,347</b>	<b>2,394</b>

**Termination benefits**

<b>Total Remuneration</b>	<b>133,586</b>	<b>142,461</b>
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**Note 12C: Transactions with key management personnel and their close family members**

No transactions occurred during the year with elected officers, close family members or other related parties other than those related to their membership or employment and on terms no more favourable than those applicable to any other member or employee.

**Note 13 Remuneration of Auditors**

**Value of the services provided**

Financial statement audit services	4,600	4,600
Other services	-	-
<b>Total remuneration of auditors</b>	<b>4,600</b>	<b>4,600</b>

No other services were provided by the auditors of the financial statements.

**Note 14 Financial Risk Management**

Financial instruments held by the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch consist mainly of cash, deposits with banks (either at-call or on short-term deposit) and accounts receivable and accounts payable.

The total of each category of financial instrument together with their weighted-average interest rate and their maturity profile may be summarised as follows:

	Floating interest rate	1 year or less to maturity	1 to 5 years to maturity	Non-interest bearing	Total
	\$	\$	\$	\$	\$
<b>30 June 2021</b>					
Cash on hand	-	-	-	-	-
Cash at bank	316,203	-	-	-	316,203
Term Deposit	-	330,708	-	-	330,708
Other receivables	-	-	-	-	-
<b>Total financial assets</b>	<b>316,203</b>	<b>330,708</b>	<b>-</b>	<b>-</b>	<b>646,911</b>
Less financial liabilities	-	-	-	-	-
Trade and other payables	-	-	-	(16,063)	(16,063)
<b>Net financial assets</b>	<b>316,203</b>	<b>330,708</b>	<b>-</b>	<b>(16,063)</b>	<b>630,848</b>

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	Floating interest rate	1 year or less to maturity	1 to 5 years to maturity	Non-interest bearing	Total
	\$	\$	\$	\$	\$
<b>30 June 2022</b>					
Cash on hand	-	-	-	-	-
Cash at bank	220,184	-	-	-	220,184
Term Deposit	-	-	-	-	-
Other receivables	-	-	-	-	-
<b>Total financial assets</b>	<b>220,184</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>220,184</b>
Less financial liabilities	-	-	-	-	-
Trade and other payables	-	-	-	(109,700)	(109,700)
<b>Net financial assets</b>	<b>220,184</b>	<b>-</b>	<b>-</b>	<b>(109,700)</b>	<b>110,484</b>

**(a) Net fair value of financial instruments**

The fair values disclosed in the above table have been determined based on the following methodology:

Cash and cash equivalents, trade and other receivables, trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payable excludes amounts provided for relating to annual and long service leave which is not considered a financial instrument.

**(b) Financial risk management policies**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has established a risk management framework. This includes the development of policies covering specific areas.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the union activities. The overall risk management policies seek to assist the union in meeting its financial targets, while minimising potential adverse effects on financial performance.

Mitigation strategies for specific risks faces are described below:

**Credit risk**

Exposure to credit risk relating to financial assets arises from potential non-performance by counterparties of contract obligations that could lead to a financial loss to the union and arises principally from the union's receivables.

**Credit risk exposure**

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

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	<b>2022</b>	<b>2021</b>
<b>Bank deposits</b>		
Commonwealth Bank	105,404	86,162
Member's Equity Bank	114,780	560,749
<b>Other receivables</b>		
Trade and sundry debtors	-	-
	<hr/> <b>220,184</b>	<hr/> <b>646,911</b>

**(c) Liquidity Risk**

Liquidity risk arises from the possibility that the union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored throughout the year;
- monitoring undrawn credit facilities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- maintaining adequate reserves.

**(d) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

**(e) Price Risk**

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

**(f) Interest Rate Risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The union is also exposed to earnings volatility on floating rate instruments.

The financial instruments that expose the group to interest rate risk are limited to held-to-maturity financial assets and cash at bank.

The activities of the union are not sensitive to changes in interest rates as neither interest income nor interest on borrowings are significant to the organisation.

**(g) Asset pledged or held as collateral**

No assets have been pledged as security or held as collateral for any loan, borrowing or credit facility.

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**Note 15      Section 272 *Fair Work (Registered Organisations) Act 2009***

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

Information to be provided to members or Commissioner:

- 1) A member of a reporting unit, or the Commissioner, 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).





**Audit & Assurance**  
**Independent Audit Report to the Members of Australian Municipal  
Administrative Clerical & Services Union Taxation Officers' Branch**

**Directors**  
Glenn A. Miller FCPA  
Dane T. Black CPA

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the financial report of Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch (the reporting unit), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2022, notes to the financial statements, including a summary of significant accounting policies, the committee of management statement and the subsection 255(2A) report.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch as at 30 June 2022 and its financial performance and its cash flows for the year ended on that date in accordance with:

- c) the Australian Accounting Standards; and
- d) any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**).

I declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

**Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the reporting unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the **Code**) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Information Other than the Financial Report and Auditor's Report Thereon**

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Responsibilities of Committee of Management for the Financial Report**

The committee of management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management is responsible for assessing the reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

### **Emphasis of Matter**

We draw your attention to note 1.21 of the financial statements. The Association has incurred a net operating deficiency and also has a net asset deficiency as at 30 June 2022. The Committee has evaluated the events that resulted in the position as described at note 1.21 of the financial statements. Our opinion is not modified with respect of this matter.

### **Auditor's Responsibilities for the Audit of the Financial Report**

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 reporting unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the reporting unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the reporting unit audit. I remain solely responsible for my audit opinion.

I communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

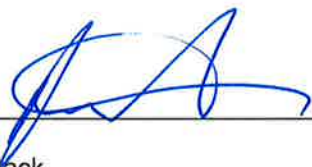
I declare that I am an auditor registered under the RO Act.

### Report on Other Legal and Regulatory Requirements

From the work performed, no deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act was noted.

*NMM Audit & Assurance Pty Ltd*

NMM Audit & Assurance Pty Ltd  
110 Drummond Street  
Oakleigh, Vic, 3166



Dane Black  
Director

Dated this 28 Day of November 2022.

Registration number (as registered by the Commissioner under the RO Act) : <AA2022/29>