



22 June 2023

Mr Mehmet Suleyman
Acting Branch Secretary
Transport Workers' Union of Australia-Victorian/Tasmanian Branch

Sent via email: info@twu.asn.au

CC: terry@ryecrofts.com.au

legal@twu.com.au

Dear Mr Suleyman

**Transport Workers' Union of Australia-Victorian/Tasmanian Branch
Financial Report for the year ended 31 December 2022 – FR2022/231**

I acknowledge receipt of the financial report for the year ended 31 December 2022 for the Transport Workers' Union of Australia-Victorian/Tasmanian Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 14 June 2023.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)* have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that next year's financial report may be subject to an advanced compliance review.

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 Commission will confirm these matters have been addressed prior to filing next year's report.

1. General Purpose Financial Report (GPFR)

AASB 15 Revenue from Contracts with Customers

AASB 15 paragraph 114 requires revenue from contracts with customers to be disaggregated into categories depicting the nature, amount, timing and uncertainty of revenue and cash flows. It does not appear that this disaggregation is included in the reporting units financial report.

In future, please ensure that revenue from contracts with customers is disclosed in accordance with AASB 15.

2. Audit report

Audit scope to include subsection 255(2A) report

A general purpose financial report prepared under section 253 of the RO Act also includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by reporting guideline 22. Please note that the subsection 255(2A) report must be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 Forming an Opinion and Reporting on a Financial Report.

A subsection 255(2A) report was included in the financial report lodged with the Fair Work Commission but the auditor did not refer to the statement in the auditor's statement.

In future, please ensure that the subsection 255(2A) report is included in the scope of the audit report.

Auditor's qualifications

Item 29(b) of the reporting guidelines states that the auditor's statement must specify the registered auditor's name and registration number. The auditor's statement did not provide the Fair Work Commission registration number (AA2022/31).

In future, please ensure that this information is included.

If you have any queries regarding this letter, please contact me on (03) 8650 0183 or via email at ken.morgan@fwc.gov.au.

Yours sincerely



KEN MORGAN
Financial Reporting Specialist
Fair Work Commission

**TRANSPORT WORKERS' UNION OF AUSTRALIA
VICTORIAN-TASMANIAN BRANCH
A.B.N. 47 634 608 538**

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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**VICTORIAN/TASMANIAN BRANCH
A.B.N. 47 634 608 538**

CERTIFICATE OF SECRETARY

I, Mehmet Suleyman, being the Acting Secretary of the Transport Workers' Union of Australia, Victorian Tasmanian Branch, certify:

- (i) that the documents lodged herewith are copies of the full report referred to in s265 of the Fair Work (Registered Organisations) Act 2009; and
- (ii) that the full report was presented to a meeting of the Committee of Management of the reporting unit on 27th April 2023 (1st meeting), and
- (iii) that the full report was provided to members on 23 May 2023; and
- (iv) that the full report was presented to a meeting of the committee of management of the reporting unit on 13th June 2023 (2nd meeting), in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:



Name and title of prescribed designated officer: Mehmet Suleyman, Acting Branch Secretary

Dated:

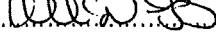
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TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)

**REPORT REQUIRED UNDER SUBSECTION 255 (2A)
for the year ended 31 December 2022**

The Committee of Management presents the expenditure report as required under subsection 255(2A) for the year ended 31 December 2022.

Categories of expenditures	2022 \$	2021 \$
Remuneration and other employment-related costs and expenses, in respect of employees	4,371,327	4,393,035
Advertising	-	-
Operating Costs	3,032,930	2,667,757
Donations to political parties	32,318	20,400
Legal costs	74,416	107,577

Signature of designated officer: 

Name of designated officer: Michael McNess

Title of designated officer: Branch Secretary

Dated: 27/4/23

**TRANSPORT WORKERS' UNION OF AUSTRALIA
VICTORIAN/TASMANIAN BRANCH
A.B.N. 47 634 608 538**

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Review of Principle Activities

The Union's principal activities are representing its members on industrial and safety issues, and training and supporting Delegates and Occupational Health and Safety Representatives in their duties. There have been no significant changes in the nature of these activities during the year.

Review of Financial Affairs

Overview

The operating deficit for the year was \$425,363 (2021: deficit of \$67,299). Total comprehensive income for the year was in a deficit of \$425,363.

Membership;

- A total of 2,776 persons joined the Union during 2022.
- A total of 1,740 persons resigned from the Union during 2022.
- Membership decreased by 636 persons. Income from members decreased by 1.41% (2021: decreased by 5.98%) or decreased by \$96,986 (2021: decreased by \$436,240).
- Income from conducting Training Courses amounted to \$22,386 (2021: \$3,218).

Members Right to Resign

Members are able to resign in writing at any time. Unless a date is specified, the resignation takes effect on receipt of the resignation if the member has ceased to be eligible for membership, or after two weeks for any other reason. The Union may sue former members for unpaid dues.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
VICTORIAN/TASMANIAN BRANCH
A.B.N. 47 634 608 538**

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trusteeships of Superannuation Entities

Michael McNess, was a director of the following trustee company associated with the TWU Superannuation Fund for:

- TWU Nominees Pty Ltd

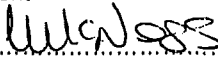
There are no other officers or members of the reporting unit who are a trustee or a director of a company that is a trustee of a superannuation entity.

Prescribed Information

18,409 persons (2021: 23,786) were recorded in the register of members at 31 December 2022. 22 full-time equivalent persons (2021: 24) were employed at 31 December 2022.

Branch Committee of Management Members:	Period Position Held:
Michael McNess	All of 2022
Mehmet Suleyman	04 February 2022 – 31 December 2022
James Huges	All of 2022
Dissio Markos	All of 2022
Kevin Whelan	All of 2022
John Rowe	All of 2022
Clive Dennis	All of 2022
Ian Munro	All of 2022
Mandeep Baines	All of 2022
Anne McDowell	All of 2022
John Englehart	All of 2022
Maria Xenophontos	All of 2022
Greg Annett	All of 2022
James Scott	All of 2022
Anthony De Romels	All of 2022
John Berger	01 January 2022 – 27 January 2022
Chris Fennell	01 January 2022 – 16 January 2022

For the Committee of Management

Signature of designated officer: 

Name and title of designated offer: Michael McNess, Branch Secretary

Dated: 27/4/23

TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
		\$	\$
CURRENT ASSETS			
Cash on Hand		1,200	1,200
Cash at Bank		285,536	880,147
Accrued Interest		42,530	22,338
Accrued Memberships	1(a)	382,692	325,662
Accrued Services		-	27,314
Trade and Other Debtors	4	124,613	70,071
Prepayments		99,572	119,938
Investments	5	5,916,500	5,910,000
Total Current Assets		<u>6,852,643</u>	<u>7,356,670</u>
NON CURRENT ASSETS			
Property, Plant & Equipment	6 & 7	8,556,686	8,499,866
Total Non Current Assets		<u>8,556,686</u>	<u>8,499,866</u>
TOTAL ASSETS		15,409,328	15,856,536
CURRENT LIABILITIES			
Sundry Creditors	8	747,840	690,590
Prepaid Income	9	35,526	119,384
Employee Entitlements	10	1,228,108	1,169,184
Total Current Liabilities		<u>2,011,474</u>	<u>1,979,158</u>
NON-CURRENT LIABILITIES			
Employee Entitlements	10	39,304	46,355
Total Non Current Liabilities		<u>39,304</u>	<u>46,355</u>
TOTAL LIABILITIES		2,050,778	2,025,513
NET ASSETS		<u>13,358,550</u>	<u>13,831,023</u>
MEMBERS EQUITY			
Accumulated Funds		8,431,669	8,904,142
Revaluation Reserve		4,926,881	4,926,881
TOTAL MEMBER EQUITY		<u>13,358,550</u>	<u>13,831,023</u>

The statement of financial position is to be read in conjunction with the notes to the financial statements

TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 \$	2021 \$
REVENUE FROM CONTRACTS WITH CUSTOMERS			
Membership subscriptions	1(a)	6,759,446	6,856,432
Capitation fees and other revenue from another reporting unit		-	-
Levies		-	-
Other sales of goods or services to members		-	-
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS		6,759,446	6,856,432
INCOME FOR FURTHERING OBJECTIVES			
Grants and/or donations			
Gov Grant Income		15,000	-
Working For Victoria Scheme		-	17,000
Income recognised from volunteer services		-	-
Income recognised from transfers		-	-
TOTAL INCOME FOR FURTHERING OBJECTIVES		15,000	17,000
OTHER INCOME			
Occupational Health & Safety Course Fees		22,386	3,218
TWU Superannuation Training Officer		107,313	109,255
TWU Superannuation Director Fee		40,880	40,000
Investment income		61,091	49,696
Net gains from sale of assets		-	-
Revenue from recovery of wages activity		-	-
Rental income		-	-
Other income		145,631	109,677
Share of net profit from associate		-	-
TOTAL OTHER INCOME		377,301	311,846
TOTAL INCOME		7,151,748	7,185,278
EXPENDITURE			
EMPLOYEE EXPENSES			
Salaries	11	3,003,027	3,115,374
Superannuation		545,787	562,649
Leave Entitlements		502,658	368,886
Car Allowances		319,855	346,126
Separation and Redundancy		-	-
TOTAL EMPLOYEE EXPENSES		4,371,327	4,393,035
OTHER EXPENSES			
Administration & Rent (Country Office)		4,122	9,127
Affiliation Fees	14a(ii)	117,060	118,333
Auditor's Remuneration	14a(vii)	12,675	8,400
Bank Charges		16,506	15,823
Certificates & Awards		10,434	4,883
Clothing & Uniforms		20,417	9,267
Conference & Meeting Expenses	14a(vi)	200,187	46,529
Cleaning		45,159	47,689
Consultants Fees		22,470	19,750
Computer Costs		40,944	36,285

TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 \$	2021 \$
Delegates Commission		54,178	90,770
Delegate Meeting Expenses	14a(vi)	23,354	14,701
Depreciation		58,470	63,808
Donations	14a(iv)	39,968	20,400
Federal Office Training Fund	13a(ii)	6,116	6,505
Federal Office Capitation/Sustentation Fee	13a(ii)	1,189,037	1,209,475
Federal Council Expenses	13a(ii)	56,224	30,794
Federal IR Levy (ACTU)	14a(iii)	24,462	26,018
Finance Charge		3,213	680
Insurance		28,898	26,419
Lease & Hire of Equipment		16,310	8,089
Legal Expenses	14a(v)	74,416	107,577
Light, Power & Water		27,555	32,136
Marketing		7,297	22,243
Member Expenses		116,835	32,574
Mortuary Benefits		3,000	4,500
Motor Vehicle Expenses		53,306	29,997
Occupational Health & Safety Expense		18,143	2,680
Payroll Tax		127,128	157,882
Postage		75,964	75,031
Printing & Stationery		25,915	25,524
Publications, Awards & Subscriptions		6,031	11,486
Rates & Taxes		94,386	90,674
Repairs & Maintenance		28,295	28,295
Schoolbook Scholarship		-	682
Security Costs		2,101	1,873
Staff Amenities		8,891	6,957
Sundry Expenses		16,842	727
Telephone		100,530	90,466
Training Courses - Members		2,989	15,680
Training Courses - Staff		10,202	11,751
Travel & Accommodation		241,016	164,076
TWU News Editor		129,938	97,631
WorkCover		44,799	35,356
TOTAL OTHER EXPENSES		3,205,784	2,859,542
TOTAL EXPENDITURE		7,577,111	7,252,577
OPERATING SURPLUS (DEFICIT) FOR THE YEAR		(425,363)	(67,299)
OTHER COMPREHENSIVE INCOME			
Gain (Loss) Sale of Assets		-	-
Revaluation of Land and Buildings		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(425,363)	(67,299)

The statement of comprehensive income is to be read in conjunction with the notes to the financial statements

TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts</i>			
- Contributions and Entrance Fees		7,378,362	6,925,881
- Interest Received		42,348	70,957
- Grants		16,500	17,000
- Other Receipts		172,945	207,985
<i>Payments</i>			
- Suppliers and Employees		(6,898,614)	(5,701,407)
- Payments to TWU Federal Office		(1,275,838)	(1,240,597)
NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES	12	<u>(564,298)</u>	<u>279,819</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
- Lease Payment		(13,929)	(22,915)
		<u>(13,929)</u>	<u>(22,915)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
- Investment in Term Deposit		(6,500)	(78,445)
- Purchase of Plant & Equipment		(9,884)	(19,438)
NET CASH PROVIDED BY / (USED IN) INVESTMENT ACTIVITIES		<u>(16,384)</u>	<u>(97,883)</u>
NET INCREASE / (DECREASE) IN CASH HELD		(594,611)	159,021
Cash at Beginning of Year		881,347	722,326
CASH AT END OF YEAR	12	<u><u>286,736</u></u>	<u><u>881,347</u></u>

The statement of cash flows is to be read in conjunction with the notes to the financial statements

TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
STATEMENT OF CHANGES IN MEMBER EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Accumulated Funds \$	Revaluation Reserve	Total Member Equity \$
Balance at 31 December 2020	<u>8,971,441</u>	<u>4,926,881</u>	<u>13,898,322</u>
Operating Surplus (Deficit) for the year	(67,299)	-	(67,299)
Balance at 31 December 2021	<u>8,904,142</u>	<u>4,926,881</u>	<u>13,831,023</u>
Changes in Accounting Policy	(47,110)		(47,110)
Operating Surplus (Deficit) for the year	(425,363)	-	(425,363)
Balance at 31 December 2022	<u>8,431,669</u>	<u>4,926,881</u>	<u>13,358,550</u>

The statement of changes in equity is to be read in conjunction with the notes to the financial statements

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN/TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 ("the Act").

The reporting guidelines made under section 255 of the Act require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 *Application for Tiers of Australian Accounting Standards*. The Victorian/Tasmanian Branch of The Transport Workers Union has complied with the requirements of this standard and other accounting standards as are applicable to a not for profit entity.

BASIS OF PREPARATION

The financial report is for the Victorian/Tasmanian Branch ("the Branch") of the Transport Workers' Union of Australia ("the Union"). The Transport Workers' Union of Australia is an organisation registered under the Act. The Act dictates that the Branch is a reporting unit of the registered organisation.

In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Branch are not subject to the Corporations Act 2001.

The financial report has been prepared on an accruals basis and in accordance with historical cost, except for certain assets and liabilities for which the fair value basis of accounting has been applied. The accounting policies have been consistently applied, unless otherwise stated.

Compliance with Australian Accounting Standards

The Branch has adopted all new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. The Branch considers that there will be no material impact on the financial statements of these Standards and Interpretations and therefore there has been no material change to its accounting policies.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following is a summary of the significant accounting policies adopted by the Committee of Management of the Branch.

(a) Revenue

The Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, sponsorships, grants, and investment income. The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue generally

Where the Branch has a contract with a customer, the Branch recognises revenue when or as it transfers control of goods or services to the customer. The Branch only 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.

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN/TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Branch. The 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 Branch's promise to stand ready to provide assistance and support to the member as required. Accrued and prepaid membership income is accounted for at each year end to reflect the above.

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Interest Income

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

Other Income of the Union as a Not-for-Profit Entity

From time to time consideration is received by the Branch to enable the Branch to further its objectives. The Branch recognises each of these amounts of consideration as income when the consideration is received 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 Branch's recognition of the contribution does not give to any related liabilities.

(b) Property, Plant and Equipment

Land and buildings is recognized in the statement of financial position at market value. Market value is based on third party expert valuations commissioned by the branch every three years.

All other classes of property, plant and equipment are carried at cost less where applicable, any accumulated depreciation and any impairment in value.

Depreciation

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

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Building Improvements	5% to 10%
Office Furniture and Equipment	20% to 67%
Motor Vehicles	12.5% to 25%

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

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in the income statement in the year of disposal.

TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN/TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Impairment

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

(d) Leases

The Branch assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Branch applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Branch recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Branch recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset.

If ownership of the leased asset transfers to the Branch at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Branch recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Branch and payments of penalties for terminating the lease, if the lease term reflects the Branch exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

Lease payments on short-term leases and leases of low-value assets are expensed to profit and loss when incurred.

(e) 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.

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN/TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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.

Provision is made for separation and redundancy benefit payments. The Branch recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

(f) Investments

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

(g) Financial instruments

(i) Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are initially measured at fair value. Subsequent measurement of financial assets and financial liabilities are described below. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

(ii) Classification and subsequent measurement of financial assets

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows and the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The Branch's trade and most other receivables fall into this category of financial instruments.

(iii) Impairment of financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses – the 'expected credit losses (ECL) model'. Instruments held by the Branch within the scope of the requirements include related party loan receivables. The Branch considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. The Branch considers term deposits to be financial instruments and that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'). Therefore the "12 month expected credit losses" are determined as a probability.

(iv) Trade and other receivables

The Branch makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Branch uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN/TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Classification and measurement of financial liabilities

The Branch's financial liabilities include leases, trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Branch designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance expense.

(h) Goods and Services Tax

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

(l) Income Tax

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

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

(a) Critical accounting estimates and assumptions

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

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

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

3. INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272 which reads as follows:

- (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 matter 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)

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 \$	2021 \$
4 SUNDRY DEBTORS			
Trade & Other Debtors		124,613	70,071
		<u>124,613</u>	<u>70,071</u>
5 INVESTMENTS			
Comprises the following Held to Maturity Financial Instruments :-			
Members Equity Bank Term Deposits		5,916,500	5,910,000
		<u>5,916,500</u>	<u>5,910,000</u>
6 PROPERTY, PLANT & EQUIPMENT			
Land & Buildings - Rouse Street			
Land and Buildings at market valuation	7	8,400,000	8,400,000
		<u>8,400,000</u>	<u>8,400,000</u>
Fixtures & Fittings		12,933	12,933
Less: Accumulated Depreciation		(10,993)	(8,406)
		<u>1,940</u>	<u>4,527</u>
Office Furniture & Equipment (at cost)		1,675,444	1,665,560
Less: Accumulated Depreciation		(1,608,100)	(1,570,221)
		<u>67,344</u>	<u>95,339</u>
Right of Use Asset		102,826	71,500
Less: Accumulated Depreciation		(15,424)	(71,500)
		<u>87,402</u>	<u>-</u>
Total Property, Plant & Equipment		<u>8,556,686</u>	<u>8,499,866</u>
Reconciliation of Opening and Closing Balance of Property, Plant & Equipment			
Land & Buildings			
Opening		8,400,000	8,400,000
Movement - Revaluation		-	-
Closing		<u>8,400,000</u>	<u>8,400,000</u>
Furniture and Equipment			
Opening		95,339	115,519
Additions		9,885	18,644
Disposals		-	-
Depreciation		(37,880)	(38,824)
Closing		<u>67,344</u>	<u>95,339</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 \$	2021 \$
6 PROPERTY, PLANT & EQUIPMENT (continued)			
Fixtures and Fittings			
Opening		4,527	6,247
Additions		-	794
Disposals		-	-
Depreciation		(2,587)	(2,514)
Closing		<u>1,940</u>	<u>4,527</u>

Right of Use Assets

Opening		102,826	22,470
Additions		-	-
Amortisation		(15,424)	(22,470)
Closing		<u>87,402</u>	<u>-</u>

The Union leases photocopiers under a non-cancelable lease for a term of 5 years. There are no options to extend this lease.

7 VALUATION - LAND AND BUILDINGS

Land and Buildings is disclosed in the Statement of Financial Position at Fair Value and as one asset. The fair value of \$8,400,000 as disclosed above is based on a valuation carried out by Jones Lang Lasalle on the 31st of December 2020. The branch has recently adopted a policy of obtaining a valuation every five years, so the carrying value of the property will be reconsidered at 31 December 2025.

The Committee of Management have reviewed the Land and Buildings at 31 December 2022. And consider the carrying value to be materially consistent with current market values.

8 TRADE AND OTHER CREDITORS

	2022 \$	2021 \$
Current		
Trade Creditors	66,266	63,144
Federal Council	165,382	163,080
Accrued Expenses	15,867	15,370
Lease Liability	88,897	-
Delegate Commission	86,777	92,000
ATO Liabilities	73,714	144,464
Payroll Liabilities	242,471	194,313
Other Creditors	8,465	18,218
	<u>747,840</u>	<u>690,590</u>

9 PREPAID INCOME

Prepaid Memberships	1(a)	21,890	86,657
TWU Director Fees		-	20,000
TWU Super Sponsorship Fees		13,636	12,727
TWU Super Training Officer		-	-
		<u>35,526</u>	<u>119,384</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022	2021
		\$	\$
10 EMPLOYEE ENTITLEMENTS			
(i) As Per Financial Statements			
Current Liabilities			
Annual Leave		657,802	575,164
Long Service Leave		570,506	594,020
		<u>1,228,108</u>	<u>1,169,184</u>
Non Current Liabilities			
Long Service Leave		39,304	46,355
		<u>1,267,412</u>	<u>1,215,539</u>
(ii) Liability by Employee Category			
Elected Officials			
Annual Leave		87,965	175,418
Long Service Leave		136,594	232,071
Other Employees			
Annual Leave		569,637	399,745
Long Service Leave		473,215	408,304
		<u>1,267,412</u>	<u>1,215,539</u>
11 EMPLOYEE REMUNERATION			
(a) Elected Officials			
Salary and Wages		478,091	613,088
Superannuation		93,458	97,230
Car Allowance		67,398	89,710
Leave and Other Entitlements		95,363	70,144
Total Elected Officials		<u>734,310</u>	<u>870,171</u>
(b) Other Employees			
Salary and Wages		2,524,936	2,502,286
Superannuation		452,329	465,419
Car Allowance		252,457	256,416
Leave and Other Entitlements		407,295	298,742
Total Other Employees		<u>3,637,017</u>	<u>3,522,864</u>
Total All Employees		<u>4,371,327</u>	<u>4,393,035</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022	2021
		\$	\$
12 CASH FLOW INFORMATION			
(a) Reconciliation of cash flows from operations with operating surplus/(deficit) for the year.			
Operating Surplus/(Deficit)		(425,383)	(67,299)
Depreciation		58,470	63,806
Movement in working capital due to changes in accounting policy		(47,110)	-
Other non cash items		(2,580)	-
Changes in Assets and Liabilities			
(Increase)/decrease in receivables		1,449	(53,921)
(Increase)/decrease in accrued income		(49,907)	57,630
(Increase)/decrease in prepayments		20,366	(41,299)
Increase/(decrease) in payables		(171,495)	208,598
Increase/(decrease) in provisions		51,872	112,301
Cash Flows from Operations		(564,298)	279,819
(b) Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:			
Cash on hand		1,200	1,200
Cash at Bank		285,536	880,147
Cash at End of Year		286,736	881,347
13 RELATED PARTY DISCLOSURES			
(a) Related Party Transactions for the Reporting Period			
(i) Income Received			
From the TWU Superannuation Fund			
Training Officer		107,313	109,255
Sponsorship		28,182	26,455
Director Fee		40,880	40,000
(ii) Expenses Paid			
To the TWU National Council			
Sustentation Fees		1,189,037	1,209,475
Training Fund		6,116	6,505
Council Expenses		56,224	30,794
To the ALP VIC & TAS			
Affiliation fees and Levies		69,440	74,762
(iii) Balances			
TWU National Council			
Debtor		-	3,055
Creditor		165,382	163,080
TWU Superannuation Fund			
Prepaid Income		13,636	32,727
Debtor		25,815	59,676

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022	2021
		\$	\$
13 RELATED PARTY DISCLOSURES (Continued)			
(b) Key Management Personnel Remuneration for the Reporting Period			
Key management personnel includes the branch secretary and assistant branch secretary			
(i) Short term employees benefits			
Salaries		339,914	355,250
Annual Leave		145,411	-
Allowances		47,607	46,023
		<u>532,932</u>	<u>401,273</u>
(ii) Post employment benefits			
Superannuation		66,328	45,022
		<u>66,328</u>	<u>45,022</u>
(iii) Other long term benefits			
Long Service Leave		133,768	-
(iv) Termination Benefits			
(v) Other Benefits			
		-	-
		-	-
Total		<u>733,028</u>	<u>446,295</u>
14. ADDITIONAL PRESCRIBED DISCLOSURES			
(a) Expenses			
(i) Consideration paid to employers for payroll deductions			
		1,125	1,804
(ii) Affiliation Fees			
ALP Vic Branch		66,412	71,626
ALP Tas Branch		3,028	3,136
Ballarat Trades Hall		1,505	1,400
Bendigo Trades Hall Council		1,279	1,112
Geelong Trades Hall Council		6,235	5,949
Gippsland Trades & Labour Council Inc.		464	464
Goulburn Valley TLC		3,113	3,113
North East and Border TLC		1,011	940
South West TLC		1,226	981
Sunraysia Trades and Labour Council		236	177
Victorian Trades Hall Council		26,427	23,164
Unions Tasmania		6,124	6,272
As per Statement of Comprehensive Income		<u>117,060</u>	<u>118,333</u>
(iii) Compulsory Levies			
Paid to Federal Office for the ACTU		24,462	26,018
(iv) Donations paid			
Total Donations - less than \$1,000		2,818	-
Total Donations - greater than \$1,000		37,150	19,400
As per Statement of Comprehensive Income		<u>39,968</u>	<u>19,400</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022	2021
		\$	\$
14. ADDITIONAL PRESCRIBED DISCLOSURES (Continued)			
(v) Legal Costs			
Other legal matters		74,416	107,577
As per Statement of Comprehensive Income		74,416	107,577
(vi) Expenses incurred in holding meetings or conferences of members, councils, committees, panels or other bodies etc - as per Statement of Comprehensive Income			
Delegate Meetings		23,354	14,701
Other Meetings		200,187	46,529
(vii) Auditors Remuneration			
Audit Services		12,675	8,400
Non Audit Services		-	-
As per Statement of Comprehensive Income		12,675	8,400

(b) Assets

Amounts receivable from another reporting entity unit have been disclosed at Note 13.

15 SPECIFIC ITEMS THAT HAVE NOT OCCURRED

The following prescribed disclosures under the reporting guidelines of the Fair Work (Registered Organisations) Act 2009, have not occurred in the reporting period :-
Going Concern

- The Branch does not require financial support from another reporting unit
- The Branch has not agreed to provide financial support to another reporting unit to continue as a going concern.

Amalgamations and Restructures

The Branch has not acquired any asset or liability during the financial year as a result of an amalgamation or restructure or determination or revocation by the Commissioner.

Revenue

- Cash flows from another reporting unit and or controlled entity
- Capitation fees
- Compulsory levies
- Donations
- Financial support received from other reporting units.
- Recovery of wages

Expenses

- Fees or allowances paid to persons to attend a conferences or other meeting as a representative of the TWU Vic/Tas Branch;
- Financial affairs administered by another entity

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Notes	2022	2021
	\$	\$

15 SPECIFIC ITEMS THAT HAVE NOT OCCURRED (Continued)

- Grants less than \$1,000
- Grants greater than \$1,000
- payments made to a former related party
- Penalties imposed under the RO Act;

Liabilities

- Payables to employers as consideration for the employers making payroll deductions of membership fees;

Statement of Changes in Member Equity

- there is no separate fund or account operated in respect of compulsory levies raised by the union or voluntary contributions collected from members of the union.
- No monies in respect of compulsory levies or voluntary contributions referred to above have been invested in any assets
- No separate fund or account required by the rules of the union
- No transfers and/or withdrawals to a fund, account or controlled entity kept for specific purposes by the union

16 LEASE LIABILITIES

	2022	2021
	\$	\$
Current Lease Liabilities	22,855	-
Non-current Lease Liabilities	66,002	-
Total	88,857	-

17 CONTINGENT LIABILITIES

A potential obligation may arise between LC Dyson's Bus Service and TWU of Australia from industrial matter occurred in 2022, and around allegations of unprotected industrial action. The Union is currently subject to legal proceedings in relation to LC Dyson's Bus Service. As at the reporting date, the Committee of Management is unable to quantify any potential contingent liabilities due to insufficient probability and certainty of the outcome of legal proceedings.

18 SUBSEQUENT EVENTS

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has affected, or may significantly affect, the operations of the branch, the result of operations, or the state of the branch in the future financial years.

19 FINANCIAL RISK MANAGEMENT

A. General objectives, policies and processes

Financial risk management entails devising strategies to manage potential adverse financial outcomes associated with financial instruments.

The committee of management is responsible for monitoring and managing the branch's compliance with its risk management strategy. The committee's overall risk management strategy is to assist the branch in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the committee on a regular basis. These include credit risk policies and future cash flow requirements.

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022	2021
		\$	\$

19 FINANCIAL RISK MANAGEMENT (Continued)

The main risks the union is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the branch is exposed to, how these risks arise, or the committee's objectives, policies and processes for managing or measuring the risks from the previous period.

B. Categories of Financial Instruments

The following is an analysis of Financial Assets and Financial Liabilities included in the Statement of Financial Position as at 31 December 2022.

Financial Assets

Cash at Bank	285,536	880,147
Term Deposits	5,916,500	5,910,000
Trade and Other Debtors	124,613	70,071
Carrying amount of financial assets	6,326,649	6,860,218

Financial Liabilities

Sundry Creditors	749,175	690,590
Carrying amount of financial liabilities	749,175	690,590

The fair value of the assets and liabilities at 31 December 2022 as listed above are the same as the carrying values. Refer to Note 20 below for further explanation and analysis.

C. Risk Analysis

(a) Credit Risk

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

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed above at B.

The committee believe that cash at bank and the investments are held by high quality institutions and any loss is highly unlikely and all receivables are likely to be repaid within the expected terms.

Credit quality of financial instruments

Not past due and not impaired

Cash at Bank	285,536	880,147
Term Deposits	5,916,500	5,910,000

Past due

Trade and Other Debtors	124,613	70,071
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Total

6,326,649	6,860,218
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**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022	2021
		\$	\$
19 FINANCIAL RISK MANAGEMENT (Continued)			
Ageing of financial assets that were past due but not impaired			
Trade and Other Debtors			
0 to 30 days		109,091	-
31 to 60 days		-	31,971
61 to 90 days		2,550	-
90+ days		12,972	38,100
Total		124,613	70,071

(b) Liquidity Risk

Liquidity risk is the risk that the Branch will not have the funds readily available to meet its financial obligations as and when they fall due.

At 31 December 2022 the branch had \$6,202,036 of cash and cash equivalents to pay for \$749,175 of creditors. It is considered that liquidity risk is low and acceptable.

Financial liability and financial asset maturity analysis

(i) Financial Assets - cash flows realisable

- Within one year			
Cash at Bank		285,536	880,147
Term Deposits		5,916,500	5,910,000
Trade and Other Debtors		124,613	70,071
- One to Five years		-	-
- More than five years		-	-
Total		6,326,649	6,860,218

(i) Financial Liabilities due for payment :-

- Within one year			
Trade and Other Creditors		747,840	690,590
- One to Five years		-	-
- More than five years		-	-
Total		747,840	690,590

(c) Market Risk

(i) 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 branch's exposure to market interest rates relates primarily to cash at bank and term deposits.

(ii) Other Price Risks

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

The branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in prices that are inherent in such a market.

**TRANSPORT WORKERS' UNION OF AUSTRALIA (VICTORIAN TASMANIAN BRANCH)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

20 FAIR VALUE MEASUREMENTS

Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair values is extracted from the market, with more reliable information available from markets that are actively traded. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments, which are carried at amortised cost (ie accounts receivables, loan liabilities), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the company.

The fair values disclosed above at Note 19(b) have been determined based on the following methodologies:

(i) Cash on hand, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value.

(ii) In determining the fair values of the unlisted available-for-sale financial assets, the directors have used inputs that are observable either directly (as prices) or indirectly (derived from prices).

(iii) Fair values of held-to-maturity investments are based on quoted market prices at the end of the reporting period.

(iv) Fair values are determined using a discounted cash flow model incorporating current commercial borrowing rates. The fair values of fixed rate debt will differ to the carrying amounts.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
VICTORIAN/TASMANIAN BRANCH
A.B.N. 47 634 608 538**

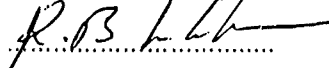
COMMITTEE OF MANAGEMENT STATEMENT

On 27 April 2023 the Committee of Management of the Transport Workers' Union of Australia, Victorian Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the financial year ended 31 December 2022:

The Committee of Management 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 organization including the rules of the branch concerned; and
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organization including the rules of the 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 organization consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each the other reporting units of the organization; and
 - v. where information has been sought in any request by a member of the reporting unit or the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the 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.

Signature of designated officer: 

Name and title of designated officer: Kevin Whelan, Branch Trustee

Signature of designated officer: 

Name and title of designated officer: Dissio Markos, Branch Trustee

Dated: 27.4.2023

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE COMMITTEE OF MANAGEMENT OF TRANSPORT WORKERS' UNION OF AUSTRALIA
VICTORIAN TASMANIAN BRANCH**

As lead audit partner for the audit of the financial statements of Transport Workers' Union of Australia Victorian Tasmanian Branch for the year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- i) the auditor independence requirements as required by APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*; and
- ii) any applicable code of professional conduct in relation to the audit.

RYECROFTS PTY LTD



Terrence Vail
Director

Dated this 27th day of April 2023

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF TRANSPORT WORKERS' UNION OF AUSTRALIA VICTORIAN TASMANIAN BRANCH**

Opinion

We have audited the financial report of Transport Workers' Union of Australia Victorian Tasmanian Branch (the Entity), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in member equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the committee of management statement.

In our opinion, the accompanying financial report presents fairly, gives a true and fair view of the financial position of the Entity as at 31 December 2022, and performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

In our opinion, the committee of management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial report of the Entity for the year ended 31 December 2021 was audited by another auditor who expressed an unqualified opinion. The audit opinion for the year ended 31 December 2021 was issued on 5 April 2022. Our opinion is not modified in respect of this matter.

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. Other information also comprises the information included in the Entity's annual report for the year ended 31 December 2022, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee of Management for the Financial Report

The Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the Act), and for such internal control as management determines is necessary to enable the preparation of the financial report that 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 Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The Committee of Management is responsible for overseeing the Entity's financial reporting process.

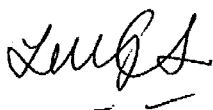
Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 our 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.

A further description of our responsibilities for the audit of the financial report is included in Appendix A of this auditor's report. This description, which is located directly after the audit report, forms part of our auditor's report.

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

RYECROFTS PTY LTD



Terry Vail
Director
Registered Company Auditor - 305706

Dated this 27th day of April 2023

Appendix A: Auditor's Responsibilities for the Audit of the Financial Report

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.